

1 Beyond Annapolis. The Case for a Stronger EU Engagement

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In January 2008 peace making on the Israeli-Palestinian track was relegated, once more, to the backburner. Israeli and Palestinian leaders were consumed by crisis management as increased rocket fire on Israel had prompted an intensified blockade of the Gaza Strip and the break-out of hundreds of thousands of Gaza residents after militants linked to Hamas had blown open the border fence to Egypt. Those in charge of the negotiations were also focused on their own political survival. Israeli Prime Minister Ehud Olmert was under pressure to resign in the context of the publication of the Winograd Committee's final report. The stand-off between the adverse Palestinian governments in the West Bank and the Gaza Strip endured.

Renewed peace process efforts kicked off with great fanfare by the American administration in November 2007 are thus already under threat of becoming stuck or being derailed.

In Annapolis, U.S. President George W. Bush had initiated negotiations on a final status between Israelis and Palestinians with the aim of reaching a peace agreement by the end of 2008 and realising the "vision of two states living peacefully side by side." Indeed, while restarting negotiations after seven years of violent strife and unilateral disengagement plans is a significant achievement, to date, substantial deliberations on the so-called core issues (Jerusalem, settlements, refugees) have not taken place. Bush, when visiting Israel and the Palestinian territories early this year, failed to take an assertive stance and instead proclaimed that he would only be involved to the extent the two parties proved serious about making peace.

In addition to final status negotiations both sides also committed themselves to live up to their obligations under an adapted version of the 2003 road map for peace. In late January 2008, the US administration appointed Lt. Gen. William M. Fraser III to monitor compliance. So far, however, little progress can be registered: security cooperation has resumed between Israel

and Ramallah and the Palestinian Authority has focused on restoring law and order in West Bank cities. Yet, other Phase One commitments have not seen any progress. Neither have significant steps been taken to normalise Palestinian life, nor have settlement outposts been dismantled or building in settlements stopped effectively. Palestinian institutions in East Jerusalem have not been reopened. And with the political split between West Bank and Gaza Strip persisting, comprehensive political reform in preparation for Palestinian statehood has become illusory.

Moreover, the Annapolis process does not offer any constructive way of overcoming that split. It rather builds on the "West Bank first" strategy adopted by the international community in reaction to Hamas' violent assumption of power in the Gaza Strip last June. This approach combines two main elements: first, measures aimed at strengthening the Palestinian President and his government in the West Bank (by way of massive diplomatic, financial, economic and military support as well as peace negotiations); and second, the diplomatic and financial isolation of Hamas and a far-reaching embargo on the Gaza Strip. It was to lead to flourishing landscapes in the West Bank as well as provide "a political horizon." It should thus convince Palestinians that Fatah were by far the better choice and make them vote out of office, or overthrow, Hamas.

This approach has blocked any dialogue on a new power sharing agreement between the factions. Its main shortcoming is that it does not provide any incentives for a constructive attitude by Hamas – as displayed in the context of the February 2007 Mecca Agreement when the movement agreed to the President leading final status negotiations. It rather holds the danger of a renewed violent escalation that is likely to derail the Annapolis process.

January's Gaza break-out engineered by Hamas has not only provided relief to the imprisoned population of the Strip, it has also foiled the

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international isolation approach. Rather than weakening Hamas, the movement has emerged with renewed popularity. It has also demonstrated Hamas' "spoiling power" as it has thwarted efforts of the Ramallah government to convince Israel and the international community to reinstate its control of the Rafah Crossing. Today, a return to the status quo ante, the complete closure of the Strip, the 2005 Agreed Principles on the Rafah Crossing, or any other arrangement that ignores Hamas is no longer a realistic option.

Priorities for European engagement

Time is running short. In January 2009 the Presidency of George W. Bush as well as Mahmud Abbas' term of office will end. So far, the EU has by and large contented itself with a supportive role in the Annapolis process, propping up Palestinian institutions, providing humanitarian aid, and implementing quick impact projects to inject money into the West Bank. However, not only is it misled – as a recent World Bank study points out – to assume that generous donations could lead to sustained development or at least a tangible economic upturn as long as the current closure regime persists.

It is also high time for the EU to take action to protect the Annapolis process from being derailed or running into deadlock. Strong international guidance and backing will be essential for Mahmud Abbas and Ehud Olmert to be able to take the difficult steps needed in order to bridge the divide. The EU therefore should engage vigorously in convincing the US as well as other Quartet members (Russia and the UN) that a stronger chaperonage is needed. Together with other Quartet members, the EU should present a blueprint for a final status settlement once bilateral negotiations run into deadlock. This means preparing a common understanding on such a blueprint today. As opinion polls show, the public in both Israel and the Palestinian territories is in principle prepared to accept a reasonable solution along the Clinton Parameters.

The current situation poses the tricky challenge of reconciling an approach that is built on pursuing a peace process with the Palestinian President with measures that can convince

Hamas not to torpedo it. Pinning one's hope on a military solution, strangulation of the population or manipulated elections to end Hamas rule in Gaza will increase rather than minimise the incentives for the movement to act as a spoiler. Therefore, if members of the so-called Arab Quartet (Saudi-Arabia, Egypt, Jordan and the UAE) attempted to mediate another power sharing (or technical cooperation) arrangement between the Palestinian factions, Europeans should not undermine but rather support and defend it in face of expected US and Israeli opposition. An arrangement with Hamas is necessary to achieve a comprehensive cease fire (including a stop to Qassam rockets being fired from the Gaza Strip) and thus improve the security situation, find a solution to the Rafah Crossing and alleviate the tragic humanitarian situation. It is essential for creating an atmosphere in which final status negotiations can take place and their results be implanted. And it is crucial for the success of measures initiated under the EU Action Plan that depend, above all, on a relaxation of the closure regime and therefore on an improved security situation.

There are other loose ends. Annapolis has not initiated a comprehensive peace process, but left the Israeli-Syrian and the Israeli-Lebanese track in limbo. In this, the US administration has ignored the interdependence of the different dimensions of the Arab-Israeli conflict and failed to address the causes of the 2006 Lebanon war. Russia has announced it will hold a conference on the Syrian-Israeli track in March or April. If there is a chance for resuming this track, Europeans should coordinate among member states and with Quartet partners to set up an appropriate format to lend support.

Last but not least, Europeans should be concerned about their role in implementing a peace deal. This will not only include tasks such as monitoring the parties' performance and an increased role (maybe even military) in securing borders and keeping the parties apart. It will also involve helping to find a solution to some of the most sticky issues – for example by contributing generously to a compensation fund for refugees as well as absorption of those Palestinian refugees who cannot return or permanently settle in their host countries.