"The Middle East Peace Process: An Analysis from Former U.S. Negotiators" Wednesday, February 12, 2020 Rayburn House Office Building Room 2172

Prepared Remarks of Frank G. Lowenstein, former Special Envoy for Israeli-Palestinian Negotiations, before the House Committee on Foreign Affairs, Subcommittee on the Middle East, North Africa and International Terrorism. Good morning Chairman Deutch, Ranking Member Wilson and members of the Committee. Thank you for holding this hearing on the Middle East Peace Process. It is an important time for this discussion, and I am honored to be here.

I joined the State Department in early 2013, and served as Special Envoy for Israeli-Palestinian Negotiations from July 2014 until January 2017. I will draw on this experience to provide some context on the Trump administration's Vision, and how our approach under President Obama and Secretary Kerry differed from theirs.

The main principle guiding Obama/Kerry peacemaking efforts was that the Israelis and Palestinians could only resolve their differences through direct negotiations. Like our predecessors in prior administrations, we did not believe that a solution could be imposed on either side, and we strongly opposed any unilateral steps that pre-judged the outcome.

We worked intensively with the Israelis and Palestinians to facilitate a return to direct negotiations, which took place from September 2013 until April 2014. When those talks ended, we focused on preserving the possibility of a two-state solution, including proposing mutual steps on the ground and final status "Principles" that could provide a basis for the eventual resumption of talks.

These Principles, announced by Secretary Kerry in December of 2016, were informed by extensive conversations with the Israelis and Palestinians, as well as consultations with key regional and international leaders. This was reflected in their consensus endorsement at the Middle East peace conference in Paris in January 2017, the first time that the international community, including key Arab and European countries, had accepted recognition of Israel as a Jewish state as part of the final agreement.

The full text of the Principles are attached, and I would be glad to answer any specific questions. For now, I would just note a few key points that highlight the difference in our approaches.

First, our Principles were very broad, in order to allow the parties themselves to negotiate the details. On borders, Jerusalem, security and refugees, they included elements that neither side liked. The goal was to create a baseline that would assure the parties that their basic needs could be met through negotiations, without saying how.

The Trump Administration's Vision obviously went into much more detail, essentially deciding the specifics of each issue on Israel's behalf. It leaves very little for the parties to actually negotiate, and gives the Palestinians no reason to believe that their most basic aspirations would be met. While it is framed as a "Realistic Two-State Solution," the Palestinian "state" it envisions does not meet any reasonable definition of a sovereign nation. It is more of a blueprint for creating one state on Israel's terms. In fact, the Palestinians would not get anything at all until they have disarmed Hamas in Gaza, which is impossible when they are de-militarized.

To those who argue that the Palestinians should accept this as the basis for negotiations, I would ask: Would Israel enter into talks based on a plan that the Palestinians wrote with the Arab League, without even consulting them? Obviously not.

But I do not think the main goal of the Vision is actually to facilitate negotiations: It is to move the goalposts permanently in Israel's direction, and most importantly, to provide a pretext to unilaterally annex some 30% of the West Bank. This may well have been the basic understanding between the Israelis and the Trump team: Israel would agree to a map with some hypothetical future territorial concessions in return for annexation now, which would of course help Prime Minister Netanyahu politically.

That is the most damaging part of the Trump Vision: Not what it says, but what it does by sanctioning unprecedented steps that will entrench an irreversible one state reality. This is the culmination of decades of efforts by the settler movement to create facts on the ground that would become a fait accompli.

Twenty-seven years after the Oslo Accords, the transition to greater Palestinian control agreed to by the parties has essentially been reversed. The 60% of the West Bank known as Area C, much of which was supposed to be transferred to the Palestinians subject to negotiations on settlements and security, has effectively been given to the settlers.

This process has accelerated dramatically during the Trump Administration. In the 18 months after President Trump took office, settlement approvals tripled compared to the last 18 months of the Obama administration. Since 2017, 25 new illegal settlement outposts have been created, nearly double the amount from the entire previous decade.

As part of this effort, the Trump Administration has been working to redefine peace as the status quo, eroding basic concepts like 'state' and 'sovereignty,' defining 'refugees' nearly out of existence, and eliminating terms like 'settlement,' 'occupation' and 'West Bank' altogether. They have recognized the unilateral annexation of Jerusalem and Golan Heights without asking anything in return. And they have tried to pressure the Palestinians by cutting off all U.S. assistance – which has only increased stress on everyday Palestinians, including millions living through the nightmare in Gaza.

The result has been a loss of hope among the Palestinians, as President Abbas described yesterday. Palestinian support for the two-state solution is lower than ever. As one Palestinian leader said, "There is no political horizon for improvement, and this is creating extreme anger within the public." In fact, senior Israeli security officials have warned of the risk of widespread unrest in the West Bank. We may be seeing the beginning of that now in Ramallah. This could feed a cycle of turmoil, protests and violence that would be very destabilizing -- and could even lead to the eventual collapse of the Palestinian Authority.

Under Obama, we took steps to prevent that type of breakdown and at least preserve the possibility of a two-state solution. We objected to unilateral steps by either side, including settlements and Palestinian actions at the International Criminal Court, and we strongly opposed incitement and boycotts. We gave Israel the largest military assistance package ever, worked to bolster the Palestinian economy and solicited support for UNRWA relief operations in Gaza. And we issued a report with the Middle East Quartet (attached) calling for mutual, concrete steps to begin the process of separating and creating a two state reality on the ground.

The Trump approach has done the opposite, betting that "maximum pressure" will push the Palestinians enough to cave in without actually collapsing. As Jared Kushner said, "Our goal can't be to keep things stable...Sometimes you have to strategically risk breaking things to get there."

All sides should be prepared to take risks for peace, but it is hard to see the rewards here. If they are successful in implementing the Vision, it would simply cement an untenable one state reality of endless occupation and conflict. In a worst case scenario, they are inviting instability or worse.

Thank you. I look forward to your questions.

Middle East Peace Principles

Secretary Kerry, December 28, 2016:

"It is in that spirit that we offer the following principles – not to prejudge or impose an outcome, but to provide a possible basis for serious negotiations when the parties are ready. Now, individual countries may have more detailed policies on these issues – as we do, by the way – but I believe there is a broad consensus that a final status agreement that could meet the needs of both sides would do the following."

Principle number one: Provide for secure and recognized international borders between Israel and a viable and contiguous Palestine, negotiated based on the 1967 lines with mutually agreed equivalent swaps.

Resolution 242, which has been enshrined in international law for 50 years, provides for the withdrawal of Israel from territory it occupied in 1967 in return for peace with its neighbors and secure and recognized borders. It has long been accepted by both sides, and it remains the basis for an agreement today.

As Secretary, one of the first issues that I worked out with the Arab League was their agreement that the reference in the Arab Peace Initiative to the 1967 lines would from now on include the concept of land swaps, which the Palestinians have acknowledged. And this is necessary to reflect practical realities on the ground, and mutually agreed equivalent swaps that will ensure that the agreement is fair to both sides.

There is also broad recognition of Israel's need to ensure that the borders are secure and defensible, and that the territory of Palestine is viable and contiguous. Virtually everyone that I have spoken to has been clear on this principle as well: No changes by Israel to the 1967 lines will be recognized by the international community unless agreed to by both sides.

Principle two: Fulfill the vision of the UN General Assembly Resolution 181 of two states for two peoples, one Jewish and one Arab, with mutual recognition and full equal rights for all their respective citizens.

This has been the fundamental – the foundational principle of the two-state solution from the beginning: creating a state for the Jewish people and a state for the Palestinian people, where each can achieve their national aspirations. And Resolution 181 is incorporated into the foundational documents of both the Israelis and Palestinians. Recognition of Israel as a Jewish state has been the U.S. position for years, and based on my conversations in these last months, I am absolutely convinced that many others are now prepared to accept it as well – provided the need for a Palestinian state is also addressed.

We also know that there are some 1.7 million Arab citizens who call Israel their home and must now and always be able to live as equal citizens, which makes this a difficult issue for Palestinians and others in the Arab world. That's why it is so important that in recognizing each other's homeland – Israel for the Jewish people and Palestine for the Palestinian people – both sides reaffirm their commitment to upholding full equal rights for all of their respective citizens.

Principle number three: Provide for a just, agreed, fair, and realistic solution to the Palestinian refugee issue, with international assistance, that includes compensation, options and assistance in finding permanent homes, acknowledgment of suffering, and other

measures necessary for a comprehensive resolution consistent with two states for two peoples.

The plight of many Palestinian refugees is heartbreaking, and all agree that their needs have to be addressed. As part of a comprehensive resolution, they must be provided with compensation, their suffering must be acknowledged, and there will be a need to have options and assistance in finding permanent homes. The international community can provide significant support and assistance. I know we are prepared to do that, including in raising money to help ensure the compensation and other needs of the refugees are met, and many have expressed a willingness to contribute to that effort, particularly if it brings peace. But there is a general recognition that the solution must be consistent with two states for two peoples, and cannot affect the fundamental character of Israel.

Principle four: Provide an agreed resolution for Jerusalem as the internationally recognized capital of the two states, and protect and assure freedom of access to the holy sites consistent with the established status quo.

Now, Jerusalem is the most sensitive issue for both sides, and the solution will have to meet the needs not only of the parties, but of all three monotheistic faiths. That is why the holy sites that are sacred to billions of people around the world must be protected and remain accessible and the established status quo maintained. Most acknowledge that Jerusalem should not be divided again like it was in 1967, and we believe that. At the same time, there is broad recognition that there will be no peace agreement without reconciling the basic aspirations of both sides to have capitals there.

Principle five: Satisfy Israel's security needs and bring a full end, ultimately, to the occupation, while ensuring that Israel can defend itself effectively and that Palestine can provide security for its people in a sovereign and non-militarized state.

Security is the fundamental issue for Israel together with a couple of others I've mentioned, but security is critical. Everyone understands that no Israeli Government can ever accept an agreement that does not satisfy its security needs or that risk creating an enduring security threat like Gaza transferred to the West Bank. And Israel must be able to defend itself effectively, including against terrorism and other regional threats. In fact, there is a real willingness by Egypt, Jordan, and others to work together with Israel on meeting key security challenges. And I believe that those collective efforts, including close coordination on border security, intelligence-sharing, joint cooperations – joint operation, can all play a critical role in securing the peace.

At the same time, fully ending the occupation is the fundamental issue for the Palestinians. They need to know that the military occupation itself will really end after an agreed transitional process. They need to know they can live in freedom and dignity in a sovereign state while providing security for their population even without a military of their own. This is widely accepted as well. And it is important to understand there are many different ways without occupation for Israel and Palestine and Jordan and Egypt and the United States and others to cooperate in providing that security.

Now, balancing those requirements was among the most important challenges that we faced in the negotiations, but it was one where the United States has the ability to provide the most assistance. And that is why a team that was led by General John Allen, who is here, for whom I am very grateful for his many hours of effort, along with – he is one of our foremost military minds, and dozens of experts from the Department of Defense and other agencies, all of them engaged extensively with the Israeli Defense Force on trying to find solutions that could help Israel address its legitimate security needs.

They developed innovative approaches to creating unprecedented, multi-layered border security; enhancing Palestinian capacity; enabling Israel to retain the ability to address threats by itself even when the occupation had ended. General Allen and his team were not suggesting one particular outcome or one particular timeline, nor were they suggesting that technology alone would resolve these problems. They were simply working on ways to support whatever the negotiators agreed to. And they did some very impressive work that gives me total confidence that Israel's security requirements can be met.

Principle six: End the conflict and all outstanding claims, enabling normalized relations and enhanced regional security for all as envisaged by the Arab Peace Initiative. It is essential for both sides that the final status agreement resolves all the outstanding issues and finally brings closure to this conflict, so that everyone can move ahead to a new era of peaceful coexistence and cooperation. For Israel, this must also bring broader peace with all of its Arab neighbors. That is the fundamental promise of the Arab Peace Initiative, which key Arab leaders have affirmed in these most recent days.

The Arab Peace Initiative also envisions enhanced security for all of the region. It envisages Israel being a partner in those efforts when peace is made. This is the area where Israel and the Arab world are looking at perhaps the greatest moment of potential transformation in the Middle East since Israel's creation in 1948. The Arab world faces its own set of security challenges. With Israeli-Palestinian peace, Israel, the United States, Jordan, Egypt – together with the GCC countries – would be ready and willing to define a new security partnership for the region that would be absolutely groundbreaking.