Chairman Ros-Lehtinen, Ranking Member Deutch, Members of the Subcommittee, thank you for the honor of testifying before a committee I truly cherish.

Although nine months have passed, and negotiations between Israel and the Palestinians have stalled, what was true at the start of the talks is even truer today: negotiations between Israel and the Palestinians remain in both sides’ respective strategic interests.

For the Palestinians, there was and still is only one reality: the route to an independent state runs through a negotiated agreement with Israel. Neither seeking admission to international institutions, nor threatening to dismantle the Palestinian Authority can achieve the dignity and justice Palestinians deserve in a state of their own.

For Israel, there was and still is only one reality: to secure its future as a Jewish and democratic state, a viable, independent and demilitarized Palestinian state must be realized.

So what do we do now?

First, it is too soon to judge the nature of the reconciliation agreement between Fatah and Hamas. There have been similar reconciliation attempts in the past that were never implemented.

On Hamas, there is no debate: Hamas is a terrorist organization – no ifs, no ands, no buts. We need to appreciate, however, that the differences between Fatah and Hamas are as great as the differences between Israel and the Palestinians.

Israel’s actual response to the reconciliation agreement is instructive. Prime Minister Netanyahu is no dove, but he has been careful to “suspend” the talks with the Palestinians, and not cancel them outright. And on Tuesday, Israel walked back from threats to impose sanctions on the Palestinian Authority.

The prime minister knows that Israel is most secure when it is working in cooperation with Palestinian security forces. Just this week, Palestinian forces uncovered and arrested four members of a terror cell in the West Bank that was plotting to attack Israelis.
Should Congress move now to defund the Palestinian Authority in response to the reconciliation agreement?

When I was in your shoes, I would have been quick to make a strong political statement condemning a new Palestinian government that might include terrorists.

However, if Congress defunds the PA, and the PA cannot pay its security forces and other bills, we hand a victory to Hamas.

A stated purpose of the reconciliation agreement is to conduct an election – a desperately needed election – in the Palestinian territories. Should the Palestinians return to the ballot box, we must bolster those Palestinians who renounce violence and recognize Israel’s right to exist. Cutting off U.S. funds now will depress the economy and increase unemployment, clearly advancing the objectives of the extremists. How does that help us? How does that help Israel?

We already have sufficient laws that prevent the funding of terrorist organizations. Let those laws serve their purpose.

This is not the time for hasty action. In the immediate future, we should encourage the two sides to continue to deescalate the fraught situation, and keep the window for a two-state solution open.

Moreover, all is not lost. Progress was, in fact, achieved on the core issues of borders and refugees during the recent negotiations. Additionally, for the first time, the Arab League modernized the Arab Peace Initiative to accept the principle of land swaps, which would allow Israel to retain the major settlement blocs adjacent to the 1967 lines. And, after working with more than 150 experts at the Pentagon, General John Allen presented an extraordinary security plan that, in a two-state outcome, would include measures to make Israel’s eastern border as strong as any border in the world.

President Obama and Secretary Kerry deserve credit for initiating a credible process. It is now up to the two sides to either build on what was achieved over the past year, or that progress will slip away.

Pope John Paul said there were two possible solutions to the Arab-Israeli conflict: the realistic and the miraculous. The realistic would involve divine intervention, the miraculous, a voluntary agreement between the parties. It is America’s duty to keep pushing for the miraculous.