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# Israel/Palestine: Two-State Stress Test

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## Category 1 –Territory

### **Do territorial and demographic trends strain or sustain prospects for the creation of a viable, contiguous Palestinian state alongside the State of Israel?**

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#### **Rationale**

According to the assumptions of the Quartet (which consists of the US, the EU, the UN, and Russia), territorial arrangements under a two-state solution would result in a Palestinian state based on the 1967 lines that consists of a territorially-contiguous West Bank linked to the Gaza Strip – by a land corridor, a secure highway, overpass, or tunnel, as set out in most detailed proposals for a two-state solution. This state would be established on some 22 percent of historic Palestine, allowing for land swaps. Furthermore, there would be no Israeli military or civilian presence beyond the timeframe for Israeli withdrawal that could override local Palestinian needs, and Palestinians would enjoy freedom of movement within their state and access to its natural resources.

The territorial contiguity of the future Palestinian state is, however, strained by a much more pervasive factor than the geographical conundrum of linking Gaza and the West Bank. At present, the West Bank is perforated by over 100 Israeli civilian settlements and scores of civilian “outposts”, military bases, restricted roads, temporary and permanent checkpoints, and other obstacles that risk undermining territorial contiguity altogether. This category looks at the manner in which this fragmentation occurs and the degree to which it strains the creation of a viable Palestinian state.

#### **Summary of findings for January-November 2013**

The number of settlers in the West Bank continues to grow, at a higher speed than natural population growth in Israel. According to data from July 2013, the most recent estimates, there are 367,000 settlers in the West Bank (excluding Jerusalem), 7,700 of those are new residents from January-July 2013. If these estimates are confirmed, this would show a 6.68 percent increase over 2012 [when, according to the Central Bureau of Statistics, 341,400 settlers lived in the West Bank](#) and is significantly higher than [population growth in Israel proper which was 1.8 percent in 2012](#), in line with previous years.

The first six months of 2013 saw a 70 percent increase in new construction starts in settlements compared to the same period in 2012. In total, 2,840 housing units were started, under construction, or completed during this period. Thirteen days after Israeli Prime Minister Benjamin Netanyahu was reported to have suspended plans to build 20,000 homes on 12 November, Israel’s Civil Administration (for the West Bank) authorised the building of an additional 799 housing units in the West Bank, some of them in outposts. Not all of the data for 2013 is available yet, so these figures may eventually grow by the end of the year. For instance, according to data acquired by Peace Now through a Freedom of Information Act, between March and July 2013 the Ministry of Defense approved the construction of an additional 2,487 housing units in West Bank settlements, which came on top of the 6,200 units approved between November 2012 and March 2013.

As of July 2013, some 62 percent of the barrier has been completed, with a further 10 percent under construction – a slight increase from the 8 percent that was under construction in 2012. The remaining 28 percent has been mapped out but not constructed.

Palestinian access to Area C, and the resources therein, remains severely constrained, with no civil or security jurisdiction for the Palestinian Authority (PA) and very little Palestinian planning approved. While the number of permanent checkpoint has remained stable since 2012, at 61, Israeli authorities erected 2,400 flying checkpoints over the course of the first ten months of 2013, amounting to a rate of 240 per month, higher than the 213 recorded in the last quarter of 2012.

Meanwhile, the separation between the West Bank and Gaza Strip continues, with 5,908 Palestinians exiting Gaza via the Erez crossing in October 2013 and a total of 41,768 exits since the beginning of 2013. This is in line with the figures for the second half of 2012, when 24,394 Palestinians crossed through Erez, but this is only a fraction of the pre-second intifada levels, when more than 500,000 Palestinians exited from Gaza each month.

### **Logic, scoring rubric, and detailed analysis for each indicator for January-November 2013**

#### *a. Settlement growth: changes in numbers of settlements, outposts, and settlers*

##### **Significance of indicator**

Each individual settlement plays several overlapping roles: a community of Israeli citizens naturally tending to be opposed to their eviction; a core of a multi-layered security zone that affects Palestinians' freedom of movement, their housing, and their daily lives in a radius far beyond the settlement's physical boundaries; a hub on a network, necessitating links with other settlements and Israel proper through often segregated roads, infrastructure, and military patrols; and it is a progenitor of further points of settlement, with many existing settlements throwing out extensions beyond their original residential areas.

While all settlements in the West Bank are illegal according to international law, Israeli law and public discourse make a distinction between "settlements" and "outposts". The latter comprise relatively small communities often set up on public or private Palestinian lands, all established since 1993 and during the peace process and usually without formal government sanction, although successive Israeli governments have retroactively legalised some of these outposts.

Like settlements, many of these outposts enjoy state services, such as connection to the water and electricity grids (under various pretexts or the blind eye of authorities as documented in the 2005 "Sasson Report") and protection from the Israeli Defense Forces. With the exception of the eviction of residents from four settlements in the West Bank as part of the 2005 disengagement plan, outposts are the only Israeli-Jewish settlements in the West Bank to be occasionally evicted or even demolished; however, the geopolitical effect of such rare evictions is negligible compared to the "retaliatory" construction of new outposts and serve largely to constrain public debate to the issue of outposts, rendering discussion of evicting larger, recognised settlements practically moot.

##### **Scoring guide**

0 – Pending mutually-agreed and comparable land swaps between Israelis and Palestinians, Israeli authorities gradually eliminate outlying settlements and outposts,

offer incentives for settlers to relocate to Israel proper, and freeze all settlement construction. Consequently, the settler population decreases.

1 – The Israeli government publicly declares and imposes a moratorium on settlement construction. It announces its commitment to remove outlying settlements and begins that process and/or sets up a task force for that purpose. Consequently, there is no significant rise in settler numbers and even a decrease.

2 – The Israeli government imposes significant limitations on settlement construction. Authorities remove a limited number of outposts. Population growth is similar to demographic trends within Israel.

3 – Settlement construction continues at a steady pace, albeit without construction spikes or new settlements being established. New construction plans progress apace and no outposts are removed. The settler population growth remains higher than in Israel.

4 – Settlement construction increases, making the elimination of existing settlements ever less likely. The government advances significant construction plans and retroactively legalises some outposts. Population growth remains notably higher than in Israel.

5 – The government allows for the building of new settlements and the conversion of outposts into full settlements or the linking of settlements into new blocs. This further severs the West Bank into barely connected areas. The government advances the abolition of Israeli planning requirements for settlers and encourages the establishment of new outposts. Settler population growth is significantly higher than in Israel.

## Findings

According to figures from the Central Bureau of Statistics quoted by the daily *Israel HaYom*, in July 2013, the total number of settlers in the West Bank was 367,000, including 7,700 new residents who moved there between the months of January-July 2013. If these estimates are confirmed, this would show a 6.68 percent increase over 2012 when, according to the Central Bureau of Statistics, 341,400 settlers lived in the West Bank and is significantly higher than population growth in Israel proper which was 1.8 percent in 2012, in line with previous years.

The first half of 2013 saw a 70 percent increase in new construction starts in settlements compared to the same period in 2012. This comprised starts on 1,708 new settlement units compared to 995 for the same period in 2012. In total, 2,840 housing units were started, under construction, or completed during this period. According to Peace Now's calculations, this translates into 14,000 new settlers based on the assumption that each housing unit will be inhabited by a family of five.

In parallel, the Ministry of Defense approved significant settlement expansion in two waves: the first occurred between November 2012 and March 2013 and included plans for 6,200 housing units in 15 different settlements; the second, between March and July of this year, included 2,487 units. According to data obtained through a Freedom of

Information Act submitted by Peace Now, the units approved in the second wave would be located as follows: 386 housing units in Beit El – in compensation for the state’s demolition of houses in the Ulpananeighborhood – 277 units in EleiZahav, 290 units in the Har Ephraim neighbourhood of Kedumim, 550 units in Talmon, and a total of 984 units in two areas of GivatZe’ev.

On 12 November, the Minister of Housing Uri Ariel announced [tenders for the planning of](#) an additional 20,000 housing units in the West Bank, which was withdrawn two weeks later, on 29 November, in response to pressure from Netanyahu, according to reports. The plan included 1,200 new housing units in the contested E1 area adjacent to the Ma’aleAdumim settlement. The United States and [the EU](#) have repeatedly highlighted this area as vital for the territorial continuity of a future Palestinian state.

However, other quite major settlements have been allowed to grow in the shadow of the headlines generated by this announcement. For example, on 25 November, Israel [approved](#) the construction of 799 additional housing units in the settlements of GivanZe’ev, Shiloh, and Nokdim and in the outpost of GivatSal’it, where housing units and a commercial centre will replace prefab homes.

In May 2013, the Israeli government [legalised](#) four West Bank outposts – MaaleRehav’am, Giv’atAsaf, Mitzpe Lachish, and Haroeh. The government evicted residents of one small, temporary outpost (Eviatar, set up to commemorate the victim of a stabbing at Tapuach junction) within a day of the outpost’s construction, also in May 2013.

**Score: 4**

*b. Demolitions of Palestinian property and evictions*

**Significance of indicator**

Israel retains complete authority over construction permits in Area C. The lack of approved planning and zoning against which permits can be issued means that most construction in Area C of the West Bank is illegal in Israeli eyes and as such can be demolished. Demolitions demonstrate a lack of Palestinian agency, increase Palestinian hardship, and limit Palestinian social and economic development. While some of the structures demolished are used for public or commercial purposes, most are residential, resulting in the expulsion of hundreds of people every year. Others are expelled without their homes being demolished.

**Scoring guide**

0 – Israel cedes planning and building authority, including enforcement powers, in Area C to the PA in advance of a full two-state deal. Israeli authorities do not evict Palestinian residents and they do not demolish Palestinian homes.

1 – Israel incorporates “illegal” Palestinian construction into new outline plans, which include an adequate response for Palestinian development needs. Parts of Area C are designated for Palestinian planning and construction. Israeli authorities carry out demolitions only in dangerous structures and provide replacement housing. The policy is the same as that for Jewish-Israeli citizens.

2 – Without ceding its authority, Israel announces a cessation to demolitions and a selective enforcement of construction laws. The authorities continue to carry out limited evictions, but do not provide replacement housing. They allow only very limited Palestinian building in Area C.

3 – Israeli authorities continue at a low frequency to demolish Palestinian homes and evict Palestinian residents in isolation from broader development plans for increasing Jewish-Israeli presence in the Occupied Palestinian Territories. Authorities do not allow any new Palestinian construction.

4 – The Israeli government increasingly enforces construction laws, including in order to clear lands for public use or for private settlement development, with dozens of houses, including donor-funded structures, demolished.

5 – Israeli authorities conduct broad demolition campaigns in specific areas in tandem with the eviction of Palestinian residents or the revocation of their residencies. They also demolish donor-funded structures.

## Findings

Israeli authorities **demolished** a total of 413 structures in Area C of the West Bank between January and September 2013, resulting in the displacement of 615 Palestinians. International donors financed 99 of the 413 demolished structures; this number is up from a total of 79 donor-financed structures that were demolished in 2012. The monthly rate of demolitions in the same period (January-September 2013) was 49, while the number of displaced people each month was 68. This shows a very slight upward trend compared to 2012, when these figures were 45 and 67 respectively.

## Score: 4

*c. Separation barrier: penetration, percentage of completion, accessibility*

## Significance of indicator

The separation barrier runs along the northern, western, and southern sides of the West Bank in parts deep into Palestinian territory. It currently absorbs **9.4 percent** of the West Bank, which is accessible by Palestinians leaving east of it only through Israeli-manned gates. It severs Palestinian residents and territories from the main body of the prospective Palestinian state and blocks access points to vital water resources and some of the best agricultural land. The barrier's current route thus strains prospects for the two-state solution despite occasional (not to say rare) successful bids by Palestinians and Israeli peace and human rights advocacy groups to shift the path of the barrier closer to the Green Line.

The separation barrier is also altering the status quo in East Jerusalem, which Palestinians see as their future capital. It cuts East Jerusalem into two unequal parts, leaving some 90,000 Palestinian residents of the Jerusalem municipality east of the barrier. It also causes population shifts and renders many of East Jerusalem's most culturally-, religiously-, and economically-significant areas **inaccessible** to most Palestinian residents of the West Bank. This trend, initiated by security restrictions and checkpoints instituted throughout the 1990s, is ultimately leading Palestinians in areas adjacent to East Jerusalem such as Qalandia and al-Ram to shift economic activity to Ramallah, weakening East Jerusalem's significance as a national economic hub.

## Scoring guide

0 – Israeli authorities move the entirety of the separation barrier to the Green Line and/or begin to demolish it.

1 – Israeli authorities demolish or relocate sections of the separation barrier to the Green Line and offer compensation in land and funds to the PA or Palestinian communities. East Jerusalem becomes accessible to Palestinians.

2 – Israeli authorities stop construction of the barrier altogether; gates leading to Palestinian agricultural land remain open; authorities grant increased access to Jerusalem.

3 – Barrier construction continues, with continued restricted access to agricultural gates and limited access for West Bankers to East Jerusalem.

4 – The separation barrier nears completion, taking in a more expansive route, with most agricultural gates mostly closed. Israeli authorities further reduce Palestinian access to Jerusalem.

5 – Israeli authorities complete the construction of the barrier, which incorporates greater swathes of Palestinian land than is currently proposed, while largely removing agricultural gates. Authorities impose new broad-ranging restrictions on Palestinian access to Jerusalem.

## Findings

As of July 2013, some **62 percent** of the barrier has been completed, with a further 10 percent under construction – a slight increase from the 8 percent that was under construction in 2012. The remaining 28 percent has been mapped out but not constructed.

Following a September 2009 ruling by the Supreme Court filed by the Association for Civil Rights in 2005, Israeli authorities changed the route of a small section of the barrier fence in May 2013 so that it would be built next to, rather than through, Khirbat Jabra to accommodate the inhabitants' requests. The final verdict came only after a very long legal battle in which the state exhausted all instances of appeal and delays.

In the south of Jerusalem near the Palestinian town of al-Walaja (jointly administered by the Bethlehem Governorate and Jerusalem Municipality), Israeli authorities, as of November 2013, are currently constructing a new section of the separation barrier that will cut off the Palestinian residents of al-Walaja from Jerusalem. As a result, Palestinians in the area regularly protest against the route of the barrier.

In 2012, 15,000 Palestinians travelled from the West Bank to the walled-in section of East Jerusalem every day, and no significant changes have been reported so far in 2013.

In 2013, the presence of 74 agricultural access gates in the barrier was recorded, but Israeli authorities opened only 22 of those on a regular basis, while opening the remaining 52 only during the October-December harvest season.

**Score: 3**

#### *d. Control and access to Area C*

##### **Significance of indicator**

Israel's strictures on access and movement across the Occupied Palestinian Territories (OPTs), especially those that prevent the PA from administering and developing Area C, are core impediments to advancing closer to a two-state reality on the ground given that most of the Palestinian state will be in land that is today Area C. Future economic growth in the OPTs is also contingent upon resources in Area C; extending Palestinian presence and control in Area C in the interim period is therefore also crucial for the Palestinian economy.

##### **Scoring guide**

- 0 – The PA has full civil and security control in Area C.
- 1 – The PA has significant civil and security control in large parts of Area C.
- 2 – The PA has significant civil control in large parts of Area C and a limited security presence in some parts of Area C.
- 3 – The PA has no control over Area C, although it is allowed a significant civilian presence in parts.
- 4 – The PA has a very limited civilian presence in Area C.
- 5 – The PA has no presence in Area C.

##### **Findings**

To date, the PA has not extended its jurisdiction into any part of Area C. Area C remains under full Israeli military and civil control.

According to the March 2013 [report](#) of the UN Special Coordinator for the Middle East Peace Process, in the limited area where Israel has allowed some Palestinian civilian presence, 20 schools and health care centres are being developed and a further 17 are in planning. However, since 2010, Palestinians submitted an additional 32 planning schemes to Israeli authorities but they have not been approved and no planning or permissions, required to address the needs of most of the 220 Palestinian communities living in Area C, are envisioned.

##### **Score: 4**

#### *e. Freedom of movement inside and beyond the OPTs*

##### **Significance of indicator**

The PA has very little control over the freedom of movement of people and goods within and between the West Bank and Gaza and between the OPTs and third countries. A Palestinian state will depend on territorial contiguity and freedom of movement, not just in the West Bank but between the West Bank and Gaza, the latter of which has been acutely constrained since the Gaza blockade. The freedom to move beyond the borders of the OPTs is also critically important. Ultimately, mobility restrictions hamper the development of Palestine-wide civil society, economic life, integration, and national politics, with clear implications for statehood.

## Scoring guide

0 – Freedom of movement within and between the West Bank and Gaza and to third countries is unobstructed.

1 – Freedom of movement within the West Bank, between the West Bank and Gaza and to third countries experiences a low level of interference.

2 – Freedom of movement within the West Bank faces limited numbers of obstacles, while there is increased movement between the West Bank and Gaza and to third countries.

3 – Freedom of movement within the West Bank faces significant numbers of obstacles, and there is low movement between the West Bank and Gaza or to third countries.

4 – Freedom of movement within the West Bank faces high numbers of obstacles, and movement between the West Bank and Gaza or to third countries is highly restricted, or there is none at all.

5 – Israel imposes a full closure policy in the West Bank, and there is almost no movement between the West Bank and Gaza and to third countries.

## Findings

The Israeli government continues to enforce the separation between the West Bank and Gaza (with Palestinian support in some respects). In October 2013, [5,908 Palestinians](#) Gaza via the Erez crossing, and since the beginning of 2013, a total of 41,768 Palestinians exited through Erez. This is in line with the figures for the second half of 2012 when 24,394 crossed through Erez, but it is still a fraction of the pre-second intifada levels, when more than 500,000 Palestinians exited from Gaza each month. These figures, however, also include a number of Palestinians whose destination was Israel rather than the West Bank, mainly for medical reasons.

According to the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA), between January and October 2013 Israeli authorities in the West Bank erected 2,400 flying checkpoints, amounting to an average rate of 240 per month, up from an average of 213 in the last quarter of 2012.

The total number of permanent and manned checkpoints is 61, the same as in 2012. Nevertheless, these are not the only barrier to freedom of movement in the West Bank. As of September 2012, [permanent physical barriers to access and movement in the West Bank numbered 542](#), but there has been some improvement in travel between some of the key urban centres, like Nablus, TulKarm, Salfit, Ramallah, Hebron, and Jericho. However, Palestinian movement in Hebron, the second largest city in the West Bank, still remained heavily constrained, with 123 barriers in the city protecting the five main Israeli settlements. At the same time, Israeli administrative restrictions (road prohibitions, permit requirements, and age restrictions) around the West Bank are not easing. Palestinian travel to third countries occurs only under Israeli supervision (and that of Egypt when it comes to Gaza) and is based on a permit procedure.

**Score: 4**

## Category 2 - Jerusalem

### **Do trends in Jerusalem strain or sustain the prospects of it being the capital of both states?**

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#### **Rationale**

The Oslo Accords defined East Jerusalem as an issue to be settled in a final status agreement, and it is difficult to envisage a two-state solution that does not address this issue. The Palestinians recognise Israeli claims to West Jerusalem, while the fate of the Old City remains a contentious issue. Israeli fears over continued access to the holy sites in the event of a final status agreement persist and have traditionally been part of the equation during peace talks. Conversely, there is no Israeli consensus regarding acceptance of occupied East Jerusalem as being Palestinian.

Proposals for the shared, joint, or divided administration of East Jerusalem have long accompanied the peace process. The [Clinton Parameters](#) envisioned dividing sovereignty in East Jerusalem beyond the Old City walls along ethnic lines and, for the Old City itself, suggested Jewish sovereignty over the Western Wall and Palestinian sovereignty over the Temple Mount. The informal [Geneva Initiative](#) endorsed and further fleshed out these provisions. The Olmert-Abbas talks, which followed the 2007 Annapolis conference, apparently were based on a more international solution for the Old City. The applicability of these proposals, however, in part depends on the demographic and political alignment on the ground.

While the diplomatic process on Jerusalem has long stagnated, the realities on the ground keep changing. This category tracks these changes and evaluates to which degree they strain or sustain the possibility of sharing or dividing sovereignty in Jerusalem.

#### **Summary of findings for January-November 2013**

Despite occasional claims of an undeclared settlement freeze in East Jerusalem, some important developments have taken place so far in 2013. The Israeli government approved plans for 2,422 units in Ramat Shlomo and Gilo and projects for two parks in the Givati parking lot area and on the slopes of Mount Scopus, which will further break the territorial continuity of Palestinian neighbourhoods in East Jerusalem. On 30 October, the Israeli cabinet “reinforced” the planning for the Israeli settlement of Ramat Shlomo in East Jerusalem, which will allow for the building of an additional 1,500 housing units. And finally, on 12 November, Housing Minister Uri Ariel announced a plan to build 4,500 units in a new settlement in Atarot. While the plan was withdrawn on 29 November, it could still be considered for the future.

This year marks an ostensible decrease in tenders from 2012, when 2,386 units reached construction stage and 6,932 reached the pre-construction stage. From January to November 2013, the Israeli government issued tenders for 1,618 housing units in the settlements of PisgatZe’ev, HarHoma, Gilo, and Ramat Shlomo, but all of these tenders were issued over a period of four months, from August to November, when talks were underway. The accumulated build-up of stock from 2012, which will soon be available on the market, however, partially explains the absence of new developments in the first half of 2013.

At the same time, there has been a rise in demolitions and evictions of Palestinians in East Jerusalem. From January to September 2013, Israeli authorities demolished 80 structures in

this part of the city, resulting in the displacement of 257 people. This amounts to a monthly rate of nine demolitions, up from five in 2012, and 28 Palestinians displaced, up from six in 2012.

Meanwhile, none of the processes strengthening Israeli control over East Jerusalem have been rolled back: Israeli authorities have not removed any settler enclaves, have not considered Palestinian involvement in any planning procedures, and continue to restrict Palestinian access to holy places. Moreover, Palestinian Authority (PA) activity in Jerusalem remains banned, and Palestinian institutions have not been re-opened.

### **Logic, scoring rubric, and detailed analysis for each indicator for January-September 2013**

#### *a. Israeli presence in East Jerusalem*

#### **Significance of indicator**

Israel regards East Jerusalem as an integral part of its own territory, having annexed it shortly after the Six-Day War in 1967. Since then, the city has seen dramatic public and private development for Israelis, including residential neighbourhoods, security installations, and public institutions. While some of these serve all local residents, Palestinian and Jewish, nearly all also act as a means for strengthening Israel's hold on the east of the city and cementing its interdependence with the west.

#### **Scoring guide**

0 – In view of a future agreement on Jerusalem, Israel retains a minimal military presence in East Jerusalem but gradually withdraws its administrative control of public and residential administration and allows joint management of cross-city infrastructure.

1 – While retaining military installations in East Jerusalem, the Israeli government begins a process of dividing responsibility for Jewish and Palestinian neighbourhoods and of devolving local governance functions in Palestinian neighbourhoods.

2 – Israel stops construction of Jewish residential homes and public institutions in East Jerusalem and no longer supports the migration of more residents into Jewish enclaves.

3 – Israel continues building private and public structures in East Jerusalem but does not announce major new construction or development projects. The population of Jewish enclaves in Palestinian neighbourhoods increases but not significantly.

4 – Israel accelerates the construction of residential homes in East Jerusalem, increases Jewish settlement enclaves within Palestinian locales, and carries out major public works that affect the geopolitical landscape of the city. The Israeli Knesset approves legislation that makes it increasingly difficult for the government to negotiate on Jerusalem.

5 – The Israeli government builds new Jewish neighbourhoods, possibly based on the Jewish enclaves already in Palestinian neighbourhoods. Israel locates further significant public institutions to East Jerusalem. The Israeli Knesset approves legislation that makes it impossible for the government to negotiate on Jerusalem.

## Findings

The months between August and November 2013 registered an unparalleled spike in settlement tenders in East Jerusalem when 1,618 housing units were tendered in the settlements of PisgatZe'ev, HarHoma, Gilo, and Ramat Shlomo.

2013 also saw the government approve plans for 2,422 units in Ramat Shlomo and Gilo and projects in the Givati parking lot area and for parks in Refaim and on the slopes of Mount Scopus, which will further break the territorial continuity of Palestinian neighbourhoods in East Jerusalem.

On 30 October, the Israeli cabinet “reinforced” the planning for the Israeli settlement of Ramat Shlomo in East Jerusalem, which will allow for the building of an additional 1,500 housing units. Within several months, the Israeli government can issue building permits, the next stage in settlement building, which ends with tenders. In the same provision, the Israeli cabinet allowed Ramat Shlomo residents to add 50 square meters to existing buildings.

On 12 November, Housing Minister Uri Ariel announced a tender for the planning of 4,500 units in a new settlement in Atarot. While the plan was withdrawn on 29 November, it could still be considered for the future, and if enacted, it would also contribute to the fracturing of the territorial continuity of Palestinian neighbourhoods in East Jerusalem.<sup>1</sup>

In May, the Israeli government opened a [new road](#) (Route 20) that links Route 443 to the road between Jerusalem and the Israeli settlement of Ma'aleAdumim, cutting the neighbourhood of Beit Hanina in two.

On the legislative side, a ministerial committee approved a [bill](#) requiring a two-thirds majority in the Knesset for the government to start negotiations on Jerusalem. The bill was not brought before the Knesset for a vote due to opposition from Prime Minister Benjamin Netanyahu.

### Score: 3

#### *b. Palestinian presence and activity in East Jerusalem*

### Significance of indicator

The degree to which Palestinians can lay claim to East Jerusalem to a large extent depends on Palestinian physical and political presence on the ground. The former includes the ratio of Palestinian construction and residency; the latter, Palestinian institutional activity on the municipal and government levels, including involvement in planning and construction and maintenance of diplomatic or other governmental presence in the city.

### Scoring guide

0 – In view of a future agreement on the city, the PA opens offices and provides government services in East Jerusalem. It gradually assumes planning and zoning

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<sup>1</sup>The settlement process begins with planning followed by the issuing of tenders. Building permits are the last stage. This procedure is not required for all settlement building, and the press has reported that the Netanyahu government plans to remove it altogether

powers from the Israeli government, including the enforcement of construction laws. The Israeli government accepts a limited Palestinian security presence.

1 – The PA opens a symbolic residence or office in East Jerusalem, awarding some services to local residents. Israel consults the PA on zoning and construction in East Jerusalem and retroactively legalises “illegal” Palestinian construction.

2 – Israel allows for broad PA involvement in community affairs in East Jerusalem, without allowing official representation, and does not enforce its construction laws in the area.

3 – Israel conducts limited demolitions of Palestinian homes and structures and does not allow significant new construction in East Jerusalem. The Israeli government tolerates discreet PA involvement in community affairs in the area.

4 – Israel consistently carries out demolitions of Palestinian construction in East Jerusalem, rescinds residency permits, and prevents a PA presence or PA involvement in the city.

5 – Israel undertakes major demolition projects against Palestinian construction in East Jerusalem, actively prosecutes those involved in PA/PLO activity in East Jerusalem, and rescinds mass numbers of residency permits.

## **Findings**

So far in 2013, Palestinians have not been involved in planning or building in East Jerusalem. Palestinian residential construction continued unchecked and unmonitored between the barrier and the municipal border of East Jerusalem, with IrAmim reporting the construction of several high-rise apartment buildings in Shu’afat refugee camp.

The Israeli government has completely blocked PA and PLO activity in East Jerusalem. For example, on 24 June 2013, the Israeli minister of public security **shut down** a children’s puppet festival that had some financial support from the PA.

From January to September 2013, Israeli authorities demolished 80 structures in East Jerusalem, resulting in the displacement of 257 Palestinians. This amounts to nine demolitions per month, up from five in 2012, and 28 Palestinians displaced per month compared to six in 2012.

## **Score: 4**

### *c. Status quo in the Old City*

#### **Significance of indicator**

Negotiators have long treated the Old City, with its dense population of Palestinians, Jews, and several Christian communities and its multiplicity of holy sites, as an issue distinct from that of East Jerusalem and therefore requiring specific solutions. These solutions would require the status quo in the Old City to change significantly so that Palestinian and Jewish interests are both able to be accommodated, and in the meantime, for arrangements to not further advance the interests of the latter over those of the former.

Potential negative changes to the status quo would include evictions of Palestinian residents in favour of Jewish ones, the construction or demolition of new religious structures, and

permanent changes to the public's access to holy places, such as the Temple Mount/Haram al-Sharif. Access agreeable to all parties will have to be part of any permanent solution as will some form of mutual acceptance of the religious significance of the various sites to the respective parties, however, this is not something that can currently be measured.

### **Scoring guide**

0 – Israel and the PLO agree on interim arrangements for shared management arrangements in the Old City and Temple Mount/Haram al-Sharif, possibly with international involvement. They also agree on free access to the Temple Mount/Haram al-Sharif. Security arrangements that serve all communities are put in place.

1 – Israel and the PLO agree on access to holy places for Jews and for Palestinians from the West Bank and Gaza. Israeli authorities tolerate a discreet PLO presence in the Old City, and development in the Old City is carried out in accordance with the needs of the local population without prejudice.

2 – Israeli authorities lift many of the restrictions regarding access to holy places for Palestinians from the West Bank and Gaza. Israel ceases settlement and exclusively controlled archaeological activity in the Old City.

3 – Israeli authorities restrict access to holy places for Palestinians from the West Bank and Gaza and carry out development in accordance with national-political goals, giving preferential treatment to the Jewish population.

4 – Israeli authorities increase restrictions on access to holy places for Palestinians from the West Bank and Gaza and allow increased Jewish settlement activity and pursue evictions of Palestinians living in the Old City. Israeli authorities unilaterally decide to allow a limited increase of Jewish access to the Temple Mount.

5 – The Israeli government severely constrains Palestinian access to holy places and allows a permanent Jewish religious presence on the Temple Mount. Israeli-led development heavily favours Jewish residents and results in significant Palestinian migration out of the Old City. Excavations are undertaken that threaten non-Jewish antiquities.

### **Findings**

While no actual changes to the status quo took place in the Old City in 2013, January saw the scaling down of a new [Master Plan](#) introduced in December 2012. The plan would have equalised planning and construction procedures for Palestinians and Jews and aligned the development of public spaces closer to population needs. The plan would have cut through much of the red tape currently required for any change to existing structures in the Old City, allowed Jewish and Palestinian home owners to add up to 30 square meters to their homes, make sanitary improvements, and utilise underground spaces. Within weeks of its introduction, most of the significant changes in the plan were scaled back under pressure from pro-settler organisations.

In terms of access to religious sites, Israeli authorities implemented restrictions on Palestinian Muslims who wish to worship at the Haram al Sharif/Temple Mount. For security reasons, men from the West Bank aged 18-40 are prohibited from entering the compound on days of potential high tensions. On occasion, authorities also extend this prohibition to Palestinian

Jerusalemites. Meanwhile, right-wing Jewish figures are increasingly attempting to ascend the Temple Mount and perform religious rituals there, though Israeli authorities still prevent most from doing so.

A poll conducted in July 2013 on behalf of organisations advocating Jewish worship on the Temple Mount [found](#) that 68 percent of Israeli Jews think that Jews and Muslims should both be allowed to pray there, similar to Jewish Israeli views on access to the Cave of the Patriarchs in Hebron, and just over 30 percent of Israeli Jews support rebuilding the temple at some point in the future. A poll conducted in 2012 by pro-settler broadsheet *MakorRishon* indicated 22 percent support for rebuilding the temple if works were to commence at once. Unilaterally implementing measures in this direction could severely strain the status quo arrangements in place – Israeli authorities currently limit Jewish access, which, in a two state scenario, would presumably have to be regulated through mutual agreement.

**Score: 3**

### **Category 3 – Diplomacy**

## **Do diplomatic interventions/diplomacy strain or sustain prospects for the negotiated establishment of a Palestinian state?**

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### **Rationale**

While negotiations between Israelis and Palestinians are the focus of efforts to produce a lasting political agreement, the ability and willingness of third parties to shape the positions of, encourage, and exert leverage over both sides in order to create conditions conducive to successful negotiations and the full implementation of a prospective agreement are also deemed to be crucial. Experience would suggest that bilateral negotiations are in need of strong and decisive international support and perhaps relevant and externally-generated incentive and disincentive structures. Third-party neglect or the adoption of an overly cautious role will not advance a two-state solution. More determined involvement by third parties is therefore needed in order to forge an agreement between both sides.

This category discusses the diplomatic interventions of third-party actors. The United States has, theoretically at least, considerable leverage over Israel given the two countries' longstanding special relationship, while its role in supporting the Palestinian Authority (PA) should not be underestimated when considering the impact of negotiations on the Palestinian domestic scene. Europe also has a role to play in transforming the dynamics surrounding Israel's discourse on the continued occupation of Palestinian territories and the current cost/benefit calculations of the Israeli public. Active involvement by the Arab League and Arab governments in peace negotiations is relevant given that a final peace settlement will be more likely if it extends to the normalisation of relations between Israel and Arab states and includes an element of settling Palestinian refugees in host countries.

### **Summary of findings for January-November 2013**

Growing acknowledgment of the urgency of restarting the peace process and increasing high-level warnings of a rapidly closing window for achieving a two-state solution were among the reasons that led the United States to renew its engagement in the Middle East Peace Process (MEPP) after a period of relative absence. While the US has succeeded in launching peace negotiations based on a nine-month timeline for final-status negotiations, both sides have been unable to agree to clear terms of reference or a negotiating agenda that builds on previous talks. The US has also sought to include greater Arab participation within the peace process, leading to the announcement in Washington on 30 April 2013 by Qatar's then Foreign Minister Hamad bin Jassim bin Jaber al-Thani that the Arab Peace Initiative allowed for comparable and mutually-agreed land swaps along the 1967 borders. This came on the heels of United Nations General Assembly (UNGA) recognition of Palestine as a non-member state in 2012.

Efforts to bring co-ordinated action to challenge illegal Israeli activities in the Occupied Palestinian Territories (OPTs) and curb settlement construction have to date not yielded significant progress. Nor has the European Union succeeded in moderating Israel's stance vis-à-vis the Palestinians as a reciprocal move for thickening relations despite the suspension of an "upgrade" declared in 2009. Nevertheless, the EU's decision to issue guidelines excluding settlements from EU projects along with increasing talk of labelling settlement products, and the consequent alarm this has provoked amongst Israelis, represent a potentially significant milestone in attempts to alter Israel's cost/benefit calculations towards the

occupation – although the extent to which the EU will seek ways in which to further apply its leverage remains unclear.

## **Logic, scoring rubric, and detailed analysis for each indicator for January-November 2013**

### *a. Progress in Israeli/Palestinian negotiations*

The assumption underpinning this category in the Two-State Stress Test is that direct negotiations between Israelis and Palestinians have an important role to play in producing a lasting political agreement on the basis of two states for two people. The ability and willingness of both sides to enter into meaningful negotiations is therefore seen as an important component for the achievement of a final settlement to the Palestinian/Israeli conflict. While the relevance of the focus on negotiations is open to question, it is still the position of the Quartet and the two parties to advance negotiations and is therefore included as a metric here.

### **Scoring guide**

0 – Direct leadership negotiations are based on clear terms of reference leading to clear indications of progress on final status issues and a clear timeline with implementation guarantees. Both sides demonstrate serious engagement and clear public signalling to that effect, including messaging that prepares their respective publics for relevant compromises.

1 – Direct senior negotiations have some anchoring in terms of reference and a negotiating agenda. Both sides publicly demonstrate a willingness to continue negotiations over final status issues and engage in confidence building measures.

2 – Negotiations occur at a senior level; discussions focus more on terms of reference and an agenda for talks. Disagreements are clear and progress is elusive despite officials from both sides publicly committing themselves to the talks.

3 – Negotiations assume an on/off character and could be delegated to lower level officials. Leaders on both sides publically declare their willingness to continue negotiations, but at least one side adopts negotiating positions that hinder the advancement of negotiations.

4 – Negotiations are postponed, but not called off indefinitely. Palestinians or Israelis refuse to meet with at least one side, emphasising positions or preconditions that are incompatible with consensus international positions.

5 – Negotiations remain in abeyance for a prolonged period, with both sides dismissing the possibility of imminently resuming talks and/or actively seeking to undermine their viability.

### **Findings**

In 2013, Israeli Prime Minister Benjamin Netanyahu and Palestinian President Mahmoud Abbas agreed to resume negotiations under US oversight based on a nine-month timeline for final-status negotiations, although differences remain between both sides over terms of reference and how to build upon previous negotiations. Preliminary talks were held in

Washington at the end of July 2013 between Israeli Justice Minister Tzipi Livni and chief Palestinian negotiator Saeb Erekat, with direct negotiations resuming in August.

The resumption of peace talks followed Israel's decision to release 104 Palestinian prisoners detained prior to the Oslo Agreement in four tranches spread over the nine months – one of the Palestinian terms set for resuming talks. Israel's continued settlement expansion has, however, led to several crises in the talks, often coinciding with settlement decisions dovetailing prisoner releases. Ultimately, a lack of progress and continued settlement building led the Palestinian negotiating team to briefly tender their resignations on 31 October. Abbas has though vowed to continue talks, and negotiators have indeed continued meeting. Prior to this, no formal Israeli/Palestinian negotiations had occurred since January 2012 in Amman.

**Score: 2**

*b. US approach*

The US has historically taken the lead role in sponsoring negotiations and agreements between Israelis and Palestinians as well as between Israel and Arab neighbours. Although active US engagement is seen as critical to hammering out a deal between both sides and guaranteeing full implementation of a peace agreement, the historic asymmetry in its dealings with Israelis and Palestinians have impaired the US' ability to play the role of an effective mediator. Should it choose to do so, the US is however able to deploy a powerful combination of incentives and disincentives that are aligned with the requirements of a two-state solution and international law.

**Scoring guide**

0 – The US is intensely engaged in brokering peace talks and demonstrates a willingness to present balanced proposals and terms of reference, to deploy incentives and disincentives with both parties, and to hold them publicly accountable for actions that undermine the peace process and viability of the two-state solution.

1 – The US is intensely engaged in mediating peace talks and is willing to pursue at least one of the following options in advancing those talks: presenting balanced proposals and terms of reference, deploying incentives and disincentives with both parties, or holding them publicly accountable for actions that undermine the peace process and viability of the two-state solution.

2 – The US is actively engaged in peace talks and sets progress in the MEPP as a foreign policy priority. The US does not deploy proposals, incentives/disincentives, or naming and shaming vis-à-vis the parties but does not rule out one or more of these options.

3 – Progress on Israel/Palestine remains high on the US foreign policy priority list and the US remains engaged at high levels, but engagement is intermittent, and the US shows no propensity to directly intervene in any way.

4 – US engagement on the MEPP is downgraded, is infrequent, and does not feature as a foreign policy priority. Bilateral relations with Israel are conducted largely without reference to the MEPP. The US does remain committed to a two-state solution.

5 – The US publicly downgrades its commitment to Israel/Palestine peace and to a two-state solution; US policy shows signs of exploring alternatives to two states – most likely at Israel’s behest.

## **Findings**

Since Barack Obama’s first presidential visit to Israel and the West Bank in March 2013, the US has entered a period of intense engagement. US Secretary of State John Kerry has since spearheaded US efforts, visiting Israel and the West Bank **seven times** since his appointment in February 2013 and also meeting Israeli and Palestinian leaders elsewhere, as with Netanyahu in Rome. By way of comparison, former US Secretary of State Hillary Clinton visited Israel and the OPTs **five times** between 2009 and 2012. Following his appointment as US special envoy for Israeli-Palestinian negotiations at the end of July 2013, Martin Indyk spent ten consecutive days in Israel/Palestine, although Kerry has defined his role more as that of “facilitator” than that of “mediator”. While Indyk’s presence during the first three rounds of talks was negligible, he has since taken a more active role in subsequent rounds. The US negotiating team has also been strengthened, possibly in preparation for the US having to present their own terms of reference and bridging proposals in early 2014.

Even though it has repeatedly reaffirmed its refusal to accept the legitimacy of continued settlement activity, the US has remained guarded in its criticism of Israeli actions. Kerry criticised the EU’s decision in July 2013 to issue guidelines at that time excluding settlement entities from EU funding, while unconfirmed press reports suggested that US officials were quietly supportive of the EU’s move. But during a meeting with EU foreign ministers at the Gymnich gathering in Vilnius on 7 September, Kerry pushed for a delay in the implementation of EU guidelines on settlement funding. In follow-up meetings with Europeans, US officials have also pushed this line.

Despite initial pressure from the US and Israel and the threat of financial sanctions against the Palestinians for pursuing the November 2012 UNGA resolution recognising Palestine as a non-member observer state, there was in fact little fallout pursuant to the UN vote. As an incentive for a Palestinian agreement to re-enter negotiations with Israel, Kerry **proposed** a \$4 billion economic package in May 2013 designed to help grow the Palestinian economy by 50 percent over the next three years. Possible details of this plan were floated during the 25 September meeting of the Ad-Hoc Liaison Committee in New York. However the plan has still not been formally introduced or implemented, apparently due to Israeli objections to measures that it would have to take to allow Palestinian economic progress to advance.

## **Score: 2**

### *c. EU Approach*

Europe has a potentially important role to play in creating the conditions necessary for progress in meaningful peace negotiations thanks to its geographic proximity and deep ties to the parties, notably Israel. By virtue of its regional isolation, Europe constitutes Israel’s main partner in trade, research, and development, it is the place where Israelis most frequently visit, and there is continued close cultural and sporting co-operation. The EU is also the largest donor of financial assistance to the Palestinians. Barring any US action, the unique combination of carrots and sticks at Europe’s disposal is potentially capable of having the most noticeable impact on the cost/benefit calculations of both sides, especially on Israel.

## **Scoring guide**

0 – The EU and its member states are united behind a common strategy. The EU demonstrates a willingness to deploy far-reaching incentives and disincentives with either party in support of a two-state solution and to discourage steps to undermine the establishment of two states. The EU likewise deploys instruments to promote adherence to international law by the occupying power. Conflict resolution takes clear priority of thickening bilateral relations in the EU’s dealings with Israel and the Palestinian Authority/Palestinian Liberation Organization.

1 – There is a solid EU/member state consensus on deploying meaningful incentives and disincentives with either party to support a two-state solution, to encourage respect for international law, and to condition significant elements of bilateral relations with the parties on progress on the two-state solution.

2 – There is a sufficient consensus to move forward with applying EU policy on the MEPP and to bring EU policies and agreements in line with this policy, thereby creating new elements of incentives/disincentives vis-à-vis the parties. Europeans pursue both the thickening of bilateral relations and conflict resolution with the parties but are only willing on occasion to prioritise the latter over the former.

3 – There is an EU consensus to continue to pursue messaging, statements, and conclusions unequivocally in favour of a two-state solution and to call out either party if/when its actions run counter to a two-state solution or to international law commitments. Policies that re-enforce these statements are less forthcoming. The EU gives conflict resolution and bilateral relations approximately equal weight in relations with the parties.

4 – EU consensus is able to sustain little more than a continued and declared commitment to a two-state solution and to messaging in this vein. Member states pursue a variety of bilateral policies, some of which emphasise strengthening bilateral relations and others emphasise the conflict, but neither public diplomacy nor leverage are brought to bear to advance a two-state solution.

5 – There is no EU consensus, as member states are divided between those that are committed to a two-state solution and those who have largely given up, no longer prioritise the issue, and largely accept a permanent status quo or alternatives. EU member states de-prioritise this issue in their relations with Israel (and where relevant the US), which are increasingly de-linked from the Palestinian issue.

## **Findings**

The EU has continued to issue a number of statements condemning Israeli settlement actions. While these do not necessarily translate into political action, they do nevertheless demonstrate European attention to the MEPP in general and the settlement issue specifically. In 2013, for example, EU High Representative Catherine Ashton issued [five statements](#) relating to developments in East Jerusalem and Israeli activities in the OPTs. By comparison, 2012 saw Ashton issue [seven statements](#) deploring Israeli settlement activity and visit Israel and the OPTs twice (in January and May).

Meanwhile, 2013 has so far seen only one set of EU Foreign Affairs Committee (FAC) conclusions, issued in July, in support of US efforts to resume final-status negotiations – although the December FAC conclusions are expected to include a reference to the MEPP. During this period, two previous FAC meetings ([February](#) and [June](#)) addressed the MEPP,

but no conclusions were issued. By comparison, 2012 saw [three sets](#) of European Council Conclusions on the MEPP. The lack of MEPP FAC conclusions and EU statements in 2013 can in part be attributed to the EU's decision to refrain from public declarations so as not to interfere with US actions to re-launch negotiations.

On the technical level, the most recent EU-Israel Association Council [meeting](#), in July 2012, identified a list of 60 concrete actions in 15 fields whereby the EU-Israel relationship could be further thickened. This was followed, in June 2013, by the signing of an [“Open Skies” agreement](#), paving the way for more direct flights between the two countries, and in October 2013, by a Global Navigation Satellite System (GNSS) accord for co-operation on navigation satellites. Such moves have however failed to moderate Israel's stance vis-à-vis the Palestinians. Moreover, these agreements would seem to imply that the EU's decision in 2009 to suspend any upgrades in its relations with Israel and put on hold negotiations on a new Association Agreement until a peace agreement is reached with the Palestinians has not been fully adhered to.

Nevertheless, the EU has taken several steps towards enforcing the distinction between Israel and the OPTs and excluding settlements from EU funding. While these are of minor significance in economic terms (with, for instance, only 0.5 percent of relevant EU project funding for Israel likely to be affected), the strong reaction they provoked amongst both the public and political elites in Israel constitutes a concrete step towards affecting Israel's cost/benefit calculations

In March 2013, Ashton drew up a [letter](#) to EU foreign ministers calling on the full implementation of existing EU legislation to distinguish settlement products, eliciting the support of [13 EU foreign ministers](#) in April 2013. Such a move is largely symbolic, and, as of June 2013, the implementation and issuing of guidelines has been delayed.

In July 2013, the European Commission did issue a set of [guidelines](#) making clear its Israel/OPT distinction for funding purposes and therefore barring EU support for research and development projects under Horizon 2020 conducted by Israeli entities based in occupied territories. This led to widespread alarm in Israel, and the publication of these guidelines appeared to be helpful in persuading both Palestinians and Israelis to resume negotiations. Despite extensive negotiations with Israel over the guidelines, the EU held its line and the Israeli government ultimately agreed to adhere to them with the inclusion of caveats. These caveats were practically inconsequential but offered Israel a domestic political ladder to climb down without challenging its narrative. As a result, the EU was able to implement its guidelines in an effective fashion.

## **Score: 2**

### *d. Arab League incentives/disincentives*

Ultimately, a final peace settlement between Palestinians and Israelis will be more likely if it involves the establishment of relations between Israel and Arab states and includes an element of settling Palestinian refugees in host countries. The active involvement of the Arab League and Arab governments in formulating or endorsing a peace plan, therefore, has an important role in legitimising any peace agreement between Israel and Palestine on both sides. Arab leaders can also help in pushing Hamas and Fatah towards reconciliation and in convincing Hamas to implicitly support a two-state outcome and peace negotiations. Moreover, the ability of Arab states to deploy leverage vis-à-vis third parties in support of

Palestinian negotiating positions has the potential to act as a counterbalance to US asymmetry in the MEPP.

### Scoring guide

0 – Arab states support the Palestinians in ways that constructively balance US support for Israel, including expressing their willingness to deploy leverage as a foreign policy priority. Arab states support consensus two-state parameters and demonstrate their willingness to support the Arab Peace Initiative with Israel if a deal between the Israelis and Palestinians is reached and implemented and to back Palestinian negotiators in line with this. Arab states actively advance Palestinian national unity as a priority.

1 – Arab states are willing to deploy elements of leverage to advance a two-state solution and support the Palestinians, actively give the Palestinians backing to make a deal along consensus lines, and actively promote the Arab Peace Initiative with Israel as something that will be implemented if Israel delivers on a two-state deal. Arab states are engaged in advancing Palestinian national unity.

2 – Arab states continue to stand behind the Arab Peace Initiative and a two-state settlement. They also provide backing to Palestinian negotiators. Arab states support Palestinian unity but are only intermittently engaged to advance it. Arab states do not deploy leverage on Israel/Palestine.

3 – Arab states continue to endorse a two-state solution but are largely inactive on the issue, and it is not a priority. They do not actively support peace efforts. They are disengaged from intra-Palestinian reconciliation efforts and support rival Palestinian groups.

4 – Arab states distance themselves from the Arab Peace Initiative, from the two-state solution, and from any peace negotiating effort if relevant. Actions by Arab states directly contribute to intra-Palestinian strife.

5 – Arab states and the Arab League formally renounce the Arab Peace Initiative and the viability of a two-state solution. Arab states pursue distinctively different outcomes or a specific alternative to a two-state solution. If relevant, Arab leaders actively seek to undermine Palestinian unity.

In March 2013, Qatar [proposed](#) that the Arab League create a \$1 billion fund to protect the Arab and Islamic heritage of Jerusalem. This was followed, in April 2013, by an [announcement](#) from Qatar's then Foreign Minister Hamad bin Jassim that the Arab Peace Initiative (API) allowed for comparable and mutually-agreed land swaps along the 1967 borders. And in July, a delegation of nine foreign ministers from Arab League countries attended a meeting in Amman between Kerry and Abbas during which they gave the Palestinian leader their full backing to return to the negotiating table. The API follow-up committee has also frequently met with Kerry and has actively supported renewed talks. But despite possessing potentially significant sources of leverage vis-à-vis third parties, Arab states have not yet used this to advance the prospects of a Palestinian state in 2013.

Moreover, despite much commentary and speculation regarding closer Israeli-Arab state coordination over Iran and other regional files, notably with Saudi Arabia, this has so far not translated into closer agreement or Israeli movement on the Palestinian file.

Nor has this year seen any real seriousness of intent by Arab parties to actively push for Palestinian reconciliation, unsurprising given regional developments and frictions and the divisions amongst Arab leaders. This in turn has further encouraged Palestinian political division. In July 2012, former Egyptian President Mohammed Morsi hosted bilateral talks in support of intra-Palestinian reconciliation separately with Abbas, Hamas politburo chief Khaled Meshaal, and Hamas Prime Minister Ismail Haniyeh. However, the military coup in Egypt has likely set back reconciliation efforts still further.

This year saw no high-level visits to the OPTs by senior regional officials, and in August, following Morsi's removal, a long anticipated visit by Turkish Prime Minister Recep Tayyip Erdogan to the Gaza Strip (via Egypt) was cancelled. In comparison, 2012 saw high-profile visits by a number of Arab leaders: in October, then Qatari emir, Sheikh Hamad bin Khalifa al-Thani visited Gaza; in November during clashes with Israel, a [delegation](#) of ten foreign ministers from Arab countries and Turkey led by Arab League Secretary-General Nabil al-Arabi also visited Gaza; and, in December following UNGA's recognition of Palestine as a non-member observer state, [King Abdullah II](#) of Jordan, [al-Arabi](#), and [Egyptian Foreign Minister Mohammed Kamel Amr](#) visited the West Bank.

### Score: 3

*e. Third party responses to Palestinian Liberation Organization diplomatic efforts to foster recognition of an independent Palestinian state*

The Palestinian Liberation Organization's (PLO) strategy of seeking international recognition of a Palestinian state in multilateral fora on the basis of the pre-1967 borders implicitly reaffirms Palestinian as well as international commitment to the two-state solution and maintains a clear position in favour of two states as opposed to any alternative option. Sanctioning the PLO for pursuing diplomacy and non-violent action that is in line with two states weakens the strategic two-statist pro-diplomacy trend within an increasingly brittle PLO. Signing up to international law, including the pursuit of membership in various fora, can likewise be seen as a way to build two democratic states living side-by-side that act within and are part of international norms and standards. Even if such measures (and notably any reference to the International Criminal Court) antagonise Israel, it is hard to see them as incompatible with either a two-state outcome or with diplomatic options for overcoming existing asymmetries and the absence of Palestinian leverage.

### Scoring guide

0 – The State of Palestine achieves full UN membership alongside Israel, which the United Nations Security Council endorses with no US veto; this further entrenches the idea of a two-state solution. Most remaining third parties extend bilateral recognition of Palestine, including all or almost all EU member states. The PLO is able to use UN membership to ratify instruments that create leverage vis-à-vis Israel

1 – Palestine is welcomed into most UN agencies, and most remaining states extend bilateral recognition of Palestine, further entrenching the idea of a two-state solution. The US does not join these efforts but does not actively oppose or impose punitive

measures. The PLO is able to use membership to ratify instruments that create leverage vis-à-vis Israel

2 – Palestine joins an increased number of UN agencies and gains increasing bilateral recognition, allowing it to use some new instruments. The US does not prevent the Palestinians from pursuing these options or other states and agencies from working with the PLO to entrench a two-state diplomatic option.

3 – The PLO campaign to advance the international diplomatic status of Palestine is met with mixed responses in the face of US and Israeli opposition. These include certain retaliatory measures, which limit the PLO's progress in this regard. EU member states are divided.

4 – The PLO's pursuit of international recognition for an independent state and for membership in the UN and other agencies meets with halting and limited success in the face of US opposition, the imposition of financial sanctions, and EU division.

5 – Palestinian diplomatic efforts to advance international recognition and membership of international agencies meet with failure. Consequently, Palestinians increasingly question the two-state option and more keenly consider alternatives.

In November 2012, 138 countries (a significant majority of UN members of the General Assembly) **voted in favour** of an UNGA resolution recognising Palestine as a non-member observer state and reaffirming basic parameters for a two-state solution; only nine countries, including the US, voted against the resolution. Despite initial pressure from the US and Israel and the threat of financial sanctions against the Palestinians for pursuing the resolution, there was in fact little fallout following the vote.

This year, however, has seen the PLO suspend efforts to advance its agenda for gaining international recognition and explicitly commit to delaying further initiatives at the UN pending the outcome of US-brokered negotiations with Israel. Consequently, Abbas chose not to advance Palestinian multilateralism during use his 2013 UNGA speech. With these efforts largely on hold in 2013, this indicator has neither further strained nor sustained a two-state solution. Going forward though, it remains unclear how third parties will respond should Palestinians carry out their commitment to resume international measures if current negotiations collapse.

**Score: 2**

## Category 4 – Security

### Do security issues strain or sustain prospects for a two-state solution?

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#### Rationale

A quiet security environment is widely considered most conducive to progress toward a two-state solution as it gives breathing space to political decision makers and facilitates public support for negotiations and compromise. This category looks at different factors that shape the security environment.

First, a new round of Palestinian violence against the Israeli civilian population could easily empower those who argue that Israel can never be safe alongside a future Palestine and decrease public support for an agreement. Second, unchallenged violence perpetrated by the Israeli Defence Forces (IDF, the Israeli army) or, increasingly, by elements of the settler population reaffirms Palestinian perceptions that their nominal security institutions do not protect them and that they remain vulnerable to violence from Israeli actors, again undermining support for a deal. The last factor analysed in this category is the PA's monopoly on the use of force, which consists of three elements: the problems associated with the duopoly between Hamas and Fatah in Gaza and West Bank respectively; the ability of the central authority to regulate the behaviour of armed groups, both within and outside of their direct control; and the effective control over Area A, which is theoretically under full Palestinian control but is subject to incursions by Israeli security forces.

#### Summary of findings for January-November 2013

Palestinian violence was limited during the first half of 2013, almost reaching the level of security enjoyed by Israel in 2012, when no Israelis died in the West Bank. The second half, however, saw an up-tick in “lone-wolf” attacks, resulting in the killing of nine Israelis by November (including one fatality inside Israel), understandably a cause for Israeli concern. Israeli state violence has also remained limited and, despite occasional flare-ups in Gaza, the November 2012 ceasefire between Israel and Hamas has largely held.

Since the beginning of 2013, Palestinian factions have fired a total of 87 projectiles towards Israel from the Gaza Strip and the Sinai Peninsula. This represents 3.42 percent of those fired in 2012. At the same time, Israeli state violence against Palestinians has been comparatively low, with 19 Palestinians killed (five in Gaza and 14 in the West Bank) and 3,427 injured in the Occupied Palestinian Territories (OPTs) (3,376 in the West Bank and 51 in Gaza).

The current intra-Palestinian split and Hamas' control over the Gaza Strip, as well as Israeli incursions into Area A of the West Bank, have continued to undermine the Palestinian Authority's (PA) monopoly on the use of force. Meanwhile, the number of settler attacks on Palestinians and so-called price tag vandalism also challenge Israel's monopoly on the use of force within the majority of the West Bank that is under its control. The number of settler attacks on Palestinians in 2013 is similar to levels witnessed in 2012: up until October 2013, there were 290 incidents of settler-related violence, 75 of which resulted in Palestinian injuries. By comparison, 2012 registered a total of 359 incidents, 98 of which led to Palestinian injuries.

While prosecution of those committing these crimes has remained very low, the Israeli government claims to be taking more steps to crack down on settler violence. In the first half of 2013, the Judea and Samaria police district opened 72 investigations, resulting in five

indictments. This compares to 2012, when authorities opened 121 investigations, resulting in six indictments.

### **Logic, scoring rubric, and detailed analysis for each indicator for January-November 2013**

#### *a. Violence from Palestinian armed groups against Israeli citizens*

#### **Significance of indicator**

Israelis see the ability to ensure security as a litmus test for any future peace agreement with the Palestinians. While the Palestinian Liberation Organization (PLO) has officially renounced the use of violence, other Palestinian groups as well as elements/factions within the PLO continue to view armed resistance as a legitimate struggle and under certain circumstances use violence to “spoil” peace agreements that they view as surrendering Palestinian rights. For the purposes of this stress test, we have chosen to adopt the view that Palestinian violence weakens prospects of achieving a two-state solution. We do, however, acknowledge that an alternative view holds that such violence has, in the past, achieved results in generating concessions from Israel and in forcing a re-think – a line of argument that views developments such as Madrid, Oslo, the Road Map, and the Gaza withdrawal as having been driven by periods of serious unrest and violence. This is not the line adopted for the purposes of this stress test.

#### **Scoring guide**

0 – No violence: there are no Israeli civilian casualties in Israel or the OPTs, and Palestinian armed groups do not perpetrate fatal violence against Israeli citizens. Palestinian factions fire no projectiles from Gaza.

1 – Low violence: there are no Israeli civilian fatalities; non-fatal violence is limited; and Palestinian factions fire under 50 projectiles from Gaza in a six-month period.

2 – Low-mid violence: single-digit Israeli civilian fatalities occur (a level akin to the 2010 average), and Palestinian factions fire 50-200 projectiles from Gaza in a six-month period. Israeli and Palestinian security services regularly foil terrorist attacks.

3 – Medium violence: low double-digit Israeli civilians fatalities occur, and Palestinian factions fire 200-500 projectiles from Gaza and/or carry out one to five bombings targeting Israel in a six-month period (a level akin to the first intifada).

4 – Mid-high violence: double-digit Israeli civilian fatalities occur, and Palestinian factions fire 500-1,000 projectiles from Gaza (a level akin to pre-“Pillar of Defence”). Palestinian armed groups use external theatres from which to operate (Sinai, Golan Heights, Lebanon) and/or carry out five to ten suicide bombings targeting Israel in a six-month period (levels akin to 2005-2008), and/or occasional firefights between the Israeli Defence Forces and members of Palestinian armed groups break out in the West Bank.

5 – High violence: Palestinian violence results in triple-digit deaths among Israeli civilians. Palestinian factions fire over 1,000 projectiles from Gaza (a level akin to pre-“Cast Lead”), the West Bank, and external theatres and/or carry out ten or more suicide bombings targeting Israel in a six-month period (a level akin to the second

intifada), and/or regular firefights between the Israeli Defence Forces and members of Palestinian armed groups break out in the OPTs.

## Findings

According to Israel's Shin Bet, 2012 was the first time since 1973 that no Israelis were killed in the West Bank. This year, however, witnessed a rise in lone-wolf attacks by Palestinians unaffiliated with political goals or with Palestinian armed groups, resulting in the death of eight Israelis (one in April, two in September, and five in October). Also, a Palestinian worker employed in the Israeli town of Afulastabbed an Israeli Defence Forces (IDF) soldier in November. The rise in Israeli fatalities has led Israeli security officials to accuse the PA of "complete incompetence".

While Palestinian militants demonstrated for the first time their ability to hit population centres as far afield as Tel Aviv in rocket strikes from Gaza during the November 2012 flare-up, Israel's Iron Dome anti-missile defence system has proven largely effective; although some 2,327 high trajectory launchings killed six Israelis. Since the beginning of 2013, Palestinian factions have fired a total of 87 projectiles towards Israel from Gaza and Sinai. This represents 3.42 percent of those fired in 2012 – a decrease of 96.58 percent.

In June 2013, Israeli Prime Minister Benjamin Netanyahu announced that the Shin Bet had prevented five suicide bombings and 30 attempted kidnappings of soldiers since the start of 2013. In comparison, authorities reportedly thwarted 100 "serious" terror attacks in 2012, according to the Shin Bet. In addition, Israeli authorities reportedly arrested 2,300 terror suspects during the same year, leading to 2,170 indictments.

## Score: 2

### *b. Israeli state violence against Palestinian civilians*

## Significance of indicator

Israeli violence undermines the prospects for a two-state solution. By weakening the central authority exercised by the PA in the West Bank and by Hamas in Gaza, it jeopardises the ability of Palestinian authorities to maintain security co-operation with Israeli authorities (in the case of the PA), adhere to ceasefire agreements (in the case of Hamas), and the ability of both entities to reign in smaller, more radical Palestinian groups. As such, the IDF's use of violence against Palestinians ultimately heightens the chances of instability in the OPTs and the security risk to Israel and undermines Palestinian public support for peace efforts.

## Scoring guide

0 – No violence: no significant violence occurs; there are minimal IDF incursions into PA areas.

1 – Low violence: single-digit Palestinian fatalities occur in a six-month period (a level akin to the post-"Operation Cast Lead" period). Israel effectively investigates complaints filed by Palestinians and human rights organisations and follows up with prosecutions as appropriate.

2 – Low-mid violence: low double-digit Palestinian fatalities occur in a six-month period (a level akin to the Oslo period). Israel shows its readiness to investigate

instances of violence against Palestinian civilians but opens few indictments against IDF soldiers.

3 – Medium violence: high double-digit Palestinian fatalities occur in a six-month period (a level akin to the first intifada). The Israeli government dismisses complaints filed against it and instead launches its own investigations but opens no indictments against IDF soldiers.

4 – Mid-high violence: triple-digit Palestinian fatalities occur in a six-month period (a level akin to the second intifada). Israel is reluctant to open investigations into the conduct of its soldiers and prosecute accordingly. The government passes legislation relaxing the IDF's rules of engagement. Israeli security forces regularly use potentially lethal weapons to disperse Palestinian protestors.

5 – High violence: a protracted armed conflict develops, resulting in the death of over 1,000 Palestinians in a six-month period (a level akin to "Operation Cast Lead"). Israel launches regular airstrikes in Palestinian populated areas and regularly uses live fire. Israel's political narrative openly advocates the use of disproportionate force against Palestinians.

## **Findings**

This year has seen comparatively low levels of Israeli state violence against Palestinians, with 19 Palestinians **killed** (five in Gaza and 14 in the West Bank) and 3,427 **injured** (3,376 in the West Bank and 51 in Gaza). Should this trend continue, it will represent a major improvement from 2012, when Israeli forces killed 266 Palestinians (255 in Gaza and nine in the West Bank) and injured 4,860 (1,829 in the West Bank and 3,031 in Gaza). It also represents a reversal from last year, which saw higher casualty rates in Gaza where a significant number occurred during Israel's November 2012 offensive "**Pillar of Defence**". However there has been an increase in violence and deaths in the West bank which is a trend to be monitored in the coming period.

In 2012, Israeli military police received 240 complaints against IDF members, leading to the opening of 103 investigations (including 78 based on complaints filed in 2012 and a further 25 based on complaints filed prior to 2012). According to data from Yesh Din, the year saw one indictment based on an investigation initiated in 2011 and the continuation of two cases following indictments served prior to 2012. The IDF has not yet released data for 2013.

## **Score: 2**

*c. Israeli state monopoly on the use of force*

## **Significance of indicator**

Israeli violence against Palestinians is not limited to state action, and there is little accountability from the Israeli government for the violence committed by its settler citizens. The inability or unwillingness of the Israeli state to confront and control radical Israeli settlers compromises the prospects for dismantling Jewish settlements in the West Bank as part of any peace agreement with the Palestinians and could potentially lead to a significant upsurge in settler violence directed at Palestinians. The impunity with which Israeli non-state actors perpetrate violent actions leads to increasing confrontation and strife with local Palestinian populations and could act as a trigger for overall escalation, threatening a Palestinian backlash, stability, and prospects for a political settlement.

## Scoring guide

0 – No violence: Israeli settlers perpetrate no significant violence against Palestinians. Israel adopts a zero-tolerance policy towards violence by individuals and groups and rigorously implements the rule of law.

1 – Low violence: Israeli settlers perpetrate under 50 incidents of violence against Palestinians in a six-month period, and there are no casualties. The Israeli government shows a determined ability/willingness to restrain individuals and groups conducting violent attacks against Palestinians in the OPTs.

2 – Low-mid violence: Israeli settlers perpetrate between 50-100 incidents of violence against Palestinians in a six-month period (a level akin to pre-2005 rates), but these acts are mostly limited to the destruction of property and include no casualties. The Israeli government passes legislation cracking down on settler violence but remains unwilling or unable to effectively implement its laws.

3 – Medium violence: Israeli settlers perpetrate between 100-300 incidents of violence against Palestinians in a six-month period (a level akin to 2005-2007 rates), including frequent stone throwing, but which cause no casualties. Damage to property and agricultural land is quite extensive. Israeli security forces do not intervene against individuals conducting violent attacks.

4 – Mid-high violence: Israeli settlers perpetrate between 300-500 incidents of violence against Palestinians in a six-month period (a level akin to 2008-2012 rates), including the frequent use of direct non-lethal physical violence. The Israeli Knesset passes legislation relaxing conditions in which settlers can employ deadly force against Palestinians. Single-digit Palestinian fatalities occur.

5 – High violence: Israeli settlers take part in unprecedented levels of violence, perpetrating 500 or more incidents against Palestinians in a six-month period, including frequent shootings involving casualties. The IDF area commander relaxes rules of engagement for settlers, and Israel's political narrative hints at the condoning of settler violence. Double-digit Palestinian fatalities occur.

## Findings

A UN international fact-finding mission on settlements concluded in a 2013 [report](#) that the failure of Israeli authorities to enforce the law by investigating incidents of settler violence represented “institutionalised discrimination against the Palestinian people”. In an internal official Israeli [report](#) the same year, Israel's State Comptroller Joseph Shapira raised concerns about the maintenance of the rule-of-law in Israeli-controlled areas of the West Bank, which the report described as “completely lacking in regulatory or investigatory authorities”.

According to the most recent data for 2013, there were [290 incidents](#) of settler-related violence, 75 of which resulted in Palestinian injuries (predominantly from stone-throwing and physical violence), with the remainder inflicting property damage. By comparison, 2012 registered a total of [359 incidents](#), 98 of which led to Palestinian injuries. While the levels of settler violence are comparable to 2012, they form part of a continuing trend that saw settler violence [grow](#) by 315 percent between 2007 and 2011.

According to data from Yesh Din, the Judea and Samaria police district opened 121 investigations in 2012, leading to six indictments. This compares to 72 investigations and five indictments in the first half of 2013. While these figures have remained relatively constant, they reflect a current **low trend** in which only 8.5 percent of investigations ended in the indictment of Israelis suspected of harming Palestinians and their property between 2005 and 2013.

**Score: 3**

*d. Palestinian Authority's monopoly on the use of force*

### **Significance of indicator**

While the preferred reality is one in which the security branches of the PA maintain order and a monopoly on the use of force in the transition to statehood, the current West Bank/Gaza split precludes this. As such, the current duopoly in which the PA exercises control over the West Bank and Hamas over Gaza is seen as preferable for the two-state outcome to a security vacuum in the OPTs and the ensuing state of chaos that this would likely provoke.

In any final settlement, the ability of central authorities to regulate the behaviour and ultimately disband armed groups is also of primary importance. This is especially the case given the latter's potential to undermine the ability of Palestinian central authorities to guarantee the implementation of security protocols agreed with Israel and any potential Status Of Forces Agreements with third-party forces likely to be stationed in Palestine to oversee a two-state deal. While Hamas' ability/willingness to keep smaller, more radical factions under control in Gaza is also vital to any ceasefire with Israel, maintaining such a ceasefire is also contingent on Israel refraining from provocative actions, including assassinations and missile strikes.

Likewise, the willingness of Palestinian security forces to pursue security co-operation with Israel is undermined by the occupation and daily humiliations visited upon the Palestinian population by Israel's control of Areas B and C of the West Bank and incursions into Area A. To many ordinary Palestinians, Israeli security measures in the OPTs, therefore, tend to depict the PA as kowtowing to Israel, consequently weakening its legitimacy in the absence of productive negotiations or other major changes.

### **Scoring options**

0 – The PA retains an uncontested monopoly on the use of force in Gaza and the West Bank, with Palestinian security forces able to arrest/disrupt and restrain individuals and groups conducting and planning violent attacks on Israelis. Israel transfers responsibility for security over additional territory to the PA and refrains from conducting incursions into Palestinian-controlled areas.

1 – The PA retains an uncontested monopoly on the use of force in Gaza and Area A of the West Bank and engages in security co-operation with Israel. Palestinian armed groups are unable to perpetrate violence against Israelis.

2 – The PA and Hamas retain an uncontested duopoly on the use of force in Area A of the West Bank and Gaza respectively. Palestinian fringe armed groups in the West Bank and non-Hamas groups launching rockets from Gaza perpetrate minimal violence against Israelis.

3 – Rival Palestinian factions contest the PA and Hamas’ duopoly on the use of force, but both groups retain overall authority in Area A of the West Bank and Gaza respectively, with little deterioration in the overall security situation in the OPTs. Palestinian fringe armed groups in the West Bank and non-Hamas groups launching rockets from Gaza perpetrate sporadic violence against Israelis.

4 – Rival Palestinian factions undermine the PA and Hamas’ duopoly on the use of force, leading to intra-Palestinian clashes. Palestinian fringe armed groups in the West Bank and non-Hamas groups launching rockets from Gaza perpetrate regular violence against Israelis. PA security forces are in retreat.

5 – PA security forces collapse, with no central authority able to exert control over Palestinian territory. Palestinian armed groups are largely unimpeded by PA security forces or Hamas in acting against Israelis. Israeli security forces reassert greater direct control over Area A of the West Bank and/or Gaza.

## Findings

Non-Popular Struggle Front-affiliated armed groups did not commit violence against Israelis in the West Bank in 2012 or 2013. While Fatah’s al-Aqsa Martyr’s Brigades reportedly took responsibility for the [stabbing to death](#) of a settler in the West Bank in April, the validity of this claim has been disputed, and it appears to have been a solo act. This represents a trend of an increasing number of Palestinian lone-wolf attacks against Israelis in the West Bank and Israel. In another potentially new development in November, the IDF reportedly killed three members of a Salafi Jihadi cell in the southern West Bank for allegedly planning attacks on Israelis and PA targets. This followed reported clashes between Salafis and PA security forces in previous months.

In Gaza, Salafi jihadi groups claimed responsibility for the majority of the 44 projectiles fired towards Israel in the first half of 2013. While Hamas is not considered to be responsible for the pattern of relatively low-level projectile fire witnessed in 2013 and most of 2012, reports indicate that the group was [responsible](#) for the majority of the 1,731 projectiles fired during the November 2012 conflict with Israel.

So far in 2013, intra-Palestinian violence in Gaza has resulted in eight injuries, according to the United Nations Office for the Coordination of Humanitarian Affairs (UNOCHA). Tensions between Hamas and Islamist factions in Gaza [rose](#) following rocket fire against Israel on 24 June, which was seen as an act of defiance by Islamic Jihad following the death of a fighter during clashes with Hamas security forces. No fatalities or injuries were reported in 2012 as a result of intra-Palestinian violence.

According to UNOCHA data made available to ECFR, intra-Palestinian feuding in 2012 resulted in the kidnapping of one Palestinian and, in 2013, the injury of 16 Palestinians (including three during demonstrations).

Since 2000, Israel has not carried out Further Re-Deployments and continues to exert control over 82.8 percent of the West Bank (areas B and C).

**Score: 3**

## Category 5 – Refugees

### **Do prospects for a solution to the refugee issue strain or sustain a two-state solution?**

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#### **Rationale**

Key to a comprehensive two-state solution will be the ability to address the Palestinian refugee issue by mutual agreement. This, as proposed through different parameters and terms of reference since Oslo, implies that the number of refugees who would actually be allowed to assume residence in/return to Israel would be limited. The vast majority of refugees are therefore likely to live in the new State of Palestine, to be rehabilitated in current host countries, or relocated in third countries. A second component of a solution for Palestinian refugees as previously outlined in more productive rounds of negotiations is a compensation mechanism, possibly with Israel being the primary compensator, especially if the agreement includes clauses on an “end of conflict” and of all claims. A third component could be the recognition of a shared narrative on the issue, particularly with regards to Israeli responsibilities.

This category looks first at the current living conditions of Palestinian refugees in the three largest host countries: Lebanon, Jordan, and Syria. Worsening standards of living make it more problematic and costly to rehabilitate refugees in these countries, although the absorption capacity in these cases is also a political, rather than just economic, decision. While public perceptions of the refugee issue in the host countries are an important component, they are not scored here as they are difficult to measure on a regular basis. Secondly, this category looks at the extent to which Palestinian public opinion seems able to endorse a compromise on the refugee issue. Thirdly, it attempts to assess the willingness amongst the Israeli public and leadership to negotiate constructively on issues of return, including compensation and recognition of historical responsibility. Finally, a crucial component of the management of the refugee issue is the functioning of the United Nations Relief and Works Agency (UNRWA) for Palestinian refugees in the Near East, which this category measures, specifically focusing on its funding.

Scores in this section are based on data from UNRWA as they were the most comprehensive and up-to-date. However, this data only applies to refugees using UNRWA facilities. Research done by FAFO in the past has shown that there is limited discrepancy between the living conditions of refugees and non-refugees, except for Lebanon.

#### **Summary of findings for January-November 2013**

The refugee issue is among the most sensitive of the Middle East Peace Process (MEPP). Current conditions of refugees in the three major host countries (Jordan, Lebanon, and Syria) show moderately poor socio-economic indicators and levels of education and healthcare, with differences in social indicators between refugees and host countries pointing to widespread discrimination. The civil war in Syria has made things worse in the country, where living standards for refugees were actually higher than in Jordan and Lebanon. Palestinian refugee communities in these countries live in conditions that are currently, and will be for the foreseeable future, both grim and unpredictable.

Opinion polls conducted among Palestinians living in the Occupied Palestinian Territories (OPTs) highlight the importance of the refugee issue, which nonetheless appeared as

subordinate to their desire for Israel to return to the 1967 borders, for an end to the occupation, and for the birth of a Palestinian state in the West Bank and Gaza Strip. Forty-two percent of those polled in June 2013 noted these issues as priorities, while 34 percent stated that the most vital goal was the right of return for refugees “to their 1948 towns and villages”. A December 2013 poll found that almost all Palestinians think that at least an acknowledgment in principle of the right of return is needed in order to make a peace deal “tolerable”, while a majority is ready to compromise on the implementation of the right of return. Palestinian leaders from both major parties have often placed less emphasis on the refugee issue, which has been the subject of Hamas-Fatah disagreements in the past.

Opinion polls among Israelis show that, in the context of the broadly-established parameters for a two-state outcome, the refugee issue is one that the Jewish Israeli public is least supportive of: only 15.3 percent support a limited return for Palestinian refugees and only 23.9 percent agree that Israel should accept partial historical responsibility for the suffering of Palestinian refugees. Interestingly, the two segments of the Israeli population that are most supportive of these positions are individuals under 34 years of age and the ultra-orthodox community. In 2013, Israeli leaders drew rigid red lines on the refugee issue, which was listed together with Jerusalem among the topics on which no concession could be made. Leaders considered to belong to the more pragmatic wing of the current cabinet such as YeshAtid chair and Finance Minister Yair Lapid also shared this position. In his 6 October speech at Bar Ilan University, Prime Minister Benjamin Netanyahu said that Palestinians must drop their requests on the right of return if peace is to be achieved. According to a December 2013 poll, 55 percent of Israelis (and 63 percent of Jewish citizens) agree with him.

Funding for the United Nations Relief and Works Agency (UNRWA) is keeping pace with demographic growth but it is still insufficient to meet demands; forecasts for its 2013 budget show a deficit of \$70.5 million. This implies that UNRWA’s financial situation is unsustainable, which significantly compromises its capacity to carry out its mandate to improve refugees’ standards of living.

### **Logic, scoring rubric, and detailed analysis for each indicator for January-September 2013**

#### *a. Standards of living and prospects for “morning after” integration of refugees in neighbouring host countries*

##### **Significance of indicator**

The majority of Palestinian refugees live in three countries adjacent to Israel/Palestine: Lebanon, Jordan, and Syria. Their standards of living and legal status differ greatly among the three host countries and depend to a great extent on historically determined policies implemented over decades by the three respective governments.

The standards of living of these refugee communities and the prospects for their improvement can impact the possibility for and sustainability of a two-state outcome in light of the limited number of refugees who would likely be allowed to return to Israel or practically be able to settle in the new State of Palestine. Worsening standards of living in Lebanon, Syria, and Jordan further strain the option of more permanently rehabilitating refugees in these countries, making it more problematic and costly. Nevertheless, the absorption capacity of the current host countries is also a political rather than just an economic decision. Finally, refugees’ standards of living will, until there is a deal, still depend on UNRWA’s effectiveness as an

organisation as well as the level of co-operation it receives from host countries. This data can provide useful insights into the stability of the current situation concerning Palestinian refugees in the region and the prospects for a “morning after” integration of refugees if an agreement is reached.

### **Scoring guide**

0 – Social indicators for Palestinian refugees and host country citizens are comparable, with similar levels of education and healthcare provision for refugees. There are indicators that there is no discrimination against Palestinian refugees in all three countries, and there is a likely greater ease of long-term absorption.

1 – There are limited differences in social indicators between Palestinian refugees and host country citizens, reflecting marginally lower levels of education and healthcare provision for Palestinian refugees. There are indicators of limited discrimination against Palestinian refugees in not all of the three countries, while longer-term absorption appears possible.

2 – There are moderate differences in social indicators between Palestinian refugees and host country citizens, reflecting lower but adequate standards of service provision for Palestinian refugees. Country performance on discrimination is mixed, with some displaying higher levels. Greater challenges to long-term absorption emerge.

3 – There are significant differences in social indicators between Palestinian refugees and host country citizens, reflecting significantly lower levels of education and healthcare provision for Palestinian refugees. There are indicators of widespread discrimination against Palestinian refugees across at least two host countries. Clear strains on the future absorption of Palestinian refugees in at least one country emerge.

4 – The ongoing deterioration of the socio-economic conditions of Palestinian refugees occurs to a degree that makes long-term absorption very difficult. In at least one host country, the human security of Palestinian refugees is also in danger, which has the potential to cause a crisis in the existing Israeli-Palestinian situation.

5 – The ongoing deterioration of the socio-economic conditions of Palestinian refugees occurs to a degree that threatens not only long-term absorption but also the short-term human security of Palestinian refugees in all of the host countries, which has the potential to cause a crisis in the existing Israeli-Palestinian situation.

Methodological note: to assess changes in the standards of living among different refugee communities, UNRWA statistics for Palestinian refugees living in Jordan, Lebanon, and Syria (except for those who do not use UNRWA facilities) are compared to national statistics in the same countries. Four social indicators, including levels of education and healthcare, have been selected. Together, these will provide the country assessment. The general assessment is based on a total of 12 items (four for each country).

## Findings

Item	Country					
	Jordan		Lebanon		Syria	
	National (most recent data)	Refugees (2013)	National (most recent data)	Refugees (2013)	National (most recent data)	Refugees (2013)
<b>Education</b>						
Educational staff/no. of pupils	1/17.4 (2011/2012)	1/20.97	1/14.23 (2011)	1/15.93	1/18 (2002)	1/24.75
Female pupils (%)	50.03% (2010)	50%	51.83% (2011)	53%	NA	48%
Primary education drop out for both male and female	6.57% (2010)	2.42% (male) and 0.79 (female) (2011/2012)	9.53% (2010)	5.10% (male) and 3.68% (female) (2011/2012)	4.35% (2010)	1.82% (male and 2.1% (female) (2010/2011)
<b>Healthcare</b>						
Health staff or physician/ person	1/412 (2005) (physicians)	1/2863.11	1/475 (2005) (physicians)	1/1257.43	NA	1/1261.84
<b>Country Assessment</b>	3 - Moderately Poor		3 - Moderately Poor		2 - Moderately Good	

### Score: 3

#### *b. Articulation of the refugee issue within Palestinian public debate*

#### **Significance of indicator**

The capacity of the Palestinian body politic to accept compromises on the refugee issue – based on parameters proposed in the past – depends in significant measure on the approach to the issue in Palestinian public discourse and on the willingness of the Palestinian leadership and public opinion to demonstrate flexibility in this regard. Recent events have demonstrated that public acknowledgment by Palestinian Liberation Organization (PLO) officials of at most a limited right of return to Palestine can strengthen the position of opponents of this outcome. It has previously been assumed that Palestinian gains on other aspects of negotiations (particularly territories and East Jerusalem) might offset uncomfortable compromises on the refugee issue in terms of public and political acceptance by Palestinians. It is therefore important to analyse several aspects within Palestinian public discourse on

refugees in order to assess whether the current situation strains or sustains prospects for a negotiated solution to the refugee problem. To this end, two factors are taken into consideration: polls of the Palestinian public and statements by the Palestinian Authority (PA) and PLO leadership.

### Scoring guide

0 – The Palestinian leadership openly discusses the refugee issue, acknowledging the compromise that can be reached; this resonates constructively with the Palestinian public, which considers trade-offs with other dossiers in a two-state context.

1 – Palestinian officials discuss the refugee issue publicly and hint at relevant compromises with general public acceptance and/or lack of interest.

2 – Palestinian officials discuss the refugee issue occasionally and refrain from ruling out compromises. Public opinion is not mobilised against relevant compromises and is more interested in other dossiers.

3 – Palestinian officials rarely discuss the refugee issue is rarely discussed and avoid referring to any compromise. The issue is a contentious one in public disagreements between political parties and factions, but opinion polls indicate broad acceptance of compromise on the issue in the context of other dossiers related to a two-state solution being positively resolved for Palestinians.

4 – The Palestinian leadership avoids the refugee issue when giving statements on the two-state solution, or leaders address the refugee issue in ways that rule out any compromise. Public opinion displays high sensitivity regarding compromises or shifts in the PLO's position.

5 – Palestinian national positions re-focus on refugee rights and practical return as the central theme, ruling out standard two-state solution options and mobilising the Palestinian public around these themes. Palestinians generally acknowledge that no compromise can be reached.

### Findings

Opinion polls conducted among Palestinians living in the OPTs [highlight](#) the importance of the issue of refugees, which nonetheless appears as subordinate to their desire for Israel to return to the 1967 borders, for an end to the occupation, and for the establishment of a Palestinian state in the West Bank, Gaza Strip, and East Jerusalem. Forty-two percent of those polled in June 2013 noted these issues as priorities, while 34 percent stated that the most vital goal was the right of return for refugees “to their 1948 towns and villages”.

A [December 2013](#) poll, conducted jointly among Israelis and Palestinians, explored the extent to which the latter are ready to compromise. The vast majority insisted on the recognition in principle of the right of return, with varying degrees of approval for the different options for its implementation: 73 percent gave a 5-to-10 rating to the proposal that refugees be allowed to settle either in Israel or in Palestine, but 66 percent would still give the same rating if only a small number would be permitted to settle in Israel and 55 percent would find it “tolerable” if refugees were allowed to return only to Palestine. Regarding recognition in principle of the right of return, only 8 percent were ready to compromise on it “if all the other issues are settled to my satisfaction”.

If one looks at public statements made by the Palestinian leadership, the first half of 2013 witnessed relative quiet on the issue of refugees. This is in stark contrast to November 2012, when Palestinian President Mahmoud Abbas **suggested** that he was personally flexible on Palestinians' right of return to Israel in an interview with Israel's Channel 2 News. The move elicited considerable criticism amongst Palestinians (including members of Abbas' ruling Fatah party). Abbas later explained that his comments represented merely his personal views, with an aid restating the Palestinian leadership's commitment to the right of return. For its part, Hamas has **maintained**, "it is not possible for any person, regardless of who he is, a person, a president, government, or authority, to give up Palestinian land or to give up the right of return". All of this suggests that the Palestinian leadership has not adequately prepared the public for the kinds of compromise that they appear willing to accept on this issue in negotiations.

The Ramallah-based Palestinian leadership did not draw public attention to the refugee issue in the first months of 2013 during which time Abbas mentioned refugees only twice; Salam Fayyad, while still prime minister, only once and in the context of their exemption from having to pay utilities; and his successor, Prime Minister Rami Hamdallah, has not mentioned refugees at all to date. Nevertheless, PLO negotiators, more than PA leaders, have the responsibility to discuss the refugee issue as part of the two-state solution. Palestinian negotiator Saeb Erekat, for example, has spoken more openly about the refugee issue. In an interview with Voice of Palestine Radio in June, Erekat **stressed** the need to protect Palestinian refugees from sectarian conflicts in Iraq and Syria and stated, "Any Palestinian who insists on [...] the return of refugees and the release of prisoners, will confront an Israeli position that will not consider him as a real partner", thus acknowledging that this dossier is among one of the most rigid red lines for the current Israeli coalition. He mentioned the issue again on the eve of the first prisoner release in August, listing refugees as a **core issue** to be discussed along with Jerusalem, borders, settlements, water, and security. This statement, however, seems to be designed more as a way to fill in the gap left by the absence of clear terms of reference rather than a willingness to prioritise this issue over others.

**Score: 3**

*c. Public articulation of the refugee issue within Israeli politics and public opinion*

### **Significance of indicator**

The refugee issue is a highly sensitive one in Israel too, because most Zionist Israelis and their leaders link it to the preservation of the Jewish character of the state. Although often neglected in public discourse as an issue, it comes into the fore as part of the wider issue of the Jewish identity of Israel or as part of the relationship between the Jewish majority and the Arab minority. Israel would need to show flexibility on two different levels in order to move toward the parameters that are considered necessary for a solution. If this is to be an "end of conflict and claims" deal, then this would include Israel's willingness to allow for the entry of even a symbolic number of Palestinian refugees and to be involved in a broader compensation scheme for refugees, in addition to the likely need for some acknowledgement by Israel of its role in the injustice done to Palestinians in the creation of the refugee problem.

### **Scoring guide**

0 – Statements by Israeli officials explicitly accept and prepare the Israeli public for flexibility on the refugee issue regarding limited return or the entry of refugees,

acknowledgment of injustice, and the need to provide compensation. Public opinion responds positively or at least accepts the shift.

1 – Statements by Israeli officials indicate a willingness to pursue compromise on all three aspects of the file – limited entry, acknowledgement of historic injustice, and compensation, without being explicit. Public opinion is increasingly accepting of compromise, and, in the context of an overall peace package, there is a clear pro majority.

2 – Israeli leaders address the refugee issue and display empathy for Palestinian refugees and flexibility on one or two of the three aspects of the file. Public support for a compromise remains a minority but is growing and scraping 50 percent.

3 – Israeli leaders avoid statements on the issue of refugees that rule out compromise, or they avoid discussing the issue altogether. A sizable minority of the public supports compromise on this issue. And, in the context of a comprehensive two-state deal, the lack of support for compromise on refugees does not bring down the percentage of those who support the overall package below 50 percent.

4 – Israeli leaders rule out compromise on at least two of the three aspects of the file, and a strong majority of the public also oppose compromise. Flexibility on the refugee issue lowers support for an overall two-state package to well below 50 percent of the public.

5 – Israel’s leadership explicitly rules out a compromise on any entry of refugees, any historic acknowledgement, and compensation. Public statements raise these points frequently and forcefully. Public opinion overwhelmingly rejects compromise.

## Findings

Given the lack of available polling data, ECFR commissioned the GuttmanCenter of the Israel Democracy Institute (IDI) to include two questions on refugees in its [Peace Index](#), which surveyed 601 Israeli citizens (both Jewish and Palestinian citizens) in the last week of September 2013. Results are shown below:

*In your opinion, in return for a permanent-status agreement, should or should not Israel agree to the return of a limited number of Palestinian refugees to Israel?*

	General Public	Jews	Arabs
1. I’m sure it should	11.9	3.8	53.0
2. I think it should	13.8	11.3	26.7
3. I think it should not	17.1	20.2	1.5
4. I’m sure it should not	53.6	61.2	15.0
5. Don’t know/No answer	3.5	3.4	3.9

*In return for a permanent peace agreement, would you support or oppose Israel accepting its partial responsibility for the suffering that was caused to the Palestinians – for example, for creating the refugee problem?*

	<b>General Public</b>	<b>Jews</b>	<b>Arabs</b>
1. I'm sure I would not agree	45.7	53.2	7.8
2. I think I would not agree	14.4	17.0	1.4
3. I think I would agree	18.7	17.7	23.8
4. I'm sure I would agree	14.7	6.2	57.4
5. Don't know/No answer	6.5	5.8	9.7

The highest percentage of those in favour of a limited Palestinian refugee return was found in the 18-24 age group (29.7 percent) and slightly less (29.5 percent) among those between 25 and 34 years old. Surprisingly, among those defining themselves as ultra-orthodox (Haredi), 20.3 percent said that they are either sure that Israel should agree to a limited return or think that it should. This number is significantly higher than in other religious groups and outpaces even secular Jews, 17.3 percent of whom agree with these positions.

In July 2013, IDI recorded similar overall results. The July poll found that, of all the issues pertaining to the generally agreed parameters for a two-state solution, the Jewish Israeli public is **least supportive** on the refugee issue. Even when a right of return is confined only to the State of Palestine, as it was in the **poll** undertaken in December 2012, Jewish public opinion was evenly split at 49-49 percent – between those who support the right of return to Palestine and those who do not support it.<sup>2</sup>

In the future, it will be worth examining whether references to “right of return” or “return” as opposed to less loaded terminology such as “entry to or absorption in Israel” would produce more supportive results among Israelis. A large majority of Israelis do not seem to accept the language currently used. According to a December 2013 **poll**, Jewish Israelis are not keen to recognise in principle the right of return. Forty-five percent of all Israelis (and 37 percent of Jewish citizens) agreed with the statement “I have no problem with acknowledging a right of return as long as all refugee claims are resolved without a significant number of refugees returning to Israel, and there are no further claims in the future.” Conversely, 55 percent of all Israelis and 63 percent of Jewish citizens agreed with the statement “I would never accept an agreement that acknowledges a Palestinian right of return, even if all other issues are resolved to my satisfaction.”

Few polls have dealt in the past with Israel’s acknowledgement of any historic responsibility in creating the refugee problem. One relevant **poll**, conducted in 2009, asked Jewish Israelis the following question: “If the Palestinians officially take partial responsibility for the Nakba of the 1948 war, would you support/oppose Israel recognising its partial responsibility for the

<sup>2</sup> The GuttmanCenter, under the auspices of IDI (R.A.), provided the data and questionnaires. See “Jewish Arab Relations”, Israel Democracy Institute, December 2012, available at <http://www.idi.org.il/media/2050461/Peace-Index-December-2012.pdf>.

suffering caused to the Palestinians, for example, the creation of the refugee problem?” Only eight percent of the 431 Jewish Israelis polled stated that they were certain to support this solution, while 22 percent would consider supporting it. Forty-six percent said that they were certain to oppose it, with an additional 21 percent leaning towards opposing it.<sup>3</sup>

During 2013, public statements on the issue of refugees by Israeli political leaders and cabinet members have been scant but not insignificant. When speaking about his [diplomatic plan](#) in the settlement of Ariel on 22 January, YeshAtid leader and then parliamentary candidate Yair Lapid (currently Israel’s minister of finance) listed the right of return and the indivisibility of Jerusalem as the two issues on which Israel should not compromise. When publicly discussing the terms of reference for talks in July, Likud Minister for Regional Development Silvan Shalom [asked](#) rhetorically, “Had the matter of borders and territory been given over, what incentive would they [Palestinians] have had to make concessions on the matter of refugees or Jerusalem?”, indicating that firmness on the former would guarantee success on securing far-reaching Palestinian compromises on the latter, which appeared to be Israel’s red lines. In his [speech](#) at Bar-Ilan University on 6 October, Netanyahu stated that in order to achieve peace, Palestinians had to give up their right of return.

**Score: 4**

*d. Funding and donations for UNRWA*

### **Significance of indicator**

UNRWA’s continued ability to effectively carry out its mandate can be considered important to maintaining an environment in which a two-state outcome might be possible. First, a collapse in UNRWA service provision would likely have a knock-on destabilising effect on Palestinian economic, security, and political realities. Second, UNRWA resource availability in the interim impacts refugees’ standards of living and by extension influences future resources needed to rehabilitate or relocate refugees. A lack of financial support for UNRWA adds unpredictability to the overall trajectory of what happens on the Palestinian side and could hamper future plans for the integration of refugees into host countries. The level of UNRWA assistance is a basic guarantee for the most vulnerable of Palestinian population groups, and the composition of funding is also important given that the diversification of sources leads to greater stability. And finally, the dire conditions of Palestinian refugees as a consequence of the conflict in Syria (with spill-over effects also on those living in Lebanon) add further unpredictability to the issue.

### **Scoring guide**

0 – Funding availability matches needs, including population growth and unexpected/urgent crises such as the Syria situation. UNRWA does not face a cash deficit, and funding sources are diversified, with Arab League states at least meeting their 7.8 percent target for contributions to the general fund.

1 – Funding is in line with needs and population growth, and any end-of-year cash deficit is minimal (less than \$10 million for the general fund). UNRWA maintains its services at at least current levels. Funding is diversified, and there is a trend towards

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<sup>3</sup> The GuttmanCenter, under the auspices of IDI (R.A.), provided the data and questionnaires. See the “Peace Index”, Israel Democracy Institute, June 2009, available at <http://www.peaceindex.org/indexMonthEng.aspx?num=43&monthname=June>.

more diversification. Arab League states are within two percentage points of the 7.8 percent target for general fund contributions.

2 – Budget for core activities barely keeps pace with population growth, resulting either in an end-of-year cash deficit in the low tens of million dollars or ongoing and unplanned cuts in services. The US and the EU and its member states provide most of the funds, with little diversification, while funding from Arab League states decreases to around 2 percent of the general fund.

3 – Funding for core activities falls short of existing needs and of population growth, resulting in an end-of-year cash deficit of more than \$50 million as well as significant unplanned cuts in services. UNRWA does not diversify its funding sources, and Arab contributions are minimal.

4 – Funding for core activities is so stretched that UNRWA begins to withdraw from some basic service provision and runs a deficit in the high tens of million dollars. Major MEPP stakeholders significantly reduce their donations

5 – Due to a sharp drop in funding, UNRWA is unable to carry out its core activities in key service provision and in different geographical locations; this leads to refugee unrest and instability among the refugee population.

## Findings

UNRWA is now essentially faced with three emergency situations: Syria, Gaza (where the poor economy makes a large proportion of the population more dependent on UN assistance), and Lebanon, where unrest and the influx of new refugees from Syria are making already poor conditions for older refugee communities much worse.

UNRWA's core programme **budget** in 2013 was \$675.3 million, up 3.01 percent from the previous year, when the figure was **\$655 million**. The number of registered refugees grew by 2.54 percent in the same period, and therefore funding outpaced population growth. Nevertheless, the updated July forecast is an end-of-year deficit of \$70.5 million in 2013, a slightly better figure than previously forecasted thanks to an extra \$1.2 million from Saudi Arabia. Also, thanks to earlier than expected contributions from the EU, the UK, the Netherlands, the US, Switzerland, and Italy, total donor income increased by \$107 million.<sup>4</sup> It is widely recognised that UNRWA's financial position is unsustainable, but equally that it is very difficult for the agency to actually prioritise or cut services because of security risks and the sensitive relationships it has with host authorities. As of early December 2013, UNRWA was incapable of **paying monthly salaries** to its local workers in Syria, Lebanon, Jordan, and the OPTs.

Although UNRWA has intensified its efforts to diversify its sources of funding, the US and the European Commission in 2012 **provided** 47.7 percent of the funds, with three other European countries (United Kingdom, Sweden, and Norway) figuring in the top five.<sup>5</sup> Saudi Arabia was the largest Arab donor (ranking 14th), which amounted to slightly smaller donations than Belgium. Emerging powers such as Turkey and Brazil ranked 17th and 18th respectively.

## Score: 3

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<sup>4</sup> UNRWA financial report, July 2013, courtesy of Her Majesty's Government.

<sup>5</sup> Ibid.

## Category 6 – Palestinian Debate

### **Do social, attitudinal, and political trends in Palestine strain or sustain prospects for a two-state settlement?**

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#### **Rationale**

Since the 1970s, the Palestinian Liberation Organization (PLO) was largely accepted as the unchallenged representative of the Palestinian people. But, in the intervening years and in particular, since the inception of the PA in the 1990s, the question of who legitimately speaks for the Palestinians has become more contested. The question of whether Palestinians have legitimate and representative institutions is of special concern given that (a) Palestinian institutions (especially the security forces) are so heavily funded with external support; and (b) Israel increasingly argues that Palestinians lack the decision-making capacity to strike a deal.

This category looks at several factors from within Palestinian politics to determine whether and how they sustain or strain a two-state solution. First, it looks at the issues of unity and reconciliation among the different Palestinian constituencies. In regards to negotiating a final settlement, the nexus between Palestinian democracy, the PA-PLO duality, and the tension between the two requires examination. Second, it looks at the progress in convening elections for the presidency of the PA, the Palestinian Legislative Council (the legislative body of the PA), and the Palestinian National Council. The implicit and explicit commitments guiding the creation of a Palestinian state have sought to promote and protect the principles of democratic governance, and democratic legitimacy is relevant to the acceptance of any agreement by Palestinians. Third, this category looks at Palestinian perceptions of their leadership and its adherence to the rule of law. Conflicts elsewhere have demonstrated that leaders and negotiators do not have to carry the unanimous support of their populations to conclude a settlement. However, they do have to carry the confidence of the constituencies, and successful agreements must address most of the core concerns and drivers of the conflict. Consequently, the fourth indicator in this category looks at Palestinian support for a negotiated settlement.

#### **Summary of findings for January-November 2013**

While 55 percent of Palestinians said in March 2013 that they supported a two-state solution, few Palestinians think that the current talks will actually lead to a two-state solution in the short term. Asked in November 2013 whether they think that the current talks will lead to an agreement, 11 percent said that this would happen in one year, 19 percent predicted that this would happen in five years, and 22 percent said that an agreement is inevitable but that it would take more than five years; 47 percent, meanwhile, said that they did not believe that a peace agreement would ever be reached.

At the same time, according to the findings of a November 2013 poll, 50.5 percent of Palestinian respondents said that the Palestinian Liberation Organization (PLO) should not have agreed to restart talks, while 33.8 percent voiced their support for talks. In the same month, only 27.1 percent of Palestinians polled considered nonviolent resistance the most useful approach, versus 29.3 percent of Palestinians who backed armed resistance.

Meanwhile, levels of confidence in the Palestinian leadership, in both the West Bank and the Gaza Strip, declined slightly between December 2012 and June 2013, although not at the

same pace as they did for Palestinian President Mahmoud Abbas and Prime Minister Ismail Haniyeh in the West Bank and Gaza respectively: while levels of confidence in the former decreased from 53.5 percent in December 2012 to 48 percent in June 2013, levels of confidence in the latter fell from 55.9 percent in December 2012 to 41.2 percent in June 2013. This reflects a lack of progress in implementing the Cairo agreement on reconciliation between Fatah and Hamas and the two ruling parties' inability to form a transitional unity government.

Public perceptions of corruption amongst Palestinian authorities in the West Bank and Gaza remained high and increased slightly from December 2012 to June 2013. In June 2013, 77 percent of the Palestinian public expressed a belief that corruption was a problem in the West Bank, and 61 percent expressed the same for Gaza; these figures stood at 74 percent in the West Bank and 53 percent in Gaza respectively in December 2012.

### **Logic, scoring rubric, and detailed analysis for January-November 2013**

#### *a. Unity and reconciliation between competing Palestinian political factions*

##### **Significance of indicator**

The de facto breakdown of agreed political rules of the game and the absence of a shared framework for a national liberation movement between Fatah in the West Bank and the Hamas-led authority in Gaza present a key obstacle to the internal and external coherence of Palestinian political goals. The inability of Palestinian political actors to present a unified front also constitutes a challenge for future political agreements concerning Palestinian statehood. Yet, so long as the PLO is not effectively rehabilitated to make it more inclusive, representative, and accountable, it cannot credibly claim to legitimately represent the Palestinians and is less likely to pursue effective liberation strategies or be able to win acceptance for any agreements that it might reach with Israel. Given that current visions of a Palestinian state within a two-state dispensation still notionally rest on both the West Bank and Gaza, the breakdown of a unified political authority between the two areas limits the ability to conclude a binding settlement. Not only does the de facto political separation reinforce the physical isolation between the two halves of the Occupied Palestinian Territories (OPTs), but the longer it continues the more difficult that prospects for converging competing factions and centres of political authority become.

##### **Scoring guide**

0 – National reconciliation efforts produce agreements on a reformed PLO, a Palestinian Authority unity government for both the West Bank and Gaza, and an agreed national platform that allows for the option of a two-state outcome. Unity agreements are implemented in practice. Where relevant and agreed, authorities hold elections for Palestinian institutions.

1 – National reconciliation talks produce progress on PLO reform and at least an agreed transitional Palestinian Authority unity government, with options for elections to be agreed on in the future. Talks on an agreed national platform continue.

2 – Agreements for reconciliation between West Bank and Gaza authorities are in place and relevant authorities deploy mechanisms for their implementation. No agreements are yet reached on PLO reform or on elections, but talks on these issues continue.

3 – Third parties seriously engage and broker talks on Palestinian Authority reconciliation, without specific progress but without breakdowns. Palestinian factions significantly de-escalate mutually hostile rhetoric. West Bank and Gaza authorities increase technical level co-operation. PLO reform is not yet being negotiated.

4 – No serious reconciliation negotiations are taking place, and no broker is seriously engaged. The West Bank-Gaza division remains entrenched. Tension in rhetorical terms between Fatah and Hamas shows signs of escalation.

5 – No reconciliation talks are taking place, and tensions between the main Hamas and Fatah factions witnesses an escalation into occasional displays of internal violence, arrests, and harassment of each other's activists in respective Palestinian Authority areas of control. Regional actors act to heighten tensions. Talk of a breakaway PLO being established returns to the agenda.

## **Findings**

Despite successive agreements, in Cairo in [May 2011](#), in Doha in [February 2012](#), and again in [May 2013](#) in Cairo, to set a deadline to form a unity government within three months, there has been no progress to date in implementing any of these deals. Although one [meeting](#) of senior Fatah and Hamas officials took place in Gaza in June 2013, statements from Fatah and Hamas leaders since then do not suggest that prospects for reconciliation are improving.

Egypt, Turkey, and Qatar have all previously sought to play constructive roles in bridging the political divide between Hamas and Fatah, but domestic and regional developments have significantly challenged their ability to do so and would seem to make reconciliation far less likely at this stage. The ouster of President Mohammed Morsi and the subsequent crackdown on the Muslim Brotherhood in Egypt, for example, are likely to complicate the role that Egypt can now play in reconciliation efforts. The downfall of the Brotherhood in Egypt threatens Hamas, which is not likely to trust Egypt's mediation efforts going forward. At the same time, Qatar has lessened its regional broker role since a leadership change in Doha, and there appears to be no regional actor currently available with both the motivation and the ability to work with both sides of the Palestinian divide.

If anything, distrust has increased over the administration of Gaza and its relationship with the outside world, although the regional circumstances turning against Hamas have led to some speculation that Hamas may agree to a unity deal on terms more acceptable to Fatah – so far there is no evidence of this being realised. PLO reform is less on the agenda at the end of 2013 than it was at the start of the year.

## **Score: 4**

*b. Progress in convening Palestinian Authority presidential, Palestinian Legislative Council, and Palestinian National Council elections*

## **Significance of indicator**

The PLO (specifically the Palestinian National Council (PNC) and the Executive Committee) and the Palestinian Authority (PA) (comprised of the office of the president and the Palestinian Legislative Council (PLC)) are the main forums for Palestinian political representation, with the PLO and its elected institution, the PNC, being of broader and greater significance for a two-state agreement with Israel. Regular, free, and fair elections to institutions of leadership are key benchmarks of their popular legitimacy. However, for self-

defined national liberation movements, this legitimacy is to a great extent also determined by the success of their national liberation strategies. In theory, the right to participate in PNC elections extends to Palestinians everywhere, while in the case of PA presidential and PLC elections, only Palestinians living in the OPTs can participate.

Both Fatah and Hamas have reasons to be wary of national elections. Fatah is concerned that Hamas' participation in PA institutions – even if the party does not repeat its PLC election victory of 2006 – will allow it to accumulate interests and entrench itself in the institutional bureaucracy. Hamas is wary of electoral politics both as a product of Fatah's determination to keep Hamas members from holding office after the 2006 elections (a wariness reinforced by the fate of the Brotherhood in Egypt next door) and also because Hamas fears that elections may confirm that their popularity is in fact waning domestically. For both, the PLO is the bigger prize, and Fatah has so far jealously guarded its PLO monopoly.

Even if Palestinian elections are credible and deemed free and fair in their implementation, there is no guarantee that Israel and international actors will recognise their practical outcomes. Progress on elections is both another indicator of the ability to overcome current divisions and re-establish agreed rules of the game and is crucial to having shared Palestinian decision-making and implementation and even referendum structures in place for any progress in negotiations/approval of a deal reached. Elections will re-invest Palestinian negotiators with greater domestic legitimacy and create more robust avenues for accountability and interaction with the Palestinian constituency impacted by the talks.

### **Scoring guide**

0 – Elections are held for the PNC. They feature high participation from Palestinians inside and outside the OPTs, and the parties respect the election outcomes. Elections are held for the PLC and PA presidency in the West Bank, East Jerusalem, and Gaza, with high participation rates in the OPTs. The key Palestinian factions participate in elections.

1 – Elections take place for either the PNC, the PLC, or the PA presidency, with participation at rates similar to past elections in the OPTs and with elections made possible in other Palestinian population centres if for the PNC. All key factions participate and respect the outcome, and credible international observers endorse the results.

2 – Palestinian authorities announce that elections will be held in the West Bank, Gaza, and East Jerusalem for either or both the PLC or/and the PA presidency, with all factions agreeing to participate and an agreement for international observer oversight.

3 – No elections are held or agreed on, but negotiations for elections are ongoing, and the basic framework and institutions for conducting elections are functioning and making progress (i.e. there is some co-operation on the composition of the Palestinian Central Elections Commission, registration process, etc.).

4 – No elections are held and no progress is made to that end, or elections are held in the West Bank, Gaza, and East Jerusalem for either or both the PA presidency and/or the PLC but are boycotted by one of the major factions, and/or the outcome is disputed, or elections are held by only one major faction for only one PA area (i.e. either the West Bank or Gaza but not both).

5 – No Palestinian elections are held and the modalities for holding elections are unilaterally modified by one party. Without consultation or agreement, a non-elected authority re-defines the nature of elections and re-organises the election commission, oversight, and the nature of Palestinian bodies or powers; or elections are indefinitely postponed and removed from agenda.

## **Findings**

PLC elections that should have taken place in 2010 were scheduled and subsequently delayed three times, most recently in October 2013.

Fatah and Hamas have not pursued the tentative agreement reached in May 2013 that would have allowed for new PNC elections, and the agreement appears to have been shelved indefinitely. No preparations are currently being made for PNC elections. No progress has been made either on PLC or PA presidential elections, although preparatory measures have been taken or discussed. Nevertheless, while Hamas had agreed in January 2013 to allow the Central Elections Commission to [register](#) voters in Gaza, it subsequently [backtracked](#) in July 2013 before work could commence, in part due to what it called unfair treatment of Hamas supporters in the West Bank.

Occasional suggestions have persisted regarding West Bank-only PLC elections. In August 2013, for example, Fatah officials [raised](#) the possibility of unilaterally calling for PLC and PA presidential elections “as soon as possible”, with Abbas reportedly [threatening](#) to suspend the transfer of PA funds to Gaza should Hamas fail to agree. Were elections to take place in the West Bank only, then, far from re-establishing a popular mandate, this would on balance have had the effect of entrenching divisions and further undermining the capacity for collective and inclusive decision-making over the legitimisation of any two-state negotiation or agreement.

## **Score: 4**

*c. Public perceptions of Palestinian leadership and adherence to the rule of law*

### **Significance of indicator**

Alongside considerations of political representation and electoral legitimacy are questions of how Palestinian political actors exercise power and whether the Palestinian public is confident that the de facto authorities do so according to the rule of law as well as whether leaders are in a legitimate position to take decisions on peoples’ futures. Though grievances around corruption have always been high amongst the public, the last decade has seen the proliferation of other abuses of power in both the West Bank and Gaza. These peaked during and after the internecine conflict, which significantly worsened following the 2006 elections, establishing a pattern of impunity for the respective authorities in the OPTs, with PLC parliamentary oversight largely in abeyance.

### **Scoring guide**

0 – Levels of public confidence in the Palestinian leadership remain high. Authorities investigate and prosecute instances of serious human rights violations, diminishing the frequency in which they occur. Authorities strengthen the independence of the Palestinian judiciary. They put in place effective measures to curb corruption and prosecute those who engage in corruption. This leads to diminishing public perceptions of corruption.

1 – Levels of public confidence in the Palestinian leadership grow. Authorities increasingly investigate and prosecute instances of serious human rights violations, leading to fewer occurrences. Authorities put in place effective measures to curb corruption.

2 – Public confidence in the Palestinian leadership steadily or slightly increases. There are fewer instances of serious human rights violations. Authorities take effective measures to curb corruption, leading to declining public perceptions of corruption.

3 – Public confidence in the Palestinian leadership declines slightly. Serious human rights violations occur intermittently and with impunity. Authorities take some effective measures to curb corruption.

4 – Public confidence in the Palestinian leadership declines. Serious human rights violations occur frequently and with impunity. Authorities take no visible measures to curb corruption.

5 – Public confidence in the Palestinian leadership and in Palestinian institutions falls significantly. High numbers of serious human rights violations occur with impunity. Serious and credible new corruption allegations come to light.

## Findings

In June 2013, a public opinion [poll](#) found that 48 percent of Palestinians were satisfied with the presidency of Abbas. The same [poll](#) found that 41.2 percent approved of the performance of the Hamas-led authority in the Gaza Strip. In June 2012, these [figures](#) stood at 53.5 percent and 55.9 percent respectively.

According to the most recent data for 2013 (January-October), the Palestinian Independent Commission for Human Rights (PICHR) recorded a range of serious human rights violations by authorities in the West Bank and Gaza, including the following ([2012 data](#) in parentheses):

- Issuance of death sentences: 12 (6)
- Torture and ill treatment: 315 (306)
- Arbitrary detention: 674 (176)
- Deaths in detention: 2 (11)

In June [2013](#), polls showed that 77 percent of Palestinians believed that corruption exists in the West Bank, and 61 percent believed that corruption exists in Gaza. In December 2012, these [figures](#) stood at 74 percent and 53 percent respectively.

In their most recent [report](#), the Palestinian public watchdog, Transparency Palestine (AMAN), documented common ongoing forms of corruption in the form of nepotism, favouritism, cronyism, tax evasion, and misuse of public property in 2012. The latest World Bank [report](#) on the OPTs, published in March 2013, also underscores the need to address institutional corruption.

## Score: 3

*d. Palestinian support for the two-state solution*

## Significance of indicator

Support for a two-state solution among Palestinians is crucial for the outcome of negotiations conducted by the PLO to that end. Simultaneously, it is important to measure the public's confidence in the possibility that a two-state solution may be the result of a negotiation rather than achieved through other means, be they non-violent struggle or armed struggle. Finally, on a more granular analysis, it must be assessed whether support for the two-state solution and for a negotiated outcome involves also the expectation that the former can be delivered through the latter in a reasonable amount of time.

### **Scoring guide**

0 – A significant majority of Palestinians support a two-state outcome; they largely support negotiations as the main vehicle to achieve a two-state outcome; and they believe that the negotiations have a realistic short-term or mid-term chance of success.

1 – A significant majority of Palestinians support a two-state outcome, and they largely support negotiations as the main vehicle to achieve a two-state outcome. But they do not believe that the negotiations will result in two states in the immediate future.

2 – A slim majority of Palestinians support a two-state outcome, and Palestinians largely support negotiations as the main vehicle to achieve a two-state outcome. But they do not believe that negotiations will ever result in two states.

3 – Palestinian opinion is split around 50/50 on support for a two-state outcome in principle, but they do not believe that negotiations will ever result in two states. A significant minority of Palestinians support a return to armed resistance as the primary vehicle to end the occupation.

4 – A sizeable minority of Palestinians support a two-state outcome, but a slim majority support a return to armed resistance as the primary vehicle to end the occupation. A strong majority oppose continued negotiations.

5 – The majority of Palestinians reject a two-state outcome, reject negotiations, and support a return to armed resistance as the primary vehicle to end the occupation.

### **Findings**

While public opinion polls still reflect majority support in principle among Palestinians for a two-state settlement, these numbers have declined over time: support for a negotiated settlement was much higher – at 75 percent in 1999 versus 55 percent in 2013.<sup>6</sup>

Whereas public confidence that negotiations were a correct and necessary strategy for national liberation ran high in the 1990s (in 1995, 74.9 percent expressed support for negotiations), this view diminished sharply by 2013, with 66.2 percent expressing pessimism about whether there could be a peaceful settlement at all, according to a poll conducted in

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<sup>6</sup> Comparison of relevant polling data from 1993-2013 from Jerusalem Media and Communications Centre (JMCC), Palestinian Center for Policy and Survey Research (PCPSR), and al-Najah University on questions about negotiations, attitudes towards the Oslo Accords, and the content of proposals to date. See also "Palestinian Public Opinion Poll Number 47", PCPSR, 1-3 November 2013, available at <http://www.najah.edu/node/30789>.

March.<sup>7</sup> More recently, according to the findings of a November 2013 [poll](#), 50.5 percent of Palestinian respondents said that the PLO should not have agreed to restart talks, while 33.8 percent voiced their support for talks. In another [poll](#) conducted in November 2013, when asked whether they think that the current talks will lead to an agreement, 11 percent said that this would happen in one year, 19 percent predicted that this would happen in five years, and 22 percent said that an agreement is inevitable but that it would take more than five years; 47 percent, meanwhile, said that they did not believe that a peace agreement would ever be reached.

In the course of the second intifada, [public opinion](#) was evenly divided in support for both violent and nonviolent forms of resistance, seeing them both as a legitimate response to the occupation.<sup>8</sup> According to a March 2013 [poll](#), a large majority of Palestinians (78.9 percent) said that nonviolent resistance efforts should be intensified.<sup>9</sup> More recently though, following the resumption of peace talks, only [27.1 percent](#) of Palestinians polled in November 2013 considered nonviolent resistance the most useful approach, versus 29.3 percent of Palestinians who backed armed resistance.

**Score: 3**

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<sup>7</sup> Comparison of “JMCC Public Opinion Poll No. 7”, JMCC, June 1995, available at <http://www.jmcc.org/documentsandmaps.aspx?id=505> with “Poll No. 79, March 2013 – Reconciliation, Obama Visit and Security Coordination”, JMCC, March 2013, available at <http://www.jmcc.org/documentsandmaps.aspx?id=861> (hereafter, “Poll No. 79, March 2013 – Reconciliation, Obama Visit and Security Coordination”).

<sup>8</sup> Comparison of polling data from 1993-2013 from JMCC, available at <http://www.jmcc.org/polls.aspx>. See also Charmaine Seitz, “Tracking Palestinian Public Support for Armed Resistance during the Peace Process and its Demise”, JMCC, December 2011, available at <http://www.jmcc.org/Documentsandmaps.aspx?id=850>.

<sup>9</sup> “Poll No. 79, March 2013 – Reconciliation, Obama Visit and Security Coordination”.

## Category 7 – Israeli Debate

### **Do social, attitudinal, and political trends in Israel strain or sustain a two-state settlement?**

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#### **Rationale**

Under Israel's present system of government, a peace agreement with the Palestinians that entails withdrawal from territory would need to carry a parliamentary majority and, if current coalition agreements stand, also pass a referendum. As Israel's coalitions cover at least some spectrum of opinion on peace talks (and as there is always some political capital in representing the voters' misgivings about any withdrawal from the West Bank), this challenge is not to be taken for granted, even in the event of a prime minister strongly committed to pursuing a two-state solution.

First, this category looks at Israeli support for a two-state solution and the priority given to an agreement with the Palestinians. Second, public opinion, especially if a referendum on the agreement is held, will be an important factor in defining the degree to which Israeli decision makers are willing to take risks and be forthcoming in a two-state process. The third indicator deals with the popularity of alternatives to a two-state solution. Although a two-state solution has been long framed as the "only" reasonable outcome of the conflict and that it was only a matter of time before it materialised, in reality, Israelis have at least two more options to choose from, broadly speaking. One is continuing the status quo, and the other is annexing all or some of the territories and either offering full civil and political rights to the Palestinian residents therein or withholding them – the Israeli political right, including cabinet ministers and coalition parliamentarians, increasingly advocate variations on the annexation option. And finally, given that policy is most immediately determined by the policy makers themselves – first and foremost, the executive and the legislative branches of government – the fourth indicator addresses the composition and main activities of the Israeli government.

#### **Summary of findings for January-November 2013**

Generic support for a two-state solution rose in Israel in 2013, with 62 percent of Israelis supporting it, while in March 2012, support stood at 56 percent, a small increase, with numbers appearing somewhat volatile between polls. Israeli support for negotiations was also high in 2013, with 65.3 percent of Israelis supporting them two months after their resumption. Yet, only 28.8 percent of Israelis think that a two-state solution can be achieved through negotiations; 51 percent of Israelis think that it is absolutely impossible to reach a final status agreement with the Palestinians; and 68 percent said that this would be impossible to achieve in the next five years.

Moreover, the two-state solution does not seem to be on the top of the agenda for most Israelis. In April 2013, only 10 percent ranked negotiations as a top priority, making this the fifth most important issue on the political agenda for Israelis, behind reducing the national deficit (12 percent), public order and violence (14 percent), the Iranian nuclear threat (16 percent), and the top item of the agenda, closing socio-economic gaps (39 percent).

Meanwhile, government figures continued to express support for variations on a one-state solution, including, for the first time, a senior government minister – Minister of Economics and Trade Naftali Bennett – who persistently and repeatedly called to abandon the two-state process and opt for partial annexation instead. Despite the renewal of peace talks with the

Palestinian Liberation Organization (PLO), most members of the Israeli ruling coalition established in January 2013 have continued to either oppose, or failed to voice substantial support for, the two-state solution.

## **Logic, scoring rubric, and detailed analysis for each indicator for January-November 2013**

### *a. Israeli support for a two-state solution*

#### **Significance of indicator**

Israeli belief in the possibility of and support for a two-state solution – both in principal and as a likely outcome in the short-term – is a critical factor in dictating a governing coalition’s agenda and its willingness to take risks. It is worth noting that, despite current levels of support among the Israeli public, when the Israeli government reached peace agreements in the past and worked to rally public opinion behind it, the figures changed in its favour, even as the opposition became angrier and even violent. Of course significant public support can also lead to changes in coalition composition and in the balance of parties within parliament between those more or less supportive of progress on peace.

#### **Scoring guide**

0 – Israelis overwhelmingly support the two-state solution, support negotiations with the Palestinian leadership in order to reach that solution, and believe that the negotiations have a realistic short-term or mid-term chance of success.

1 – Israelis strongly support the two-state solution and somewhat support negotiations with the Palestinian leadership to reach that solution, but they do not believe that the negotiations will result in two states in the immediate future.

2 – Israelis significantly support a two-state solution and support negotiations with the Palestinian leadership, but they do not believe that those negotiations can result in a two-state solution within any reasonable timeframe.

3 – A slim majority of Israelis support a two-state solution. Those Israelis who support negotiations though mainly support them for the purposes of conflict management rather than conflict resolution.

4 – A slim majority of Israelis reject a two-state solution and oppose negotiations to that end.

5 – A strong majority of Israelis reject the two-state solution and reject negotiations.

#### **Findings**

1. In June 2013, 62 percent of Israelis **supported** the two-state solution and 33 percent opposed it. This represents only a slight increase from March 2012, when 56 percent **supported** a two-state solution and 40 percent opposed it.

Israeli support for negotiations rose to 65.3 percent of all Israelis (60.7 percent of Jews) two months after their resumption. Nevertheless, only 28.8 percent of Israelis (25.9 percent of Jews) thought that negotiations would lead to a two-state solution, a slight drop from December 2012, when **32 percent** of Israelis thought that negotiations would lead to a two-state solution.

More broadly, in June 2013, **51 percent** of Israelis thought that it was absolutely impossible to reach a final-status agreement with the Palestinians, and 68 percent said that this would be impossible to achieve in the next five years. A **poll** in December 2013 found similar results, with 48 percent of Israelis believing that a peace agreement will never be reached. This represents a slight change to the data from December 2012, when **67 percent** thought that a final-status agreement was impossible, and 64 percent said that it was impossible in the next five years.

**Score: 2**

*b. Priority given in public opinion to a political settlement with the Palestinians*

**Significance of indicator**

Whether or not Israelis prioritise a political settlement with the Palestinians has a direct bearing on the degree to which political parties and decision makers prioritise progress on the two-state process and whether they are willing, or not, to assemble the political coalitions and undertake the political risks that are necessary for this process to move forward or whether they will face pressure and challenges for not doing so.

**Scoring guide**

0 – Israelis place a political settlement with the Palestinians as a top priority, high above all other issues on the agenda.

1 – Israelis place a political settlement with the Palestinians as a top priority, but other issues on the agenda are not far behind.

2 – Israelis see a political settlement with the Palestinians as marginally more important than other issues on the agenda.

3 – Israelis see a political settlement with the Palestinians as marginally less important than other issues on the agenda.

4 – Israelis see a political settlement with the Palestinians as considerably less important than other issues on the agenda.

5 – Israelis see a political settlement with the Palestinians as a largely marginal issue on the agenda.

**Findings**

In April 2013, only 10 percent of Israelis polled ranked negotiations as a top priority, therefore making this the fifth most important issue on the political agenda for Israelis, behind reducing the national deficit (12 percent), public order and violence (14 percent), the Iranian nuclear threat (16 percent), and the top item of the agenda, closing socio-economic gaps (39 percent). In the immediate aftermath of the January 2013 elections, polls **recorded** that 51 percent of Israelis said that they voted according to their party's position on socio-economic issues, and only 22 percent said that their party's position on a political settlement with the Palestinians dictated their choice.<sup>10</sup>

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<sup>10</sup> A study by the Israel Democracy Institute (IDI) found that in 2012 (ahead of the January 2013 elections), only 44 percent of Israelis listed the diplomatic/security issue vis-à-vis the Palestinians as pivotal to their electoral

More recently, a [poll](#) in December 2013 found that 49 percent of Israelis felt that Israel would suffer increasing international isolation and sanctions should it not come to an agreement with the Palestinians, compared to 51 percent who felt that Israel was strong enough to continue the current status quo and therefore did not need to reach a deal. Moreover, according to the same data, when asked whether they would recommend accepting a package deal based on the internationally-accepted consensus parameters, 54 percent voiced their support – although this rose by 9 percent in the event of Palestinian acceptance.

**Score: 4**

*c. Rise in public discourse of political alternatives to a two-state outcome*

### **Significance of indicator**

The two-state solution has, since the late 1990s, benefited from an ever-more explicit understanding amongst Israelis as the sole possible alternative to the ongoing conflict with the Palestinians – a kind of default option that, even if not necessarily embraced enthusiastically, was presented as eventually inevitable. The recent growth in publicly-touted alternatives – including making interim arrangements semi-permanent and annexation plans – erodes this dichotomy, leaving the two-state solution open to challenges from alternatives, reflecting Israeli dissatisfaction with the 20-year-old peace process and an increasingly assertive pro-annexation “Greater Israel” camp.

### **Scoring guide**

- 0 – Any Israeli public debates on alternatives to the two-state solution are very marginal.
- 1 – Proponents raise alternatives to the two-state solution, but they have little public or political resonance, organised presence, or adherents in the Knesset.
- 2 – Proponents of alternatives to two states have a limited parliamentary and public presence, and more mainstream advocates of alternatives are focused on short-term and specific arrangements that do not preclude a two-state solution in the long term.
- 3 – Relatively mainstream political actors voice long-term alternatives that would preclude a two-state solution; such ideas resonate with a broader public.
- 4 – A combination of individuals from among influential political actors, factions, government office holders, and parliamentarians advocates the practicalities of non-partition alternatives to the two-state solution. Public support for alternatives show signs of growing.
- 5 – The Israeli public broadly considers non-partition solutions as viable long-term alternatives to the two-state solution; political and public campaigns advocating these

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choice, while 49 percent indicated socio-economic policies as the deal breaker (compared to 49 percent and 36 percent respectively in the 2008 elections). The discrepancy can be ascribed to the questions asked – the greater variety of answers offered (i.e. not merely “diplomatic vs. socio-economic”, but “peace talks vs. budget, secular-orthodox relations, socio-economic gaps, nuclear threat”), the less priority respondents ascribe to the two-state process. See, the Peace Index, April and January 2013, Israel Democracy Institute and the Guttman Conflict Management Program at Tel Aviv University, available at <http://www.peaceindex.org/indexYears.aspx?num=20>.

solutions gain traction among Israelis and the Knesset; depending on the coalition, the government is split between alternatives.

## **Findings**

Notable figures who have spoken out in favour of alternative solutions include Minister of Industry, Trade, and Labour Naftali Bennett, who proposed that Israel should annex Area C; former Defense Minister Moshe Arens, who proposed annexing the entire West Bank, and, over time, granting its residents limited Israeli citizenship; and a number of prominent Likud members of the Knesset, who have continued voicing support for the annexation of the West Bank in various configurations – positions that were taboo just a few years ago. Despite these statements, no politician has launched an organised political or parliamentary campaign in 2013 to proactively implement these plans.

## **Score: 3**

### *d. Government composition*

## **Significance of indicator**

The composition of Israel's elected government determines its policy on the conflict, from the conduct of negotiations to shaping the geopolitical landscape in the Occupied Palestinian Territories.

## **Scoring guide**

0 – The governing coalition pursues a clear commitment to a two-state solution, enshrined in coalition agreements and pursued in practical policies.

1 – There is a clear majority for two states within the cabinet and governing coalition, though not unanimity. Governing guidelines allude to two states and policies are consistent with this approach.

2 – There is a clear prime ministerial commitment to two states, backed up by actions, and a slim but committed majority for two states within the governing coalition, cabinet, and parliament.

3 – The governing coalition and cabinet are split on two states, with no clear majority either way, and policies reflect this.

4 – A majority of the cabinet and coalition are opposed to a two-state outcome, either declaratively or in practice, and policies on the ground reflect this. Elements of the coalition support alternatives to two states but no consensus alternative policy exists.

5 – The governing coalition is clearly opposed to two states and begins to pursue alternative options in its statements and/or in practice.

## **Findings**

The current government is comprised of the following parties, in descending order of seniority: Likud, YisraelBeiteinu, YeshAtid, BayitYehudi (Jewish Home), and TzipiLivni'sHatnua party. Less than one-third of the ministers in the current cabinet are on record supporting a two-state solution, while the most prominent among them support it with

reservations that detract significantly from the accepted two-state model (including, crucially, opposition to the partition of Jerusalem.)

Deputy Defence Minister Danny Danon said, and reiterated, that the government is opposed to the two-state solution and will do whatever it can to block it, and Minister of Economics and Trade Naftali Bennett said on several occasions that the two-state solution was “impossible”. Israel’s Deputy Foreign Minister Ze’ev Elkin has also come out against the two-state solution, [arguing](#) in September 2013, “if we agree to a Palestinian state, we agree to eliminate the Jewish state, and if we agree to a Jewish state, we must not agree to a Palestinian state”.

For his part, speaking in December 2009, Foreign Minister Avigdor Lieberman [dismissed](#) the chances of a comprehensive agreement with the Palestinians in the following ten to 20 years. More recently, in December 2013, he again [voiced](#) his doubts about the feasibility of reaching an agreement with the Palestinians during the current nine-month period.

This represents a significant change to the previous government (2009-2012), which relied on a succession of centrist parties (Labour, Ha’atzmaut, Kadima) that have been formally committed to a two-state solution and did not include politicians who were vehemently opposed to it in prominent ministerial positions. While some observers expected that YeshAtid and Hatnua would act as strong counterbalances to nationalist parties Likud Beiteinu and Jewish Home, by July 2013 it seemed that YeshAtid would not significantly challenge the nationalist bent of the cabinet, with Hatnua anyway being a small party (with just six seats). As yet, there have been no changes to the composition of the coalition or significant shifts in the positions of its member parties since its inauguration.

In June 2013 though, the chief whip for the current ruling coalition, Likud Knesset member Yariv Levin, became the new co-chair of the [Caucus for Eretz Israel](#) (“Greater Israel”), alongside Jewish Home Knesset member Orit Strock[declaring](#), “we will act to strengthen our hold on all parts of Eretz Israel and will safeguard the settlement enterprise out of faith and the knowledge that exercising our rights to this land is our duty but also the best guarantee for Israel’s security”. The Caucus for Eretz Israel, although informal and devoid of legislative power, is thought to be one of the largest and most active Knesset caucuses with, according to the caucus’ office, a total of 37 members (over a quarter of the Knesset) – including PninaTamano-Shata (YeshAtid) and Minister Uri Ariel (Jewish Home). Israel’s current deputy Foreign Minister Ze’ev Elkin also previously co-chaired the Caucus for Eretz Israel.

The fact that the present government has senior ministers not only questioning the two-state solution but also openly opposing it and proposing annexationist alternatives is significant and suggests a potential structural change that could place great stress on the two-state solution. Netanyahu has formally endorsed two states but has not put this to a vote in either his Likud party or to his government nor does it form part of his government coalition guidelines.

**Score: 4**

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