

Prepared Testimony
Mara Rudman
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on the Middle East, North Africa, and International Terrorism
“The Middle East Peace Process: An Analysis from Former U.S. Negotiators”
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Chairman Deutch, Ranking Member Wilson, committee members, it is an honor to appear before you. I also want to offer a special note of appreciation to former Chairs Lee Hamilton, Howard Berman and ranking Rep. Sam Gejdenson and their counterparts, the Hon. Ed Royce, and those who are no longer with us, Representatives Ben Gilman and Henry Hyde. I had the privilege of working with all of them at various points and know well how much their legislative leadership on these issues contributed to what the United States was able to achieve.

I salute you for considering this topic, and in this manner. You have caused me to reflect anew as I prepared this hearing. Why has the United States maintained for decades, through Republican and Democratic administrations, longstanding consensus positions that have framed America’s approach to seeking peace in the Middle East, and particularly between Israelis and Palestinians? Understanding the rationale for this consensus, and exploring lessons learned where we have achieved gains and sustained losses along the way, informs my central analytic conclusion: the current approach outlined by President Donald Trump last month will help to solidify a one-state reality. It will limit U.S. opportunities to help construct viable regional economic and security structures. It further dims the political horizon for a sustainable two-state solution that prior American presidents have so firmly held as serving U.S. interests, those of the parties, the region, and the world.

I draw the following four lessons from my experiences working these issues for President Clinton and President Obama, and during my time here in the House particularly while serving as Chairman Hamilton’s chief counsel at this committee, and from historical study, close attention to efforts by those across administrations, and work by colleagues on this panel, and at the Center for American Progress.

- (1) Context and politics matters. Geopolitical surroundings impact opportunities for progress on the Israeli-Palestinian front, as do Israeli and Palestinian domestic politics.
- (2) America can play an important leadership role that keeps eyes on the horizon and helps lay a path for reaching it.
- (3) Progress is most likely when the parties engage directly with one another; outsiders attempts to impose “solutions” generally are counterproductive.
- (4) U.S. aid is an important tool, used effectively. Efforts to deploy it coercively are likely to backfire.

I will further address and analyze these lessons as I offer thoughts on why what happens between Israelis and Palestinians and in the broader region, matters for Americans; what US

interests are at stake; and how these lessons illustrate the routes most likely to serve U.S. interests and achieve shared objectives.

I. Why care? What U.S. interests at stake?

The United States benefits from a stable and secure Middle East region.

- Our special relationship with Israel since 1948 has played an anchoring role in securing those benefits.
- We share interests and concerns with other important regional actors such as Saudi Arabia, Egypt, Jordan, and the Emirates, most particularly with respect to Iran's ongoing actions to destabilize the region, active support for Hezbollah and extremist factions in Iraq and Yemen. America's interests are aligned with those of Israel and key Arab countries in countering Iran and the terrorists that threaten us, our friends and allies.
- Regardless of sourcing of domestic fuels, Americans also are impacted, as are our allies, by consistency of global energy flows, and key Middle East actors control significant aspects of that flow.

The conflict between Palestinians and Israelis must be resolved to fully realize the cooperation possible between Israel and Arab states, and create the most effective sustainable political and security architecture for region, with the wisest use of American resources. U.S. leadership in laying the groundwork toward a sustainable two-state resolution remains an important plank for a broader U.S. strategy in the Middle East. Conversely, global competitors such as China and Russia will seize opportunities to exploit gaps or perceived vacuums left by ineffective or absent U.S. leadership.

- At a time when America is debating how to balance its resources to meet competing challenges globally, particularly from China and Russia, there are questions about how much the United States should remain engaged in the Middle East.
- Helping the parties produce a lasting two-state solution to the conflict will ease the burden currently shouldered by the United States for regional security; it will open more doors for strategic cooperation between Israel and its neighbors. But to achieve that sustainable equilibrium in the region, the United States needs to continue to make investments in key relationships and advance a more effective and pragmatic approach than the one released last month.

Since President Truman made the United States the first country to recognize the State of Israel on May 14, 1948, America has bet heavily on the value of this strategic relationship.¹ It was an important democratic ally in the region. Israel's first president, Chaim Weizmann, wrote to President Truman, "The world, I think, will regard it as especially appropriate that the greatest

¹ "The United States recognizes the provisional government as the de facto authority of the State of Israel." Preceding paragraph states, "This Government has been informed that a Jewish state has been proclaimed in Palestine, and recognition has been requested by the provisional Government thereof."

living democracy should be the first to welcome the newest into the family of nations.”² As the relationship took root, for many Americans, part of the bond was connected to shared values, reflected in Israel’s unique democratic identity as a Jewish majority state, with its strong parliamentary and court system, and a small but mighty military. The United States through successive administrations has viewed maintaining Israel’s qualitative military edge as critical for our interests in regional balance, as a sense of shared democratic values that undergirded the relationship helped bolster the case for resource support.

The United States should be working to help resolve the conflict between Israelis and Palestinians because such resolution is a necessary, if not sufficient, condition for a more stable Middle East region. To best serve U.S. interests, that region must include a sustainable and secure State of Israel. And has been clear since 1948, what happens with the Palestinians matters. As President Truman responded to President Weizmann, “We will do all we can to help by encouraging direct negotiations between the parties looking toward a prompt peace settlement.”³

President Trump’s plan moves the parties farther from sustainable resolution; it is likely to increase instability for the parties, the region, and thus for the United States. It sideswipes geopolitical realities, envisions neither an attainable horizon nor a realistic pathway toward reaching it; imposes its details on both parties after consulting in the plan’s development only with one; and makes U.S. resources a cudgel. Its 181 pages are a textbook on how to fail on Middle East peace, learning little from past efforts or deciding they were not worthy of study.

II. Routes most likely to serve U.S. interests and achieve shared objectives.

What are the common elements in past routes we have taken, what logic has shaped the common frame, what has worked most effectively, and what adjustments may be mandated by changes on the ground and between and within the make-up of Israelis and Palestinians? For me, examining these queries through the prism of four key lessons learned has been most instructive.

- (1) Context and politics matters. Geopolitical surroundings impact opportunities for progress on the Israeli-Palestinian front, as do Israeli and Palestinian domestic politics.

The greatest advances on the Israeli-Palestinian front have come when geopolitical conditions are favorable and the United States has effectively anticipated or assessed Israeli and Palestinian domestic politics. Let’s explore the parties and what matters for each, and then move to how that fits into the geopolitical context that surrounds them.

² May 13, 1948.

³ November 29, 1948.

Israelis concern about security has long been perceived as paramount. What a secure Israel means, and how it might be sustained, however, if probed, reveal opportunities and illustrate shifting politics and realities. Assuming that Israel's security would be maintained by annexation of the Jordan Valley, for example, while Israel also maintains security for multiple Jewish settlements surrounded by Palestinian controlled areas, under terms that it is not conceivable current Palestinian leaders could accept as a state, almost certainly would require significant expenditure of Israeli military and other resources, that might otherwise be assigned elsewhere. The Trump plan, in addition to proposing such annexation, also suggests redrawing of Israel's borders such that a cluster of 10 Arab towns north of Tel Aviv, known as "the Triangle," would be subsumed by a future Palestinian state. Many Jewish Israelis, not only the 20% of Israeli citizens who are Arab-Israeli, have criticized this idea as dangerous, and contradicting Israeli law and values.

Most Palestinians I know also would rank security high on their list of needs. For many, security would mean the security of knowing they could offer their children a chance to grow and prosper and one day lead a state of their own governance, with institutions that worked for all, with good jobs in an economy that was not dependent on handouts or permissions for survival. The average Palestinian in the West Bank or Gaza knows that a sustainable secure state must be built from the ground up – and they have experienced such building in fits and starts. They recognize that it requires bringing together Palestinians in Gaza and the West Bank and addressing the failing entity that is Fatah and the terrorist leadership of Hamas. That kind of state will not be declared with a UN vote or the stroke of a pen. Between 2008 and 2011, for example, the United States provided approximately \$350-400 million/year in economic support for Prime Minister Fayyad's institution building vision; this was further buttressed by the \$80 million to \$150 million/year during this period that was offered for security training for Palestinian forces. And at the same time, America continued its position as the lead donor to UN multi-lateral funding mechanisms, at about \$300 million annually.

Should Israel move toward annexation in response to President Trump's proposal, as Prime Minister Netanyahu has indicated, and absent Palestinian engagement, it may find itself not only with a bigger security challenge vis a vis Palestinians that it has faced in some years; it also would be absent a Palestinian security force to work in coordination with Israeli counterparts. Moreover, the stream of international support that has provided economic and humanitarian undergirding for West Bank and Gazan Palestinians for so long would be in question. The premise for that support has been work with both parties toward a sustainable negotiated resolution to the conflict. This outcome would fall under "none of the above." Of course, all U.S. bilateral and multi-lateral economic support was terminated by President Trump in 2018. Security assistance was halted in early 2019, though the ability to provide such aid was legislatively rejiggered late in the year. The President's current budget sets aside limited funding to be available only if the Palestinians accept the terms of his plan.

For Palestinians and Israelis alike, their historical narratives, from 1948, not just 1967, also play into current politics and positioning. Understanding how each side's narrative shapes what leaders demand and why strengthens the ability of the U.S. (or another international actor) to

facilitate. Ignorance weakens our hand. The differing narratives, and the contest between two competing national movements, are intertwined in fact with each of the main so-called permanent status issues: security; borders (settlements); refugees; and Jerusalem.

The geopolitical context in which the Israeli Palestinian conflict festers has shifted considerably in recent decades. No more are these players center stage. They have been sidelined in time and attention within the region by Iran's threatening actions, the Syrian war, the Iraq debacle, the rise of ISIS, waves of Iraqi and then Syrian refugees, Turkey's leadership shifts, regime changes in Egypt, and Jordan precariously situated in the midst of it all. And yet, much as some try to dismiss the reality, a sustainable resolution for the Palestinians remains the ticket that Israel and its Arab neighbors need to construct a regional economic and security architecture that will not be ephemeral. Doubters on this front need consider the unanimous Arab League rejection of the Trump peace plan on Feb. 2, 2020, despite the cursory and ambiguous lukewarm statements initially released by Saudi Arabia and the UAE.

These countries have their own histories, narratives, geographical sensitivities, and relationships with Palestinians and Israelis that inform their interests, and the opportunities for working with them.

Jordan

- Much of Jordan's population is Palestinian by heritage.
- Jordan's monarchy retains a vital interest in protection of Christian and especially Muslim holy sites in Jerusalem.
- Resolution of the conflict would impact Jordan economically more than any other actor in the region, with increased opportunities for economic integration, and further opportunity to address their significant water vulnerabilities.
- King Abdullah also is a key element in the security of Israel's longest border. Lack of resolution which may increase instability in the West Bank and Gaza increase chances for spillover into Jordan, with potential to imperil the monarchy.
- This impact on Jordan's stability in turn further destabilizes Israel in the region. Such instability would increase pressure on United States security resources.

Egypt

- Historically held a long tradition as a lead negotiator.
- The Camp David Accord of 1978, while unpopular among the people of Egypt, has maintained peace on a key front for decades, brought significant U.S. assistance to Egypt, and saved all, including the U.S., far more extensive costs had conflict continued.
- President Sisi's regime has strong ties with Israel security establishment.
- Given concerns about extremist activity in Sinai, Egypt currently is primarily focused on policy in Gaza, whether it affects reconciliation between Hamas and Fatah, ongoing reconstruction, or pushing back against Palestinians from Gaza more freely entering Egypt.

- For all these reasons, Cairo should be kept apprised, and made to feel consulted about U.S. diplomatic efforts on this front, even if expectations should be minimized on what Egypt might contribute diplomatically given its domestic concerns and geopolitical weaknesses.

Saudi Arabia

- Most influential actor in the Middle East.
- Primary driver of the Arab Peace Initiative, launched in 2002 by Saudi's late King Abdullah, calls for withdrawal to 1967 lines—and from the Golan—as well as “a just solution to the Palestinian refugee problem to be agreed upon in accordance with UN General Assembly Resolution 194.” It also calls for accepting a sovereign and independent Palestinian state in the West Bank and Gaza with East Jerusalem as the capital.⁴
- The Kingdom of Saudi Arabia has a key role to play, but also has its own issues with Iran, the need to diversify the economy, and challenges within the current succession of leaders.

UAE

- Strategic player, funding source for Palestinians on occasion, quietly have led way for Israeli participation in regional discussions hosted in Abu Dhabi.

Qatar

- Funds significant amount of humanitarian and some reconstruction in Gaza; with Israel's acquiescence, has stepped in to fill some of the vacuum left by United States cutting the United Nations Refugee and Works Agency (UNWRA) funds and bilateral assistance.
- Also provides via sovereign wealth fund, major portion of financial banking for Rawabi, the biggest private housing and retail development in the West Bank, just outside of Ramallah.

International actors

United Nations

- UNRWA, created for Palestinian refugees, houses a significant proportion of the Palestinians living in Gaza in longstanding refugee camps, and runs several camps in the West Bank as well as camps in Jordan and Lebanon. In Gaza, UNRWA schools for grades K-9 provide the sole free education for refugee children.

⁴ The Arab League endorsed the initiative in 2002 at its Beirut Summit and re-endorsed it in 2007. The latest version, endorsed in 2013, calls for the initiative to be based on the two-state solution on the basis of 1967 lines, with the possibility of comparable and mutually agreed-upon minor swaps of the land between Israel and Palestine.

- The UN Development Program handles construction, distribution, and implementation of a wide range of economic support efforts throughout Gaza and the West Bank, including significant water and sanitation efforts that also benefit Israel.
- The UN Special Coordinator, in residence in Jerusalem, has played a key mediating and facilitating role between parties and with other internationals. The current Special Coordinator, Nicolay Mladenov, is deeply respected.
- Hundreds of billions of international dollars have flowed to address Palestinian humanitarian needs: health, housing, education, water, sanitation, through UN agencies.

Europe

- The European Union (EU) is the largest single donor to Palestinians, since the United States ceased its contributions.
- Several European countries also contribute substantial on an individual basis as well.

Russia and China

- Each has successfully sought opportunities wherever they exist with Israelis and Palestinians alike in recent years. In a 2017 Moscow visit with President Putin, President Abbas secured Russian funding for restoration of a key area in Bethlehem. Prime Minister Netanyahu has touted his close ties with Putin in both 2019 election bids.
- Meanwhile, Chinese cities have developed trade relationships with Palestinian cities such as Hebron. At the same time, Chinese companies have invested in strategic Israeli infrastructure, from shipping to electricity to public transportation, and they have bought up millions of dollars in stakes in cutting-edge technology startups.

President Trump ignores these geopolitical realities for the parties and regional actors. Among the reasons his plan will fail: it promises big economic pay offs by key regional actors for Palestinians and Israelis. Much of the merchandise, including Dead Sea resorts, has been previously peddled. Like those who would purchase the Brooklyn Bridge, buyers should be beware. No funders have signed on dotted lines. No funding is readily available to seed the ground to help Palestinians meet the terms that would qualify them for the future goods, should they choose to participate. Those players who have been investing steadily and responsibly for decades have no incentive to continue their support. The sources for the vast new sums detailed are not readily identifiable.

(2) America can play an important leadership role that keeps eyes on the horizon and helps lay a path for reaching it.

The United States is most effective in a “quarterback” role, bringing key stakeholders together, visualizing the field of play in advance and various options for movement. This requires America to have a clear sense of the broader region. It means we must be capable of

articulating our role in it. And we likely need to be prepared, given where the parties exist now, to do the work that will build new coalitions from the ground up to support two states, and create the type of leaders and the political space for leaders to develop zones of agreement. Similarly, we should be developing strategic alliances within the region, internationally, and at home.

(3) Progress is most likely when the parties engage directly with one another; outsiders attempts to impose “solutions” generally are counterproductive.

The best opportunities for agreement historically have come when the parties are working directly with one another, reaching to the United States (and other internationals) only at key moments. Whether in the early 1990s when Prime Minister Rabin gave then Foreign Minister Peres and his team the green light for discussions in Oslo with Abu Mazen and others from the PLO, prior to bringing in the Clinton administration, or when on November 19, 1977, Anwar Sadat made the courageous visit to Jerusalem, prior to President Carter’s Camp David summit, recognition by the parties of each other’s needs and aspirations, and time spent together to learn and understand, such as in the security coordination facilitated by the U.S. between Israelis and Palestinians, or the critical work on water desalination throughout the region spurred by the Middle East Regional Desalination Center, based in Oman, in which Israel participates, build trust and allow for context that spurs creative solutions that improves opportunities for deal-making.

When the relationship between the parties has so deteriorated that there is little such opportunity for progress, the United States and other international stakeholders have tried several routes to continue to press what we perceive as our common interest in having the parties reach a negotiated resolution to the conflict, a resolution which for the last few decades, has been conceived as requiring a State of Israel and a State of Palestine.

One route is to try to construct what outside actors – the United States, other internationals, those who may be providing critical resources – would consider a sustainable grand bargain. The outside actors then lay out the proposal, with accompanying detail and offer of future resources, to the parties. I do not have any ready examples where that approach has been successful. And cautionary tales about what it has cost. The January 28th Trump plan fits this pattern.

(4) U.S. aid is an important tool, used effectively. Efforts to deploy it coercively are likely to backfire.

In the near term, the United States needs to improve our positioning to be able to broker a sustainable peace. This would require resuming assistance to the Palestinians. The United States does best when it is helping the parties’ leaders establish a track record on delivering tangible progress that improves lives of those on ground. We also need to restore freedom of maneuver for U.S. diplomacy to shape outcomes and advance US interests in the West Bank and Gaza.

As important as is a steady flow of economic and security aid to Palestinians, the United States should speak clearly about why the generous package of U.S. security assistance to Israel serves American interests. We should be taking off the table tying provision of that aid to pressure for actions with respect to negotiations with the Palestinians. Rather, we might focus Israelis' attention on the ways in which a continuation of the status quo threatens their secure future existence. It is important to understand, as a one state reality becomes further entrenched, whether democratic governance or Jewish identity prevail. Both cannot coexist within prevailing borders and structures.⁵ And the United States would do well to explore what levers, private and public, are within reach and may plausibly be used to make this case.

III. Conclusion

As Americans, and as citizens of the world, we are witnesses and participants to the dangers of failing to learn lessons from history. We are not doomed to repeat them, if we take the time to teach ourselves, and adjust course. Prior U.S. administrations have struggled with how to do better in serving American interests and helping fulfill President Truman's 1948 commitment to encourage "direct negotiations between the parties looking toward a prompt peace settlement."

This administration and future ones would build upon the best efforts of their predecessors by recognizing:

- (1) Geopolitical context and local politics matter.
- (2) America leads best by keeping eyes on the horizon and laying pathways for reaching it.
- (3) Progress is most likely when the parties engage directly with one another; outsiders attempts to impose "solutions" generally are counterproductive.
- (4) U.S. aid is an important tool, used effectively. Efforts to deploy it coercively are likely to backfire.

Again, thank you for the opportunity and privilege of appearing before you today. I appreciate the learning this committee is undertaking.

⁵ If one state reality prevails, all responsibility for security for Palestinian and Israeli population in West Bank and Gaza returns to Israel. No international actors readily would be providing funding or training for Palestinian police, and the rationale for what has been massive international economic aid for Palestinians in West Bank and Gaza also fades. Is Israel prepared to absorb the costs of caring for this expanded population? How will resources be reconfigured? Who gains and who loses?