

Israel and the Palestinians: A New Strategy

Moshe Ya'alon

Dietrich Bonhoeffer, a German priest executed by the Nazis, once wrote, “If you board the wrong train, it is no use running along the corridor in the opposite direction.”¹ Fifteen years ago, the signing of the Oslo accords with the Palestine Liberation Organization (PLO) raised hopes that Israel had boarded the “peace train.”² Over the years, however, it became clear that the train was not headed for the promised destination. Nevertheless, Israel’s leadership has been pointlessly running along the corridor ever since.

The shattered hopes left in Oslo’s wake have been the subject of numerous books, articles, and opinion columns.³ Most attempt to identify a single cause for the collapse of the peace process, be it the Hebron massacre, the assassination of Yitzhak Rabin, Benjamin Netanyahu’s leadership, the lack of chemistry between Ehud Barak and Yasser Arafat, Operation Defensive Shield, IDF roadblocks, or the expansion of the settlements, to name just a few. Such explanations naturally involve playing the blame game or—particularly in the case of many Israeli analysts—engaging in

self-flagellation. The problem with these assessments is that any attempt to single out a particular point in time at which the “peace train” derailed usually betrays an unwillingness to face an uncomfortable yet undeniable fact: It was the wrong train to begin with.

If we truly seek to understand why the Oslo peace process failed, we must reevaluate the fundamental principles of the strategy employed by the architects of the agreement, one of which—arguably the most important—was the assumption that bold diplomacy is the driving force behind historical compromise between two nations. Accordingly, the logic that dominated the Oslo process was based on the idea that negotiations and agreements are a necessary prologue to the achievement of tangible change in security, economic, and social conditions. Put simply, Israeli statesmen hoped that diplomatic breakthroughs reached at the negotiating table would pave the way to ending the larger conflict. They believed that treaties, goodwill gestures, and territorial concessions would ease tensions and violence in the region, and, as a result, security and stability would return to Israel’s narrow strip of land.⁴

This doctrine had already begun to falter before the outbreak of the Palestinian war against Israel in September 2000, but the extent to which it was in truth a monumental mistake has since become abundantly clear. Over the past eight years, the gap between the aspirations of the peace process and the dismal reality on the ground has expanded *ad absurdum*. Ostentatious international summits and the celebrated declarations they produced—including the pretentious Annapolis summit in November 2007—have yielded nothing but broken promises. In the face of the Palestinian Authority’s descent into corruption and violent chaos, the “peace process” has turned out to be an empty delusion.

In light of this, Israel and the West have no choice but to revise their entire policy toward the Palestinians. This requires not merely cosmetic alterations, or still more intensive efforts to advance the old Oslo process, but an alternative strategy that will redefine our objectives and the means necessary for their realization.

In outlining such a strategy, we must learn from our bitter experience, and realize, once and for all, that even the most impressive treaties carry no weight if one of the signatories is unable—or unwilling—to fulfill its commitments. Therefore, we need to turn the Oslo approach on its head: Instead of trying to achieve historical change “from the top down,” exaggerating the importance of declarations handed down to the masses as if from the peak of a diplomatic Mount Olympus, we should adopt a new, more pragmatic policy that promotes change “from the bottom up.” Such a strategy should seek to establish stability and security first, to be followed only later—and perhaps after a great lapse of time—by peace.

In this essay, I will outline some of the ideas that I have formulated together with my colleagues at the Adelson Institute for Strategic Studies, according to which the establishment of a stable Palestinian society ought to be seen as an indispensable condition for any significant diplomatic progress. It is, however, highly doubtful that such a society will be established unless we properly understand what has hindered it thus far, and what we can do to advance it in the future.

II

The path that led from the high point of Oslo to our current predicament was paved by mistakes on both sides. There are very good reasons for Israelis to reevaluate their past actions: Their statesmen and military commanders often made rash and thoughtless decisions, making matters worse for everyone involved. Nevertheless, Israeli and Palestinian leaders are not equally responsible for Oslo’s failure, for the simple reason that the former had the true and honest intention of reaching a sustainable peace and actively pursued that goal; the latter, on the other hand, did everything within their power—both intentionally and unintentionally—to undermine it.

It is unfortunate, to say the least, that the partner in whom the Jewish state placed all of its hopes for a historic reconciliation was Yasser Arafat. Such hopes engendered a profound change in the way Israelis perceived the Palestinian leader. For many years, after all, they had viewed him as their worst enemy, and not without good reason: From the 1960s on, Arafat engineered some of the most despicable terrorist attacks of the modern era, which claimed the lives of thousands of innocents, including women, children, and the elderly. Then the Oslo accords gave Arafat an opportunity to reinvent himself. Not only did they rescue his organization from one of the most dire periods since its inception, they also offered him international legitimacy. No one could possibly have imagined, during the 1970s and 1980s, that the arch-terrorist who had declared an unrelenting war against Zionism and the Jewish people would one day stand beside Israel's prime minister and foreign minister to receive the Nobel Peace Prize, as if he were following in the footsteps of Albert Schweitzer, Martin Luther King Jr., and Mother Teresa.

But, as we now know, Arafat never for a moment abandoned his dream of bringing about the elimination of the Jewish state. Under his leadership, the Palestinians supposedly recognized “the right of the State of Israel to exist in peace and security.”⁵ But they entirely rejected Israel's Zionist self-definition. In their view, the Jews simply had no right to establish a national homeland in Palestine. Rabin was therefore forced to completely forgo demands for such recognition in the Oslo accords, and settled for Arafat's commitment to remove the clauses that reject Israel's right to exist from the Palestinian National Charter. These clauses, however, were never removed.⁶ Still today, Palestinian speakers—even the most dovish among them—refrain from expressing support for a “two states for two peoples” solution.⁷ At most, they advocate the establishment of two states between the Jordan River and the Mediterranean Sea: a Palestinian state and a “binational” state—in other words, one without a distinct Jewish identity. This fact emphasizes the extent to which the commonplace view of the Israeli-Palestinian conflict as centered on a territorial dispute is a

misconception. The real tragedy, so far as the Palestinians are concerned, is not the “occupation” of 1967, but rather that of 1948, which brought about the establishment of the State of Israel and turned many of them into refugees. For this reason, they staunchly refuse to renounce the “right of return”—that is, the repatriation of millions of Palestinian refugees to Israel proper—which would lead, they know full well, to the dismembering of the Zionist entity and would be, they believe, the correction of the historical injustice inflicted upon them.

Arafat’s views on this issue reflected a consensus among the Palestinian leadership. For them, the Oslo accords were merely the starting point for the next stage in the struggle against Israel. Carl von Clausewitz, the Prussian military theoretician, famously stated that “war is a mere continuation of policy by other means.”⁸ Palestinian policy was, and continues to be, the continuation of war by other means. After all, Oslo offered the PLO quasi-sovereignty in the West Bank and the Gaza Strip—a strategic benefit the organization could never have hoped to achieve had it confined itself exclusively to armed struggle. Such an accomplishment, they reasoned, justified certain reconciliatory gestures toward the Zionist enemy, although most of them remained rather vacuous. “One foothold on the land of Palestine is more precious, and a thousand times more important to me, than words on paper,” Arafat explicitly declared at the opening session of the Palestinian National Council in April 1996.⁹ The idea behind this pronouncement was particularly well stated by Faisal Husseini, who enjoyed a reputation as a moderate Palestinian leader and was a favorite of the Israeli left. Shortly before his death in May of 2001, Husseini gave an interview to the Egyptian weekly *Al-Arabi* in which he stated, “Our final goal is to liberate all of historical Palestine from the river to the sea,” and confirmed that the Oslo accords were a “Trojan horse” intended to induce Israel and the United States to open their “barricaded walls” to the PLO.¹⁰

Only in light of this two-faced strategy, in which diplomacy was harnessed in the service of the armed struggle against the Jewish state, is it possible to understand why Arafat and his deputies refused to forgo the use

of violence once they had achieved the desired foothold in the West Bank and the Gaza Strip. Instead of dedicating themselves to building a state, the Palestinians preferred to create a semi-organized terrorist entity in the territories handed over to them. Arafat might have made every effort to uphold his image as a peace-seeking leader in the eyes of the world, but he never ceased to support—both implicitly and explicitly—the continuation of the armed struggle against Israel. Proffering endless excuses to Israel and the United States, Arafat shirked his responsibility for confronting Hamas and Islamic Jihad. He enlisted tens of thousands of armed men into his “security forces” and created the Tanzim, his Fatah party’s militia. These paramilitary groups later spawned the Al-Aksa Martyrs’ Brigades, responsible for some of the deadliest terror attacks of the last decade.

In September 2000, after several years of low-key restiveness and occasional clashes—which were, in hindsight, a telling sign of things to come—the Palestinians began a full-scale, murderous onslaught against Israel.¹¹ This offensive, misleadingly called the “Second Intifada,” supposedly began as a popular protest against Ariel Sharon’s visit to the Temple Mount. In fact, it was a calculated move that had been planned for some time beforehand.¹² The real cause of the outbreak was the Camp David summit of July 2000. In the course of those talks, Ehud Barak, then Israel’s prime minister made a series of stunningly generous offers to the Palestinians, which included the establishment of a state in almost 90 percent of the West Bank and all of the Gaza Strip, as well as the transfer of Arab neighborhoods in East Jerusalem to Palestinian sovereignty. According to Barak, this was done out of a willingness “to pay a painful price to bring about an end to the conflict.”¹³ Arafat rejected these offers, however, for the simple reason that he had never intended to end the conflict in this way: He was not interested in a solution that consisted of a Jewish state and a Palestinian state living peacefully side-by-side. When pressed to cooperate with Barak’s bold conciliatory offer, Arafat preferred to return to his old ways.¹⁴ The withdrawal of the IDF from Lebanon a month earlier had reinforced his confidence that Israel’s spirit could be broken by violent means, and Sharon’s ascent to the

Temple Mount gave him a *casus belli* for the popular “heroic” war he had been dreaming of for a very long time.¹⁵

Throughout the Palestinian Terror War (the so-called Second Intifada), then, Arafat wore two hats: The first was that of the firefighter, and the second that of the serial arsonist. Many people continued to view his leadership as the only thing capable of dampening the flames, if not of putting them out entirely. Riding the waves of these expectations, Arafat met with Israeli and foreign diplomats, showered the media with moderate statements, and expressed his profound distress in the face of the escalating violence. At the same time, when out of view of the TV cameras and beyond earshot of the microphones, he was relentlessly feeding the flames of the Intifada.¹⁶ Arafat did not have to give explicit orders to carry out terrorist attacks; his subordinates understood his wishes all too well.¹⁷ There is ample evidence that attests to this fact: Documents seized by the IDF during Operation Defensive Shield in April-May 2002 exposed the Palestinian Authority (PA) chairman’s support for operatives deeply involved in terrorist activity.¹⁸ To finance these assassins, Arafat did not hesitate to make use of funds donated to the PA by the international community.¹⁹ And so, while the violence intensified and many Palestinians lost their livelihood, terrorist cells continued to receive payments in cash.

Arafat’s death in November 2004 and the election of Mahmoud Abbas (also known as Abu Mazen) as chairman of the Palestinian Authority on January 9, 2005, offered the Palestinian leadership an opportunity to change course. And indeed, Abu Mazen was reluctant to feed the flames that Arafat had ignited. Though he did not budge from the traditional Palestinian opposition to the very idea of a Jewish state, he understood that the violent confrontation with Israel was having devastating consequences for the Palestinians. He therefore called for “the building of our homeland” in place of armed struggle.²⁰ Unfortunately, the new PA chairman was unwilling to pay the price of a confrontation with Hamas. He missed the crucial window of opportunity presented by the beginning of his term, when he might have been strong enough to impose his will on opposing factions. He wasted the

international credit he was given by trying to incorporate the Islamic terrorist organizations into the Palestinian government. He consistently cited his own weakness in order to justify his actions and to throw the ball back into Israel's court. Ironically, in the end, the weakness he had turned into a type of strategic asset became a painful reality. The corrosion of the PA, together with the decline in Fatah's power, signaled to the religious fundamentalists that the time had come to take over. As a consequence of Hamas's victory in the elections for the Palestinian Legislative Council on January 25, 2006, and its violent takeover of the Gaza Strip in June 2007, Abu Mazen went from being the head of a pre-nascent state to a man who governed little more than several office buildings.

Today, the Palestinian agenda is increasingly dictated by Hamas, which finished the job Arafat began: burying the Oslo peace process. Islamic jihadism does not disguise its intentions or goals behind flowery rhetoric intended for Western ears. It openly proclaims its intention of wiping the Jewish state off the map and scornfully rejects any settlement based on a "land for peace" equation. Hamas considers Palestine Muslim holy ground (*waqf*), and any territorial concession constitutes an act of heresy and treason. True, Islamic radicals may occasionally concede to temporary breaks in the violent struggle under the guise of a *hudna* (ceasefire) or *tahadia* (temporary calm). But these are merely tactical timeouts used for reorganization and rearmament in anticipation of the next round of fighting. Hamas leaders find theological justification for such actions, often misinterpreted by outside observers as signs of moderation, in two Koranic verses, "Believers, when you encounter the infidels on the march, do not turn your backs to them in flight. If anyone on that day turns his back to them, except for tactical reasons, or to join another band, he shall incur the wrath of God and Hell shall be his home: an evil fate."²¹

Hamas's interpretation of these words and the worldview it expounds leave little room for the possibility of peaceful coexistence with a Jewish state. The mounting strength of its fundamentalists, who have enlisted the support of Hezbollah, Syria, and Iran, has dampened the hopes of even the

most dedicated optimists in the Israeli peace camp. Indeed, Palestinian society's slide down the slippery slope of jihad on its way to self-destruction—a process for which Fatah is no less responsible than Hamas—appears to be inevitable. We are forced to ponder the question: Does this downtrodden society still harbor the will to stop its decline before it is too late—for its own good, and for ours?

III

There is no doubt that the overall picture is bleak. The Palestinian leadership has not only let down the Israelis, who expected it to forsake terrorism, but it has also rained down devastation on its own people. The suffering of the Palestinians as a result of the actions undertaken by Arafat and his followers is both extensive and acute, and its consequences will continue to be felt for many years to come.

In order to fully comprehend the ongoing failure that is the Palestinian Authority, it is important to note that, since the signing of the Oslo accords, this entity has received international aid on a scale unmatched by any other country or organization since World War II relative to the size of its population.²² Between the years 1994 and 2000, this aid amounted to an average of half a billion dollars a year. Between 2001 and 2004, following the eruption of the Palestinian Terror War, the Palestinian Authority received an average of about one billion dollars a year. Most of this money was siphoned off into the bloated bureaucracy and security apparatus of the PA.²³ These sums have been gradually increasing since Arafat's death, despite the partial freezing of Palestinian accounts following Hamas's electoral victory in January 2006.²⁴ And the pie has only been getting larger: At the December 2007 Paris Donor Conference, the decision was made to transfer over seven billion dollars in aid to the PA over the years 2008-2010.²⁵

The Palestinians are therefore in no position to complain that the world has not shown them generosity. They do, however, have the right to ask where the vast majority of this money has gone, and why the impoverished masses have not benefited from the fruits of the international community's charity. The answer to these questions is no mystery. It can be found, for instance, in the enormous bank accounts held by senior officials of the PA and especially by Arafat himself. A report prepared by the International Monetary Fund in 2003 found that between the years 1995 and 2000, 900 million dollars of the Palestinian Authority's budget was transferred to a secret bank account controlled by Arafat.²⁶ It is difficult to determine with certainty how much of this money was pocketed by Arafat and how much was used for other purposes, such as funding terrorist activities. Either way, behind the Palestinian leader's abstemious public image stood a financial empire. Some have estimated Arafat's personal wealth to be in the billions,²⁷ much of which is still apparently concealed. Not surprisingly, in March, 2003, *Forbes* magazine ranked Arafat sixth on its "Billionaires: Kings, Queens, and Despots List."²⁸

Arafat's associates were not overlooked when the spoils were divided. The monopolist structure of the Palestinian economy offered them ample opportunities to get rich quick. Prominent figures from the PLO and key figures in the West Bank were granted exclusive rights to import and distribute products and goods in PA-controlled territories. The cement industry, for example, is dominated by the Qurei family, of which the former Palestinian prime minister Abu Ala is a member. The fuel and oil production market is controlled by Muhammad Rashid, Arafat's former money manager, and Hassan Asfour, who served as an adviser to the late chairman. Senior politician Nabil Shaath has a monopoly on importing computers. Muhammad Dahlan, former chief of the Preventive Security Service in the Gaza Strip, enjoys a monopoly on gravel. And this list is by no means complete. With no standardized guidelines for licensing companies, bidding for government contracts, collecting fees, and ensuring transparency,

the Palestinian economy was trampled under the feet of the powerful men Arafat sought to promote.²⁹

The dismal outcome of this culture of corruption soon became apparent. In 1998, while heading the Central Command, I asked Abu Firas Liftawi, then governor of Ramallah, to give me a tour of the industrial zone—an area with which I was familiar from my tenure as commander of the Judea and Samaria Division. I expected a flourishing industrial center and was dumbfounded to find that it was anything but. I asked the governor about investments that were to have been streaming into the place. “The investors have fled,” he said. “They understood that in order to do business here they would need to pay large sums to Arafat’s people.” “What did you say to them?” I asked. “That they only need to pay me,” he answered, and smiled.

If corruption exacted a heavy price from the Palestinian economy, terrorism destroyed it altogether. Constant terrorist attacks forced Israel to impose intermittent closures of PA territory and to restrict Palestinian movement with roadblocks and checkpoints in the West Bank and Gaza. These restrictions—essential to Israel’s security—sentenced the PA economy to death by slow suffocation. Tens of thousands of Palestinians lost their livelihood because they were unable to trade freely with Israel or to work within its borders.³⁰ This tragedy did not appear to bother the various Palestinian terrorist organizations, and certainly not the man orchestrating their actions from Ramallah. Knowing full well that destitution and poverty fan the flames of extremism, these men cynically did everything in their power to ensure their people’s misery and even increase it. It is no coincidence that the Israeli-Palestinian industrial zone near the Erez Crossing in the northern Gaza Strip was a favorite target for Palestinian terrorists. At the height of its success in the 1990s, two hundred businesses operated from the crossing—factories, workshops, and textile plants—which employed nearly 4,500 Palestinian workers. This binational success story was yet another casualty of the Palestinian Terror War. Suicide bombers, snipers, and shelling attacks soon made

it impossible to work in the area. The zone was gradually abandoned until it finally closed in the summer of 2004, under the orders of Israel's at the time minister of industry, trade, and labor Ehud Olmert. Thousands of Palestinian families lost their incomes, and recruiters looking for potential suicide bombers simply took their pick.

Current data on the Palestinian economic situation attest to the devastating consequences of the PA's combination of corruption and terrorism. Prior to the outbreak of the Palestinian war against Israel in September 2000, the unemployment rate in PA-controlled territory stood at about 10 percent. In 2007, it had already reached 23 percent. In an attempt to tackle the problem, the Palestinian Authority became the employer of an enormous number of people. This contributed to uninhibited public expenditure and a gargantuan budget deficit.³¹ At the same time, the average per capita income fell 40 percent from its peak in 1999. Living conditions under the boycotted Hamas regime in Gaza were particularly severe: Industrial activity in the Gaza Strip stopped almost entirely, and approximately 33 percent of the workforce is currently unemployed. The percentage of Gazans living in deep poverty has been constantly on the rise, from 21.6 percent in 1998 to 35 percent in 2006.³² If remittances and food aid are excluded, this figure jumps to 67 percent.³³

The decline of economic security for residents of PA-controlled territories was accompanied by a deterioration in their personal security, which was never great to begin with. Arafat's internal security policy—if one can call it that—illustrates how far he was from any genuine effort to establish a stable and prosperous commonwealth. One of the most important characteristics of any functioning state is that the authority to exercise violence is entrusted to a handful of established organizations—mainly the military and police forces—which adhere to the law and operate according to a clear and agreed-upon division of power between them. David Ben-Gurion understood this necessity and, after the founding of the State of Israel, united the various armed militias of the *Yishuv* under the framework

of the IDF. The actions he took on this matter—including the shelling of the *Irgun's* armament ship, the *Altalena*, in June 1948 and the dismantling of the *Palmach* fighting force several months later—were difficult but necessary. History offered Arafat the opportunity of becoming the founding father of the Palestinian state, but he chose not to take it. Instead, with the creation of the PA and in accordance with the Cairo agreement of May 4, 1994, Arafat established no fewer than twelve armed groups, intended, or nominally intended, to carry out police and intelligence-related tasks. The responsibilities of these forces, which numbered over forty thousand people in 2000—the majority of whom were veterans of Fatah and the Palestinian Liberation Army—were never clearly demarcated.³⁴ Naturally, this often caused them to quarrel among themselves. In addition, the official Palestinian security forces refrained from enforcing a monopoly on bearing and using arms in the PA-controlled territories. Tanzim, Hamas, Islamic Jihad, and other terrorist organizations—such as the Democratic Front for the Liberation of Palestine (DFLP) and the Popular Front for the Liberation of Palestine (PFLP)—continued to amass weapons, which they frequently turned against Israelis.³⁵

Why did Arafat build such a complicated and multi-polar apparatus of police, intelligence, militias, and terrorist organizations, instead of uniting these forces into a single, structured, and disciplined framework? Had the chairman truly been interested in establishing law and order in Palestinian society, it would be difficult to answer this question, but, it is clear, Arafat had other concerns. He sought to maintain his hegemony by adopting a divide-and-conquer strategy. By distributing power among several competing forces, he was able to keep potential rivals in check, foster enmity among them, and raise himself above the fray as the only authority recognized by all. Moreover, this multiplicity of forces resulted in a multiplicity of available positions, all of which Arafat staffed with his close associates and followers, despite their often doubtful qualifications. In any case, the turnover rate among these officials was extremely high. Finally, and perhaps

most importantly, this deliberate confusion allowed Arafat and his deputies to keep the PA security forces in a dynamic and flexible state, midway between order and chaos. That way, a Palestinian police officer could easily become a terrorist, and vice versa.

This state of affairs served Arafat's vision as well as his personality, but it also condemned the Palestinian Authority to atrophy and decay. Under the chairman's watchful eye, the security forces engaged in an unending power struggle, while their officers devoted themselves to a variety of activities not usually described as "policing."³⁶ Palestinian policemen took part in terrorist attacks against Israel, extorted protection money, ran illegal businesses, hounded reporters and opposition members, kidnapped and murdered those suspected of cooperating with the Shin Bet (Israel's domestic security service), and occasionally put on a show of seizing explosives and arresting wanted terrorists. The PA's "revolving-door policy" of releasing murderers of Israelis shortly after their detention—or, at most, of bringing them to court on charges of disturbing the "public peace" or harming "Palestinian interests"—made it clear that the law-enforcement system established by Arafat was a charade that could not be expected to fight terrorism.

It should come as no surprise, then, that toward the end of Arafat's reign and after his death, the Palestinian security forces lost all vestiges of authority in the eyes of Palestinians and Israelis alike. Hamas took over the Gaza Strip with ease and drove out the Presidential Guard and the Preventive Security Service, along with Fatah's supporters. The Palestinian towns in the West Bank were left to the mercy of armed gangs—mainly Tanzim operatives and ex-policemen—who acted with a free hand. Nor did these gangs answer to the Palestinian Authority: For the most part, their loyalties were based on personal, political, or tribal affiliations. Only their traditional identification with Fatah and their hostility to Hamas connected them, albeit very loosely, to the camp of Abu Mazen.

If there is any positive aspect to this mess, it is that the Palestinians were spared the kind of oppressive tyranny that is commonplace in other

Arab countries. They did not, however, succeed in establishing a functioning democracy. On paper, Arafat's regime had all the virtues of a progressive and enlightened society: direct presidential elections; separation of powers between the executive, legislative, and judicial branches; civilian oversight of the armed forces; and a provisional constitution—the so-called Basic Law that came into effect in May 2002³⁷—which ensured lawful governance and the protection of basic human rights. But none of this was ever implemented in reality. While Arafat did not conduct himself as an all-powerful dictator along the lines of Hafez al-Assad and Saddam Hussein, his leadership style was nevertheless highly centralized and manipulative. He did everything in his power to neutralize the Palestinian legislative authority (with only partial success); he maintained a tight grip on the PA's security forces and financial assets; he undermined the judicial system's independence and forced it to bend to his will; and he cast a menacing shadow over the Palestinian media. Reporters and human rights activists who dared to criticize Arafat or his deputies were threatened, kidnapped, physically attacked, or subjected to assassination attempts.³⁸

These strong-arm tactics did not, however, prevent outbursts of protest that eventually reached the point of violent attacks on PA representatives and institutions. The sense of public outrage was shared by Palestinians of all walks of life, from militant Tanzim operatives who have increasingly distanced themselves from the hedonist leadership to high-level officials such as Salim al-Zaanoun, speaker of the Palestinian National Council, and Muhammad Dahlan, the former senior security chief, who has spoken out against corruption.³⁹ Palestinian politicians looking to win popular support came out publicly against senior PA officials and their corrupt conduct—despite the fact that these very politicians were often enjoying the spoils themselves. This mood of public discontent ensured, perhaps more than anything else, the Hamas victory over Fatah in the Palestinian Legislative Council elections of January 2006. In the end, it was not religious ideology, but rather a deep dissatisfaction with the PA's institutional decay, that gave the fundamentalist movement a front seat in Palestinian politics.

It is well known that a regime which is constantly forced to defend its own legitimacy will often attempt to redirect public fury toward an external enemy. And the Palestinians had such an enemy readily available. Even during periods of relative “calm” between the PA and Israel, the Palestinian media was involved in relentless incitement against the Jewish state. The “Zionist regime” was accused of all manner of crimes, plausible or obviously fantasized, and portrayed as the root of all evil. TV and radio stations controlled by the Palestinian Authority accumulated a sizable number of “two minutes’ hate” sessions—to employ an Orwellian term—and Palestinian newspapers did not shy away from vehement antisemitism.⁴⁰ A typical example is an article recently published in *al-Hayat al-Jadida*, a mainstream Palestinian newspaper under the control of the PA, which reported that the “occupation forces” were conducting cruel medical experiments on Palestinian prisoners. According to the piece,

There were... prisoners who lost their eyesight and the functionality of their nervous system, and others who lost their sanity, or whose mental condition is constantly deteriorating, and still others who suffer from infertility and are unable to bear children.⁴¹

This report was published in a newspaper that answers to Abu Mazen—a man whose Ph.D. thesis, incidentally, denies the Holocaust.⁴²

The anti-Israel and antisemitic propaganda in the Palestinian press is an alarming phenomenon, but the incitement that pervades the Palestinian educational system is a greater cause of concern. Textbooks widely used in Palestinian schools over the past fifteen years, supervised and endorsed by the PA Ministry of Education, encourage obsessive hatred of Israel and murderous violence against Jews. Instead of endorsing mutual recognition along the lines of the Oslo peace process, these texts indoctrinate students with an ideology of jihad against the “Zionist entity.”⁴³ Young children are taught that suicide bombers are heroic figures who should be praised and emulated. These textbooks—used not in Hamas-controlled Gaza but in the supposedly more moderate PA-controlled West Bank—deny Israel’s right

to exist and describe its creation as a colonialist crime and an “unprecedented catastrophe in history.” Moreover, they present the conflict with the Jewish state as a religious struggle to liberate Muslim land from the oppression of infidels. It goes without saying that this type of education does not leave much hope for resolving the conflict on the basis of territorial concessions.⁴⁴

In this manner, the Palestinians continue to ensure that the cycle of violence and conflict—not to mention their own misery—will continue. The leadership that has led them from one misfortune to another has buried their hopes for independence and prosperity. Instead of state-building, the Palestinians have been led into a treacherous quagmire of violence and corruption. Instead of forsaking terrorism, they have chosen to intensify their war against Israel, thus condemning themselves to self-destruction. Caught between a dysfunctional Palestinian Authority and a radical Islamic regime in Gaza—between Fatahland and Hamastan—the Palestinian people are currently at one of the lowest points in their history. To leave them there, festering in their own pain and anger, is a recipe for disaster both for the Palestinians and for their neighbors. If Israel seeks stability in the region, it must do something to improve the situation. The only question is, what?

IV

The Oslo doctrine failed because it put the cart before the horse. The Palestinians received political concessions without ever proving their willingness or ability to bring about order and stability in the territories handed over to their control. True, Israel demanded again and again that the PA stand up to its commitments and take the necessary steps to dismantle the terrorist infrastructures in the West Bank and Gaza. Nevertheless, the fact that these demands were not met did not prevent Israeli statesmen from

negotiating with Palestinian representatives over a permanent-status agreement. The ongoing farce reached its pinnacle at the Annapolis summit in November 2007, when the Israelis and Palestinians announced their plans to reach a permanent-status agreement by the end of 2008—despite the fact that Abu Mazen does not have the power to enforce so much as a rental contract in Gaza City.

It is easy to understand why Israeli politicians prefer to soar into the heights of the “peace process” rather than to trudge through the swamp of reality. The optimistic rhetoric of Oslo, which reached messianic proportions in the 1990s, continues to enchant a sizable portion of the Israeli public. Even today, after years of disappointments, a politician can gain instant and widespread popularity—in the Israeli media, at least—by promising to do everything within his power to bring the conflict with the Palestinians to a close. On occasion, these promises can salvage even the most tainted public image.

Nevertheless, any attempt to get to the heart of the problems mentioned above, let alone to resolve the difficulties preventing mutual understanding and coexistence between Israel and its neighbors, requires a change of strategy. If Israel wishes to avoid repeating its mistakes, it must adopt a more sober policy vis-à-vis the Palestinians. There is no panacea for the Israeli-Palestinian conflict. It must be treated as a chronic disease that requires lengthy, sustained therapy. Fortunately, the chances of success for such a treatment are now slightly better than before, due to the fact that the main obstacle, Yasser Arafat, has passed away, and many Palestinians have come to realize that they have no other option.

In order to execute the strategy laid out in this paper, there is no need to turn back the clock to the period that preceded Oslo or even the disengagement from the Gaza Strip. Indeed, the more Israel is spared the need to rule the Palestinian people, the better. It would be an understatement to say that the hurried disengagement from the Gaza Strip was an unwise strategic move, but now that it has been done, it should be carried out to completion. The local Gazan population should be slowly weaned off its dependence on

Israeli goods and services, and the Egyptian border should serve as Gaza's gateway to the world. On the other hand, Israelis are not yet able to ignore the situation in Jenin, Nablus, and Ramallah, which are no more than a few kilometers from their own cities. They must act both directly and indirectly to encourage the Palestinians to implement necessary reforms and offer them any assistance required.⁴⁵ Since assistance offered by a perceived enemy may be greeted with distrust and even hostility, it need not always be active. Often, it is enough to refrain from interfering.

The primary challenge that the PA leadership faces today is to salvage the Palestinian economy and extricate its population from acute poverty. Its achievements in this realm have been far from impressive, to say the least. Nonetheless, there are some hopeful signs. Salam Fayyad, Abu Mazen's prime minister, is an economist of international renown who has so far demonstrated commendable integrity and courage in standing up to the tide of corruption and extremism in Palestinian society.⁴⁶ At the Paris Donor Conference, Fayyad managed to persuade the donating countries to pledge billions of dollars to the Palestinians after he presented them with a plan to reconstruct the PA's economy.⁴⁷ On paper, it is indeed a very promising plan. The Palestinians have pledged to use the funds efficiently and responsibly and to adopt advanced standards of management and transparency. They announced their intention to gradually reduce the PA's menacing deficit, to reform the public sector, and to increase collection of taxes and customs revenues. No less important, Fayyad stressed the need to empower the private sector in an effort to develop a Western-style market economy.⁴⁸

This is undoubtedly encouraging, but past reforms initiated by Fayyad when he served as the PA's minister of the treasury between the years 2002 and 2005 were only partially successful. Israel has a vested interest in the success of Fayyad's plan, especially if it will lead to the recovery of the downtrodden Palestinian middle class. History has shown that the middle class is an engine not only of economic growth, but also of a strong civil society. Israel can thus offer assistance by removing obstacles that impede small and midsize

struggling businesses, as well as by recruiting foreign and local entrepreneurs interested in investing in the Palestinian economy. A welcome initiative of this sort was the establishment of a Jewish-Arab venture capital fund in May 2008, devoted to supporting the Palestinian high-tech industry. This fund is the first of its kind in the Arab world, and it will hopefully spur the creation of others. If successful, it will offer new hope to thousands of young Palestinians with technological education who would otherwise be unable to find adequate employment to match their qualifications.⁴⁹ Another, more significant example is the British investment fund “Portland Trust,” headed by Sir Ronald Cohen, which promotes economic development in PA-controlled territories by supporting local businesses and investing in low-cost, quality housing and infrastructure projects.⁵⁰

Business cooperation can contribute to improving relations between the two peoples, but Israel’s primary influence on the Palestinian economy is its control of roadblocks and checkpoints. Loosening restrictions on the movement of the Palestinian population will have an immediate positive effect on living conditions in the West Bank. Now Israel is obviously unable to remove all roadblocks or refrain entirely from imposing closures. Were it to do so, it would bring upon itself a new wave of suicide terrorism. However, Israel can probably do away with some of the obstacles faced by Palestinian workmen and merchants by improving and expanding key checkpoints that serve a large number of workers and shipments of goods.⁵¹ In addition, it can relax (or at least standardize) the criteria for supervising this traffic. These steps demand great caution, and Israel will need to watch the Palestinian reaction carefully and adjust its policies accordingly. Bearing in mind that terrorist organizations will be quick to exploit any opportunity to attack the Jewish state, Israel should clarify to the Palestinians that its willingness to ease their movement is contingent, to a large degree, on their active contribution to neutralizing the threat posed to Israeli security.

For this to happen, the Palestinians must increase their efforts to reorganize the various PA security forces, a process which they began some time ago. As early as 2005, Abu Mazen announced the unification of

Arafat's myriad security apparatuses into three forces: National, Interior, and Intelligence.⁵² This necessary reform faced numerous obstacles, especially the reluctance of certain armed groups to cooperate with the proposed reform. Nevertheless, due to the assistance and support of the United States, which assigned the task to General Keith Dayton, as well as the European Union, Canada, and Jordan, which jointly undertook to recruit and train Palestinian security forces, the PA has managed to achieve several operational successes over the past months.⁵³ Hundreds of Palestinian police officers, re-stationed in Jenin and Nablus, have arrested Hamas operatives, clamped down on institutions identified with radical Islamic organizations, exposed explosives workshops, and returned a modicum of security to the streets.⁵⁴ Although these activities have not gone without occasional mishaps, and it is too early to evaluate their long-term effects, they nevertheless attest to the PA's renewed determination to enforce law and order in the areas under its control.

Israel has had and continues to have a decisive influence on mobilizing the PA to adopt a policy of "one authority, one law, one army," without which there is no future for the Palestinian people and no peace for the citizens of the Jewish state. The Israeli security forces have so far cooperated with the PA and the countries that have come to its aid, allowing, for instance, Palestinian forces to train in Jordan and return to the West Bank afterward.⁵⁵ Israel has also agreed that these forces should be properly equipped with rifles, military vehicles, and bulletproof vests.⁵⁶ This is a calculated risk, but one that appears to be unavoidable. In July 2007, Israel took a daring step when it agreed to grant amnesty to nearly 180 wanted terrorists from Tanzim and the Al-Aksa Martyrs' Brigades on condition that they hand their weapons over to the Palestinian security forces and refrain from further terrorist activities.⁵⁷ This arrangement has met with only partial success thus far, and it remains to be seen if it will lead to a drastic reduction in the number of Palestinians who possess illegal arms.

Still, it is not enough for the PA's security reforms to focus on improving law enforcement. The Palestinian security services also need a

systems overhaul in order to fight terror. To this end, the security forces must develop the operational capabilities to collect real-time intelligence. At present, they still lack these capabilities, which severely limits the effectiveness and range of their operations. Furthermore, if the PA wishes to demonstrate its determination to combat terrorism, it must implement major reforms in its judicial system. Arafat's "revolving door" policy suited the late chairman's interests but also undermined the rule of law in the Palestinian territories. The Palestinians must understand that the effort to stop terrorism does not end with arrests and weapons confiscation. They must bring terrorists and the brains behind their attacks to a court of law, try them, and punish them accordingly. An independent judicial system, which conducts itself according to the written letter of the law—and does not hesitate to severely punish murderers—is not a luxury that can be postponed. The Palestinians must take immediate measures to establish and reinforce such a system—and Israel, along with the PA's various donor countries, must continue to demand it from them.

Strengthening judicial authority constitutes an important step in the rebuilding of a functioning Palestinian society. Unfortunately, during the Oslo process, Israel failed to recognize the full importance of this condition and did not insist on its implementation. Note the late prime minister Yitzhak Rabin's famous statement that the PA would be able to tackle terrorism more effectively than Israel because it could operate "*bli Bagatz uvli B'tselem*," without the Supreme Court and B'tselem, an Israeli human rights organization. This reflected the commonplace notion that an authoritarian regime is able to cope with violent fundamentalist groups more forcefully than a constitutional democracy. Here Rabin not only miscalculated the extent of Arafat's commitment to terrorism, but also made a more fundamental error: He failed to recognize that corrupt authoritarian regimes, which violently suppress opposition and routinely violate human rights, are usually sitting on a volcano of pent-up rage waiting to erupt—a situation that religious fundamentalists are all too ready to exploit. This was the case, for instance, with the Shah of Iran, whose oppressive regime was so hated

by his people that the Islamic takeover became almost inevitable. Similarly, under slightly different circumstances and on a smaller scale, this occurred when Hamas won the majority vote in the January 2006 elections for the Palestinian Legislative Council.

The Hamas victory undoubtedly weakened the case for democratization in the Arab world as a whole and in Palestinian society in particular. Nevertheless, it should be noted that Hamas's electoral triumph was only possible due to a flawed process: The very participation of an armed terrorist organization in an election is unacceptable in a proper democracy, and the Americans made a grave mistake in allowing it. Furthermore, experience has shown that a society that maintains democratic norms over a long period of time tends to develop more effective means of containing fundamentalism. A regime whose legitimacy rests on wide broad-based popular support can address not only the external manifestations of extremist violence but also the internal forces that feed it.

To this end, the formal framework of democracy must also include a democratic "spirit." The conditions that foster such a spirit do actually exist in Palestinian society, whose tradition of opposition to the occupation, along with its exposure to Israeli democracy, has given it an effervescent and rebellious character. Even Arafat, a leader of almost mythological repute, understood his people and knew that he could not impose a full-fledged authoritarian regime on them. The Palestinian collective enjoys the cultural mindset necessary for the establishment of a true democracy but has yet to build a prospering civil society in which institutions and voluntary organizations are free to act and are not subordinate to the dictates of the regime. Sadly, while several such organizations were formed in the West Bank while it was under Israeli military control, a significant portion of them identified and identify still with terrorism and radical Islam. In order to block their influence and set up a viable alternative, Israel and the donor countries must support, to the best of their abilities, Palestinian institutions that demonstrate a genuine commitment to democratic values and human rights. In the past, these groups did not receive Israeli, American, or

European support because of their opposition to Arafat—the “facilitator” of the peace process—and were viewed, in fact, as little more than a nuisance. Furthermore, their sharp criticism of Israel certainly did not endear them to the authorities in Jerusalem and Tel Aviv. It has since become apparent, however, that a Palestinian who denounces Israel on the basis of an enlightened political and ethical worldview is a worthier negotiating partner than one who seeks to endear himself to Israel for questionable ends.

Economic convalescence, an effective rule of law, and democratization are essential conditions for the rehabilitation of Palestinian society—but they are in no way sufficient.⁵⁸ Decades of struggle, humiliation, and especially incitement and indoctrination have poisoned the minds of the Palestinian people and have given rise to a morbid popular culture engaged in a cult of suicide terrorism, the likes of which the world has never seen. The Palestinians must realize that as long as they continue to perceive themselves as victims of a demonic evil, and as long as they continue to raise their children to be martyrs in a jihad against Zionism, the violence will never stop, and they will never achieve peace and prosperity. A comprehensive revision of Palestinian education is not only in Israel’s interest, but of vital importance to the Palestinians themselves. Israel will have a difficult time pressuring the PA to make such a change, but the international community can do so more easily. After all, a sizable portion of the funds requested by the Palestinians at the Paris Donor Conference in December 2007 is earmarked for the Palestinian educational system.⁵⁹ Furthermore, the United Nations Relief and Works Agency for Palestinian refugees (UNRWA)—funded by the United States, the EU, Canada, and other nations—operates nearly one hundred schools in the West Bank.⁶⁰ It is only appropriate that the aid money allocated through these channels be granted on the condition that new teachers who do not identify with terrorism are hired and trained, and that new textbooks are developed that promote modernization, tolerance, and humanism instead of backwardness, fundamentalism, and hate.

The implementation of some of the reforms proposed in this article has already begun, others are still in preliminary stages, and some exist only on paper. Yet if these reforms are to be successful, they must all be put into practice simultaneously. Economic recovery cannot be separated from the enforcement of law and order. Democratization cannot be separated from the war on terror and putting an end to incitement and hate-mongering. These processes are inextricably bound to one another, and their realization is contingent first and foremost on the Palestinian leadership's voluntary (or involuntary) compliance with the measures necessary to save its people from certain destruction. In order to ensure this, the United States and the donor countries need to formulate a new "road map," one that will delineate clear guidelines and conditions for their cooperation with the PA. In the past, the Palestinians enjoyed international support and generous economic aid *despite* having broken every promise and reneged on every commitment they made. The openhanded policy of the United States and other donor countries simply did not give them any serious incentive to change their ways. Only an unrelenting, uncompromising quid-pro-quo approach by Israel and the international community can push things in the right direction—and perhaps bring some comfort to two peoples who have known so much suffering.

V

The strategy outlined in this paper is not particularly uplifting. I doubt that it will thrill the public or win prestigious international awards. It requires, after all, diligence and a good deal of patience. Its enactment would mean giving up expectations of reaching an immediate "solution" to the Israeli-Palestinian problem, and instead adopting a more pragmatic

attitude that focuses, at least in the short term, on “managing” the conflict. Yet this new strategy is no less ambitious than the former one. It, too, strives to end Israel’s control over the Palestinians and to establish a new, safer, and more stable order west of the Jordan River. Unlike the Oslo paradigm, however, it begins by laying the foundations for the establishment of this new order, and only then proceeds to build from the bottom up. The policy proposed here rests on the understanding—which has so far eluded Israeli statesmen—that in our geopolitical arena, “the realities on the ground shape agreements, not the other way around,” as Guy Bechor, an Israeli expert in Middle Eastern affairs, once said.⁶¹

This article has focused only on the constructive aspect of the approach I am recommending. The other, more demanding and no less important aspect is dealing with radical Islamic terrorism. It is important to remember that the regime established by Hamas in Gaza threatens not only the Jewish state, but the Palestinian Authority as well. Hamas’s rule in Gaza has been leading Israel and the Palestinians down a dangerous road of escalating violence with unforeseeable results. Abu Mazen and his deputies lack the strength to neutralize or contain the threat. As a result, Israel must shoulder this burden. Unfortunately, Israel’s leadership over the past few years has not demonstrated sufficient determination in tackling this problem, and has fallen into a series of devastating errors: the unilateral disengagement from the Gaza Strip, for instance, which laid waste to prosperous Jewish settlements and showed the world Israel retreating under fire; the postponement (time and again) of a large-scale military operation against the terrorist infrastructure in the Gaza Strip, which has allowed Hamas’ guerilla fighters to barricade and arm themselves in preparation for the inevitable clash; and the willingness on the part of Israel’s leaders to pay an exorbitant price for the release of kidnapped soldiers (and sometimes only their dead bodies), which sent a message to even the most moderate Palestinians that the armed struggle can achieve results unattainable by conciliation and cooperation.

No dialogue can succeed and no reforms will be possible so long as the Palestinians—and Arabs in general—believe that the Jewish state can be subdued by force. The American historian Daniel Pipes has correctly noted that it is not despair that encourages extremism among the Palestinians, but rather the hope and belief that the Zionist state can be defeated.⁶² If Israel hesitates to use overwhelming military force against the swelling abscess of terrorism in Gaza, its enemies may get the impression that its stamina is eroding and that it can be pushed into a corner. Such a perception of Israel poses a greater threat than any rocket attack and must be immediately rectified. For more than a hundred years, Jews living on this land have had to prove time and again that they are not afraid to fight. Sadly, it does not seem likely that they will be able to put down their weapons anytime soon. This reality was eloquently expressed by Moshe Beilinson in an article published in June 1936 in the Histadrut's newspaper *Davar*, at the onset of the bloody 1936-1939 Arab Revolt. In response to the oft-repeated question, "How much longer?" Beilinson answered: "Until the most fervent warrior in the enemy camp realizes that there is no means by which to break Israel's power in its land, because it has necessity and living truth on its side. Until they know that there is no other way but to make peace with Israel. This is the purpose of our struggle."⁶³

The Israelis need not abandon their hopes for true peace with the Palestinians. The reorganization of Palestinian society in accordance with the principles outlined in this paper could feasibly serve as the foundation for a future settlement that would realize some of the hopes that were pinned on the Oslo process.⁶⁴ Nevertheless, such a settlement will invariably involve painful concessions. However, in order for it to become a reality, two conditions must be met: first, unequivocal Palestinian recognition of Israel's right to exist as a Jewish state; and second, the establishment of Palestinian self-rule on a solid economic, political, and security basis.

Unfortunately, the road leading to this destination is still very long. But sometimes, the longer road is in truth the shorter one. And it is clear that

we will not arrive there if we continue to ride the rickety train that left Oslo and passed through Taba and Annapolis. The present diplomatic path, which forces Israel to make far-reaching concessions and take genuine risks in return for empty Palestinian declarations, is headed for war, not peace. At most, it can create an illusion of reconciliation and progress that will dissipate at the first sound of gunshots and bombs. In order to avoid repeating mistakes, both sides must get off the train to nowhere and board the one on the right track.

Moshe Ya'alon is a former IDF chief of staff and a distinguished fellow at the Shalem Center's Adelson Institute for Strategic Studies in Jerusalem.

Notes

1. Quoted in Renate Wind, *Dietrich Bonhoeffer: A Spoke in the Wheel*, trans. John Bowden (Grand Rapids, Mich.: Eerdmans, 1992), p. 107.

2. Politicians and analysts have become particularly fond of the train metaphor in relation to the peace process. Shimon Peres, for example, employed it in an address to the Knesset on December 3, 2007. "Is that the train of history that has pulled into Annapolis?" asked Peres. "The road is still long and windy, and filled with dangers and ambushes. But even if the wheels shriek, the cars have been broken open, and the road is filled with mines, it is still agreed that our destination is peace. This is the goal that the older generation missed and the younger generation should not." *Knesset Chronicles*, special session marking the 60th anniversary of the UN decision to approve the partition plan, December 3, 2007.

3. See, for example, Ronen Bergman, *Authority Given* (Tel Aviv: Yediot Aharonot, 2002) [Hebrew]; Yossi Beilin, *Manual for a Wounded Dove* (Tel Aviv: Yediot Aharonot, 2001) [Hebrew]; Gilead Sher, *Just Beyond Reach: The Israeli-Palestinian Peace Negotiations 1999-2001* (Tel Aviv: Yediot Aharonot, 2001) [Hebrew]; Itamar Rabinovich, *Waging Peace: Israel and the Arabs 1948-2003* (Princeton: Princeton,

2004); Raviv Drucker and Ofer Shelah, *Boomerang: The Failure of Leadership in the Second Intifada* (Jerusalem: Keter, 2005) [Hebrew]; Matti Steinberg, *Facing Their Fate: Palestinian National Consciousness 1967-2007* (Tel Aviv: Yediot Aharonot, 2008) [Hebrew]; Lev Grinberg, *Imagined Peace, Discourse of War: The Failure of Leadership, Politics and Democracy in Israel 1992-2006* (Tel Aviv: Resling, 2007) [Hebrew].

4. As explained by Yair Hirschfeld, a lecturer at the University of Haifa and one of the architects of the Oslo process: “Prime minister Rabin, like Yossi Beilin and myself, thought that it was best to move ahead with the process relatively quickly and to take advantage of the trust and momentum that was gained in order to outline a policy that would promote stability as part of the permanent-status agreement.... A policy that promotes stability can exist only after the signing of the permanent-status agreement, but until that time, it seemed that the peace process could lay the cornerstones for stability.” Yair Hirschfeld, *Oslo: A Formula for Peace—From Negotiation to Implementation* (Tel Aviv: Am Oved, 2000), p. 272 [Hebrew].

5. This exact phrase appeared in a letter sent by Arafat to prime minister Yitzhak Rabin on September 9, 1993. The full text of this letter is available at the Jerusalem Media & Communication Center website: www.jmcc.org/research/series/dop.html#letters.

6. On April 24, 1996, the Palestinian National Council (PNC) convened in Gaza and adopted a resolution to amend the National Charter by canceling the articles that were contrary to the commitments made by Arafat in the Oslo accords. While the PNC declared its readiness *in principle* to change the document—in order to pacify the Americans and Israelis—it never actually did so. The original Palestinian National Charter, which calls for the destruction of the State of Israel, stands to this day.

7. In his interview with the Jordanian newspaper *Al-Dustour*, published February 28, 2008, PA chairman Mahmoud Abbas expressed pride in the Palestinians’ firm refusal to recognize Israel as a Jewish state in the concluding statement of the Annapolis summit. This refusal, so he claimed, nearly blew up the summit. “Abbas in Briefing to Jordanian *Al-Dustour*: I Am Against the Armed Struggle—But in Future Stages Things May Change,” MEMRI, *Special Dispatch Series* 1861, March 6, 2008, www.memri.org/bin/articles.cgi?Page=archives&Area=sd&ID=SP186108. Chief Palestinian negotiator Saeb Erekat also confirmed this statement. Erekat, who engaged in intensive diplomatic talks with Israel in preparation for the summit, told reporters that the two parties were unable to release a joint statement because the Palestinian side refused to recognize Israel as a Jewish state. “Palestinians Harden Refusal to Accept a ‘Jewish State,’” *Jerusalem Post*, November 15, 2007.

8. Carl von Clausewitz, *On War*, trans. Michael Howard and Peter Paret (Princeton: Princeton, 1976), p. 87.

9. Voice of Palestine radio, April 22, 1996. Quoted in Steinberg, *Facing Their Fate*, p. 354.

10. Interview in *Al-Arabi*, June 24, 2001: "Faysal Al-Husseini in His Last Interview: The Oslo Accords Were a Trojan Horse; the Strategic Goal Is the Liberation of Palestine from the [Jordan] River to the [Mediterranean] Sea," MEMRI, *Special Dispatch Series* 236, July 6, 2001 <http://memri.org/bin/articles.cgi?Page=archives&Area=sd&ID=SP23601>.

11. Recall the riots that followed the opening of the Western Wall tunnels on September 24-27, 1996, in which seventeen IDF soldiers were killed. Another incident was the eruption of violent riots on May 16, 2000, following the anniversary of the "Nakba."

12. This is confirmed by Mamdouh Nofal, Arafat's close aide and a former PLO senior official, in his book *The Shattering of the Peace Process* (Amman: Al-Ahlia, 2002) [Arabic]. The book is available online at www.mnofal.ps/books/intifada/?lg=ar.

13. Statement by prime minister Ehud Barak at a press conference upon the conclusion of the Camp David summit, July 25, 2000, Israel Ministry of Foreign Affairs website, www.mfa.gov.il/MFA/Government/Speeches%20by%20Israeli%20leaders/2000/Statement%20by%20PM%20Barak%20on%20Conclusion%20of%20the%20Camp%20Da.

14. In this sense, Arafat upheld the Palestinian tradition of responding with violence to partition plans. Note, for example, Arab reactions to the 1937 Peel Commission and the 1947 UN partition plan.

15. Arafat's conduct shattered the illusion that had captivated some of his Israeli negotiating partners, that it was possible to settle with him on a pragmatic, rational basis. Former foreign minister Shlomo Ben-Ami, a participant in the Camp David summit in 2000, admitted in an interview that he had reached the conclusion that "Arafat is not an earthly leader. He sees himself as a mythological figure.... At Camp David, it was clear that he wasn't looking for practical solutions, but was focused on mythological subjects: the right of return, Jerusalem, the Temple Mount. He floats on the heights of the Islamic ethos and the refugee ethos and the Palestinian ethos." Ari Shavit, "End of a Journey," *Haaretz Magazine*, September 16, 2001.

16. Arafat's double-dealing during the Palestinian Terror War is described in detail in Barry M. Rubin and Judith Colp Rubin, *Yasir Arafat: A Political Biography* (New York: Oxford, 2003).

17. Zakariya Zubeidi, former chief of the Al-Aksa Martyrs' Brigades in Jenin, confirmed this in a recent interview with *Haaretz*. "Back in Abu Amar's [the *nom de guerre* of Yasser Arafat] day, we had a plan, there was a strategy, and we would carry

out his orders,” Zubeidi told the reporter. “Everything that was done in the Intifada was done according to Arafat’s instructions, but he didn’t need to tell us the things explicitly. We understood his message.” Avi Issacharoff, “Marching Toward Total Ruin,” *Haaretz*, April 4, 2008.

Recall that Hitler’s signed authorization of the “final solution” has never been found. In his book *The Executors*, historian Yigal Elam claims that there was never a need for such an authorization. All the senior German officials involved in the project understood what the Führer expected them to do about the “Jewish question.” All that is required of leaders in situations like these, Elam writes, “is to create conditions where anything goes. The forces of popular pressure will do the rest. There will always be people with initiative, and there will always be people to push ahead. The initiative will materialize of its own accord and set off a chain reaction...” Yigal Elam, *The Executors* (Jerusalem: Keter, 1990), p. 185 [Hebrew].

18. Bergman, *Authority Given*, pp. 17-28.

19. See a special report prepared in May 2002 by a research group led by Israeli minister for parliamentary affairs Dani Naveh on the subject of “The Involvement of Arafat, PA Senior Officials and Apparatuses in Terrorism Against Israel—Corruption and Crime,” Israel Ministry of Foreign Affairs website, www.mfa.gov.il/MFA/MFAArchive/2000_2009/2002/5/The%20Involvement%20of%20Arafat-%20PA%20Senior%20Officials%20and.

20. An example of this is a speech Abu Mazen gave to Palestinian youths on August 20, 2005, on the eve of Israel’s withdrawal from the Gaza Strip: “Today the small jihad to free our land has ended and the larger jihad to build our homeland has begun.” Quoted in Ali Waked, “Major Jihad Has Begun,” Ynet, August 20, 2005, www.ynet.co.il/english/articles/0,7340,L-3130500,00.html.

21. *The Koran*, trans. N.J. Dawood (London: Penguin, 1999), 8:15-16, p. 177. For a discussion of Hamas’s worldview and its practical implications, see Steinberg, *Facing Their Fate*, pp. 219-294.

22. A detailed discussion of this topic can be found in the following collection of articles: Michael Keating, Anne Le More, and Robert Lowe, eds., *Aid, Diplomacy and Facts on the Ground: The Case of Palestine* (London: Chatman House, 2005).

23. These data were taken from a 2006 United Nations Conference on Trade and Development report, “The Palestinian War-Torn Economy: Aid, Development, and State Formation” (New York and Geneva: UNCTAD, 2006), www.unctad.org/en/docs/gdsapp20061_en.pdf.

24. Steven Erlanger, “Aid to Palestinians Rose Despite an Embargo,” *New York Times*, March 21, 2007.

25. Elaine Sciolino, “\$7.4 Billion Pledged for Palestinians,” *New York Times*, December 18, 2007.

26. “Economic Performance and Reform Under Conflict Conditions,” International Monetary Fund, West Bank and Gaza, September 15, 2003, www.imf.org/external/pubs/ft/med/2003/eng/wbg/wbg.pdf.

27. Senior American officials quoted on *60 Minutes* November 9, 2003, estimated Arafat’s net worth to be somewhere between \$1 billion and \$3 billion. See, www.cbsnews.com/stories/2003/11/07/60minutes/main582487.shtml.

In addition, Gen. Aharon (Farkash) Ze’evi, head of the IDF Intelligence Corps, testified before the Foreign Relations and Security Committee of the Knesset on August 13, 2003 that Arafat’s personal net worth is \$1.3 billion. See “Israel: Arafat Worth \$1.3B,” CBS News, August 14, 2002, www.cbsnews.com/stories/2002/08/15/world/main518788.shtml. Due to the complexity and secrecy of the investments and international bank accounts that have been managed for Arafat by Muhammad Rashid over the years, it is unlikely the true sum will ever be revealed.

28. “Billionaires: Kings, Queens and Despots List,” *Forbes*, March 17, 2003.

29. Ronen Bergman and David Ratner, “The Man Who Swallowed Gaza,” *Haaretz*, April 4, 1997 [Hebrew].

30. Immediately before the outbreak of the Palestinian Terror War, in the third quarter of 2000, Israel employed nearly 120,000 Palestinians from the West Bank and nearly 30,000 from the Gaza Strip. These figures are quoted in “The Impact of Closure and Other Mobility Restrictions on Palestinian Productive Activities,” Office of the United Nations Special Coordinator, October 2002, p. 26, www.un.org/News/dh/mideast/econ-report-final.pdf.

31. The PA currently employs almost one-third of the Palestinian workforce—nearly 150,000 workers. In 2008, salaries of public employees totaled \$1.4 billion—nearly half of the PA’s 2008 budget which presently totals \$3.3 billion. See Muhammad Yaghi, “Financial Crisis Grips Fayad Government,” *PolicyWatch* #1396, Washington Institute for Near East Policy, August 8, 2008, www.washingtoninstitute.org/templateC05.php?CID=2920.

In 2007, the PA’s fiscal deficit stood at 28 percent of the GNP. Even after the implementation of the 2008–2010 Palestinian Reform and Development Plan, the PA’s annual deficit is projected to total \$1.3 billion. See the IMF report on “Macroeconomic and Fiscal Framework for the West Bank and Gaza First Review of Progress,” Staff Report for the Meeting of the Ad-Hoc Liaison Committee, May 2, 2008, www.imf.org/external/np/wbg/2008/pdf/050208.pdf. For an analysis of the factors that led to the expansion of the Palestinian public sector see Amir Kulick, “International Social Welfare? Socioeconomic Aspects of the Economic Crisis in the Palestinian Authority,” *Strategic Assessment* 10:1 (June 2007), www.inss.org.il/publications.php?cat=21&incat=&read=16.

32. “Deep poverty” is defined as a budget of 1,837 NIS for a family of six for food, clothing, and housing only.

33. Based on data released by the World Bank in May 2008. "Implementing the Palestinian Reform and Development Agenda," Economic Monitoring Report to the Ad-Hoc Liaison Committee, May 2, 2008, http://domino.un.org/pdfs/WB_PalReformAHCLdoc020508.pdf.

34. The size of this force was in direct violation of the interim Oslo II agreement signed in September 1995, which stated, "During the interim period, the total number of policemen of the Palestinian Police in all its branches in the West Bank and the Gaza Strip will be no more than 30,000," Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip, Annex 1, Article 4 [3], September 28, 1995, www.knesset.gov.il/process/docs/heskemb2_eng.htm. See also Avner Avrahmi, "A Power That Be," *Haaretz*, June 7, 2001 [Hebrew]. With time, the Palestinian security forces have been increasing and are presently estimated to number 60,000 policemen.

35. On this point too, the Palestinians violated the interim agreement with Israel that stated, "Except for the Palestinian Police and the Israeli military forces, no other armed forces shall be established or operate in the West Bank and the Gaza Strip." Israeli-Palestinian Interim Agreement on the West Bank and the Gaza Strip, Article 14 [3], September 28, 1995, http://www.knesset.gov.il/process/docs/heskemb_eng.htm.

36. See, for example, Arnon Regular, "The Chaos in the Palestinian Territories Is Increasingly Becoming an Orchestrated Struggle Between PA Forces," *Haaretz*, October 15, 2004 [Hebrew].

37. An English translation of the Basic Law can be found at www.mideastweb.org/basiclaw.htm.

38. The journalist Ali Waked offers a glimpse into this routine in his article "Palestinian Reporters Strike to Protest PA Violence," Ynet, February 15, 2004, www.ynet.co.il/articles/0,7340,L-2874923,00.html [Hebrew].

39. It is safe to assume that Dahlan's public campaign to eradicate PA corruption was a calculated move to strengthen his public image in preparation for the power struggle to follow Arafat's death. See Ali Wakad, "Relations Between Dahlan and Arafat in Deep Crisis," Ynet, November 4, 2001, www.ynet.co.il/articles/1,7340,L-1272968,00.html [Hebrew]; Ali Wakad, "Arafat Forced to Discuss Reform Plans for the PA," Ynet, February 6, 2001, www.ynet.co.il/articles/1,7340,L-501008,00.html [Hebrew].

40. See Itamar Marcus and Barbara Crook, "Kill a Jew—Go to Heaven: A Study of the Palestinian Authority's Promotion of Genocide," *Palestinian Media Watch*, January 2005, www.pmw.org.il/KAJ_eng.htm.

41. See Itamar Marcus and Barbara Crook, "Palestinian Authority Libel: Prisoners Are Used for Nazi-like Medical Experiments," Palestinian Media Watch, July 9, 2008, www.pmw.org.il/Bulletins_july2008.html.

42. For a detailed description of Abu Mazen's 1982 Ph.D. thesis, in which he asserts that fewer than one million Jews were killed in the Holocaust and raises doubts over the use of gas chambers, see "Palestinian Leader: Number of Jewish Victims in the Holocaust Might Be 'Even Less Than a Million...'; Zionist Movement Collaborated with Nazis to 'Expand the Mass Extermination' of the Jews," MEMRI, *Inquiry and Analysis Series* 95, May 30, 2002, www.memri.org/bin/articles.cgi?Area=ia&ID=IA9502.

43. Noa Meridor, "An Examination of Palestinian Fifth-and Tenth-Grade Textbooks for the 2004-2005 School Year," the Intelligence and Terrorism Information Center at the Israel Intelligence Heritage and Commemoration Center (IICC), April 16, 2006. This report uncovered extreme anti-Zionism and incitement to violence in Palestinian schoolbooks. See, www.terrorism-info.org.il/malam_multimedia/English/eng_n/pdf/as_nm_e.pdf.

44. Itamar Marcus and Barbara Crook, "From Nationalist Battle to Religious Conflict: New 12th-Grade Palestinian Schoolbooks Present a World Without Israel," Palestinian Media Watch Annual Report, February 2007, www.pmw.org.il/BookReport_Eng.pdf.

45. The PA's chronic dependency on foreign aid is unhealthy, but it enables developed countries and international organizations, such as the World Bank and the International Monetary Fund, to oversee the rehabilitation of the Palestinian economy. This dependency also gives Israel the ability to pressure the Palestinians indirectly vis-à-vis donor countries interested in quelling violence and tension in the region, such as the United States and the European Union member states.

46. Akiva Eldar, "Investing in Fayyad," *Haaretz*, March 22, 2008, www.haaretz.com/hasen/spages/966961.html; Steven Erlanger, "An Economist's Task: Building a Model for His People," *New York Times*, August 25, 2007.

47. The plan is titled 'Palestinian Reform and Development Program' (PRDP).

48. For the detailed plan presented by the PA at the Paris Donor Conference, see Palestinian National Authority, "Building a Palestinian State: Towards Peace and Prosperity," Paris, December 17, 2007, www.imeu.net/engine/uploads/pna-full-report.pdf.

49. Guy Grimland, "Industry Without Borders," *The Marker*, May 20, 2008 [Hebrew].

50. Ari Shavit, "The Portland Trust of Hope," *Haaretz*, June 3, 2005 [Hebrew]. See also the Portland Trust's homepage: www.portlandtrust.org/index.html.

51. This is already being done at roadblocks where sophisticated terminals are being built, such as the Jalama crossing north of Jenin and the Bethlehem and Nuanman (Masmuria) crossings that are part of the “Jerusalem Envelope.”

52. See Esther Pan’s report on “Reorganizing the Palestinian Security Forces” at the Council of Foreign Relations website, October 4, 2005, www.cfr.org/publication/8081/.

53. Aluf Benn, “Top U.S. General Lays Foundation for Palestinian State,” *Haaretz*, August 14, 2008, www.haaretz.com/hasen/spages/1009578.html.

54. See, for example, Avi Issacharoff and Barak Ravid, “Shin Bet: PA Has Arrested 250 Hamas Men over Past Month,” *Haaretz*, January 9, 2008; Avi Issacharoff, “PA Forces in Jenin Have Shifted Gears, Striving to Disarm Hamas,” *Haaretz*, May 22, 2008.

55. Avi Issacharoff, “U.S. Supervising Training of Elite PA Unit in Jordan,” *Haaretz*, April 7, 2008.

56. Aluf Benn, “Israel to Hand PA Hundreds of Military Vehicles and Safety Vests,” *Haaretz*, August 10, 2008 [Hebrew]; Amir Buhbut, “Israel Approves the Transfer of 1000 Kalashnikovs from Jordan to the PA,” *Yediot Aharonot*, September 5, 2008 [Hebrew].

57. Isabel Kershner, “In Nod to Fatah, Israel Removes Militiamen from Wanted List,” *New York Times*, July 15, 2007.

58. It is widely believed that terrorism stems from poverty and ignorance. A study published in 2002, conducted by Princeton University professor Alan Krueger and Jitka Malečková of Charles University in Prague, analyzed the social and economic background of Hezbollah operatives in Lebanon, Palestinian suicide bombers, and Israeli settlers involved in violent clashes with their Arab neighbors. The study found no correlation between support for terrorism or terrorist activity and living conditions or educational level. Alan B. Krueger and Jitka Malečková, “Education, Poverty, and Terrorism: Is There a Causal Connection?” *Journal of Economic Perspectives* 17:4 (Fall 2003), pp. 119-144, www.krueger.princeton.edu/terrorism2.pdf.

59. Palestinian National Authority, “Building a Palestinian State,” p. 16.

60. Precise data are available at the organization’s homepage, www.un.org/unrwa/refugees/westbank.html.

61. Guy Bechor, “A Piece of Paper or a Peace Agreement? A Few Sacred Rules,” www.gplanet.co.il/prodetailsamewin.asp?pro_id=868 [Hebrew]. Recall the peace agreement between Israel and Lebanon signed during Operation Peace for Galilee in 1982, which went up in smoke. On the other hand, one can point to the strategic relations that Israel and Jordan formed many years before they signed an official peace agreement in 1994.

62. Daniel Pipes, "Turning Abbas's Logic on Its Head," *Jerusalem Post*, December 26, 2007.

63. Moshe Beilinson editorial, *Davar*, June 23, 1936 [Hebrew].

64. This article did not set out to deal with the "core issues" of the Israeli-Palestinian conflict or the proper way to resolve them in any future settlement. That is precisely the rash approach that this article criticizes. Nevertheless, it is obvious that settling the refugee question cannot be postponed until the permanent-status negotiations. The Palestinians are reluctant to concede on this issue because they understand that it can undermine the Jewish character of the State of Israel. Israel, for its part, should push for the de-politicization of the problem and for a speedy humanitarian resolution. A studygroup of Israeli, Palestinian, and French economists, which met in Provence, submitted a report to senior Israeli security officials in November 2007. They estimated the total cost of resolving the refugee problem and settling the Palestinian right of return at somewhere between \$55 billion and \$85, or an estimated \$14,000-\$21,000 for each refugee. In the final analysis, this is not an unreasonable price to pay for resolving a painful tragedy of such magnitude. See Akiva Eldar, "Refugees and Jerusalem: A Question of Money," *Haaretz*, November 24, 2007.