THE MISSING CURRENCY OF ISRAELI/PALESTINIAN NEGOTIATIONS

Lloyd Cohen,
George Mason University School of Law

George Mason University Law and Economics Research Paper Series

09-45

This paper can be downloaded without charge from the Social Science Research Network at http://ssrn.com/abstract_id=1467863
The Missing Currency of Israeli/Palestinian Negotiations

Lloyd Cohen, Ph.D., J.D.
George Mason University School of Law
1100 Fairfax Boulevard
Arlington, VA 22201
(703) 993.8048
lcohen2@gmu.edu

Lloyd Cohen is a Professor of Law at George Mason University School of Law in Arlington, Virginia.

I gratefully acknowledge the generous financial support of The Law and Economics Centre of George Mason University School of Law, the valuable advice of my colleague Jeremy Rabkin, and the excellent research assistance of Aaron Aft and Anna Rittgers.

Word count: 5,627
The Missing Currency of Israeli/Palestinian Negotiations

The premise of the Arab-Israeli “land for peace” process is that each side values what it will receive more than what it must surrender. The repeated failure of this process spanning decades reveals the shocking truth that this premise is erroneous. For the process to succeed the currency that the Arabs must bring to the table is the ability and willingness to pay for their sovereignty in the currency of vigorous enforcement of Israeli rights and privileges, something they are not willing to do. Why not? At present, the payoff to the Palestinian Arabs as a body of a state is simply not worth the price they must pay.

Keywords: peace process, sovereignty, Israel, Arab, Palestinian

Imagine that descendants of the loyalists who fled the rebellious colonies for Canada during the Revolutionary War still maintained their identity and resentment at their lost patrimony. Now, under the banner of Loyalist Liberation Organization they commence a terror war against the United States seeking to reclaim their lost lands. They both attack Americans and American property in Canada and sneak across the border and do the same on this side of the line employing much the same tactics and tools of the Palestinian Arabs. This goes on for decades, their movement growing more organized and bold, causing ever increasing suffering to Americans.

At some point, the United States Government will no longer tolerate this. The 101st and 82nd airborne will board their planes and the armored divisions will mount their tanks and head north. Undoubtedly when the armed forces of The United States are about to
cross the border the government in Ottawa will protest that it would be a great wrong for the United States to violate Canadian sovereignty. After all, the Canadian government is not making war on the American people. It respects the sovereignty of The United States and demands reciprocity.¹

This argument will likely persuade only the most addled of Americans. First, the principal duty of a state is to protect its citizens; the niceties of sovereignty be damned. Second, the reciprocity of recognized sovereignty requires that Canada do as much or more than the United States would do to protect American lives and property. That is, the United States’ sufferance of a sovereign nation to its north is conditioned on that nation policing its residents and borders in the interest of the United States. To the extent that it fails to do so it forfeits its claim that its sovereignty be respected. This proposition, neither obscure nor controversial, is a recognized core principle of international law.

The great eighteenth century scholar Emer de Vattel wrote:

Whoever wrongs the State, violates its rights, disturbs its peace, or injures it in any manner whatever becomes its declared enemy and is in a position to be justly punished. Whoever ill-treats a citizen indirectly injures the State, which must protect its citizens. The sovereign of the injured citizen must avenge the deed and, if possible, force the aggressor to give full satisfaction.
or punish him, since otherwise the citizen will not achieve the chief end of civil society, which is protection.

... 

And since the sovereign should not permit his subjects to trouble or injure the subjects of another State, much less to be so bold as to offend a foreign Power, he should force the offender to repair the evil, if that can be done, or punish him as an example to others, or finally, according to the nature and circumstances of the case, deliver him up to the injured State, so that it may inflict due punishment upon him. *This is the practice generally observed with respect to serious crimes which violate the laws and menace the safety of all Nations alike.*

... 

*A sovereign who refuses to repair the evil done by one of his subjects, or to punish the criminal, or finally to deliver him up, makes himself in a way an accessory to the deed, and becomes responsible for it.*

The principles elucidated by Vattel are not foreign to either American history or sentiment. The United States has entries on both sides of this ledger. In 1818 American forces under the command of General Andrew Jackson invaded Florida, then under the sovereignty of the Spanish monarch, capturing several Spanish forts. The occasion and justification for this invasion was no direct offence by the Spanish government. Rather, it was that the western panhandle of Florida was
being employed as a base and a refuge by bands of Seminole Indians attacking and preying on civilians on the Americans side of the border.  

On the other side of the ledger we have the destruction of the “Caroline.” It stands as the inverse of the fanciful hypothetical with which I began this essay. In 1837 there was an insurrection in Canada against the British crown. Some residents of New York sympathetic to the cause of the insurgents made use of a ship, the Caroline, to ferry men and supplies from the United States to rebels on the Canadian side of the Niagara River. On the 29th of December British forces crossed the river and captured the boat. They then set it afire and released it to drift over Niagara Falls. There was much recrimination and justification on both sides. Lord Campbell succinctly restates and applies the standard Law of Nations on the question:

[A]ssuming the facts that the Caroline had been engaged, and when she was seized by us was still engaged, in carrying supplies and military stores from the American side of the river to the rebels in Navy Island, part of British territory; that this was permitted, and could not be prevented, by the American authorities, I was clearly of the opinion that, although she lay on the American side of the river when she was seized, we had a clear right to seize and destroy her, just as we might have taken a battery erected by the rebels on the American shore, the guns of which were fired against the Queen’s troops in Navy Island.  


5
The hypothetical of loyalists attacking Americans from Canada is a useful vehicle for capturing the fatally missing element in the grand farrago of a “Peace Process” based on an exchange of “land for peace.” These two comforting tropes have a surface appeal but ultimately represent a fantasy rather than a realistic approach to the problem. The vision they attempt to convey is a process of negotiation between Israel and the Arabs in which land in the disputed territories is gradually transferred to Arab control and ultimate sovereignty in exchange for an ever more secure peace for Israel.\textsuperscript{5}

The dewy-eyed version of this entails both sides coming to see the justice of the other’s position and an agreement being realized that each views as reasonable and fair.\textsuperscript{6} But such mutual understanding, though certainly beneficial, is not a necessary condition for the process to succeed. What is necessary and sufficient—as in all such trades—is that each side values what it will receive more than what it must surrender.\textsuperscript{7}

To all too many who view the Arab-Israeli peace process from a safe distance, and alas even for some who have a closer view but who are in the thrall of a “lust for peace,”\textsuperscript{8} this requirement seems a trivial hurdle; they envision a clear win-win solution.\textsuperscript{9} Unfortunately that view
is thoroughly mistaken. Rather than trivial, the hurdle is insurmountable.

The most powerful evidence of the wrong-headedness of the underlying theory of the Peace Process and its land-for-peace formula is its failure to achieve anything of substance indeed to have increased instability and violence despite the years of exertion and billions of dollars spent in the effort to achieve success. After all, there have been extensive face to face contacts for over a decade, any number of proposals and interim agreements, and financial support from third parties. If some sort of a deal were so clearly in both parties interest it would have come to fruition long ago.

Why is the overwhelming evidence of this fundamental error not recognized? The first and facile move when confronted by the failure of a pet theory is not to abandon the theory but rather to assume or hypothesize that there was some small rectifiable failure in its execution. So in this case we hear that: Arafat miscalculated his bargaining strength, or the Israelis needed to be just a bit more generous and forthcoming, or the Americans were not playing their proper role. Surely one of these explanations must be at play. After all, the logic of the deal is so compelling—or so it seems to the outsiders.
The wrong place to look for the failure is in the details of exactly which pieces of land the Israelis offered and what exact legal and political status the newly created Arab entity would have. It is true that one should expect much hard bargaining and strategic posturing over something as weighty as drawing national borders. But only in a Monty Python movie would that result in an interminable and unsuccessful negotiation when a mutually beneficial deal is waiting to be achieved. No, the failure rests on a more substantial and sturdy foundation.

For an agreement to work the Arabs must want to create a Palestinian nation-state with sufficient passion that they are willing not merely to surrender dreams of destroying Jewish sovereignty over Israel, but even more than that, that they are willing to make their own state an instrument of securing that Jewish sovereignty. That is they must be the aggressive magistrate on behalf of Jewish interests. Given that for the foreseeable future there will be large numbers of violent irredentists among the Arab community the Palestinian state must root them out, disable them, incarcerate them and execute them—wholesale periodically, retail routinely.

That is the currency that the Arabs must bring to the table. For otherwise Israel cannot and will not agree to or respect any
sovereignty or quasi-sovereignty of an Arab state. And so the Palestinians will have no state. This is true whether or not a putative agreement is reached and whatever blessings are made over it by third parties. For to have sovereignty over a land implies, at the minimum, that the writ of no other sovereign runs there. So, just as the government in Ottawa, though legal sovereign will not—as a practical matter—be sovereign over Canada if American troops routinely cross the putative border on punitive expeditions, so too an erstwhile Palestine cannot be a sovereign state in any meaningful sense if the Israeli army occupies any portion of it when it chooses to do so. The January 2009 Israeli incursion into Gaza and the almost daily bombings of tunnels from Sinai into Gaza by the Israeli Air Force are illustrations of this principle. Hamas can, within limits, control the population of Gaza but it cannot now—or ever—be sovereign in a meaningful practical sense when a foreign power regularly enters and attacks its territory with impunity. And, with or without a peace treaty it is as unthinkable that Israel would respect any Arab sovereignty in Judea, Samaria, or Gaza were those regions the bases of violent attacks against Israel, as that the United States would respect Canadian sovereignty over Ontario and Manitoba were the Canadian government to fail to stamp out violent attacks emanating from Toronto and Winnipeg against the United States.
Sovereignty, and more specifically the nature of any sovereignty that the Palestinians might achieve, lies at the very heart of the question of whether any peaceful negotiated settlement is achievable now or in the foreseeable future. As a practical matter, sovereignty is never an all or nothing affair. All nation states live in the shadow of all others and of multi-national organizations. Those that are less powerful and potentially more threatening must give way on many matters to their more powerful interlocutors. This may chafe little or much depending on the demands of the greater power and the ambitions of the lesser one. But a compromised sovereignty in which the Palestinians make accommodations to the security and other demands of the Israelis is the only sort that could conceivably be agreed to by the Israelis.

Such a sovereignty can provide the basis for a self-confident and proud people to realize their self-determination. There are multiple apt contemporary models of this. Consider Finland. The Finns, a people with a unique language and ethnicity, were ruled by Sweden for several centuries until the rise of Tsarist power in the late 18th and early 19th century. They were then under Russian rule until the revolution of 1917-18 when they asserted their independence. The Finns were a proud and patriotic people with recognized beloved and admired national figures: Sibelius, Nurmi, Mannerheim. In 1939, Stalin
demanded that they surrender territory to the Soviet Union. Despite overwhelming odds, the Finns refused the demand and fought. They exacted casualties on the Soviets at the rate of 8 to 1, fighting in the harshest of conditions. In the end, they succumbed to overwhelming force and were forced to concede territory to the Soviets. Many observers rank the Finnish military performance in the Second World War as second to none. There can be no doubt that the Finns are and were a brave, self-confident and patriotic people. When the war ended however they were compelled to make further compromises to the Soviets. Finland became “Finlandized.” The Soviets insisted that the Finns: (1) join no western alliance (NATO); (2) maintain a foreign and military policy that was not hostile to the Soviet Union; and (3) quash all domestic irredentist movements. While to some these restrictions on its sovereignty may have appeared demeaning, for the Finns this was a trivial price to pay to create the space in which to fulfill their national aspirations to be a free Finish people. It is that model that lies as the background hope of the peaceful resolution of the Israeli-Palestinian conflict.

At a minimum, then, the sovereignty that the Palestinians must exercise to preserve a state, if they ever achieve the formal outlines of one, is one in which they exercise it on behalf of core Israeli interests. But the issue will likely never reach that point unless the Israelis
retreat once more to the addled position they followed for much of the last fifteen years. Despite their great “lust for peace” the policy of the current regime and the sentiment of the clear majority of Israeli electorate are not to agree to any surrender of sovereignty to the Palestinians until the Palestinians credibly demonstrate an ability and willingness to pay for their sovereignty in the currency of vigorous enforcement of Israeli rights and privileges. The burden of persuasion that falls on them is far greater than in our hypothetical Canadian analogy. The Palestinians currently have no state and so must establish their *bona fides* before they are granted the space in which to establish one.\(^{19}\)

To explicitly state the requirement for the peace process to succeed is to pull back the curtain from the charade/fantasy/kabuki of the peace process. The requirement on the Palestinian Authority of serving as Israel’s policeman will seem obvious to some readers. Indeed, it was just that expectation that drove Rabin and Peres in 1993 to negotiate the Oslo Accords. In Rabin’s words, Arafat could be relied on to suppress terrorism because that was the minimum necessary condition for him to establish a state. Moreover, in that effort he would not have to contend with “Bagatz and B’Tzelem,” that is with the Israeli Supreme Court and human rights watchdogs within Israel.\(^{20}\)
But to all too many Arabs, an Arab state that would incarcerate and execute patriotic and pious Arabs who sought the destruction of the Zionist entity would be an incomprehensible outrage. It is the precise reversal of what they have come to expect from Arab political and military entities. Organized Arab forces have followed a consistent policy of judicially and extra-judicially punishing and murdering Arabs who aid Jews in their security and other efforts. No Palestinian Arab leader could survive politically (or probably physically) were he to pursue such a policy.

How can it be that the Arabs adhere to this seemingly self-destructive ideology? Why are they unwilling to bring the required currency to the table? At present, the payoff to the Palestinian Arabs as a body of a state is simply not worth the price they must pay. Neither the spiritual nor the material attraction of a Palestinian state is sufficiently compelling to the Arabs. There is no strong or even particularly distinct, Palestinian nationality longing for self-expression: no unique language, no unique religion, no unique culture, no unique history. Nor do the disputed territories correspond to some historical homeland of a ‘Palestinian People.’ Rather they constitute nothing more than those areas of the British Mandate occupied by Egypt and Jordan from 1948-1967. Nor is there the prospect of some substantial material improvement in the offing for
the Arabs in the establishment of a Palestinian state—indeed the opposite result is the far more likely outcome—a thuggish, inefficient, kleptocracy.25

On the other side of the ledger the price of offering true peace, that is, not the mere temporary secession of violence, but a genuine peace is far too high. It would mean the acceptance of the legitimacy and permanence of the Jewish national expression, Israel. The central driving motivation of the Arab side of the dispute for the last century has been the prevention of the realization of just such a Jewish national expression in the very heart of the Arab world.26 That, and not any wish for one more distinct and particular Arab sovereign was the animating force behind Arab Revolt of the 1930s,27 the formation of the Arab Liberation Army in 1947,28 the creation of the PLO by the Arab League in 1964,29 and the later formation of Hamas.30

Abba Eban is often quoted as saying that “The Arabs never miss an opportunity to miss an opportunity.”31 And so it seems. But that view is mistaken—woefully optimistically mistaken. It assumes that the Arabs have more to gain from having a state of their own in exchange for acceptance of Israel. But that is not how they see it. The lust for peace was so strong in Israeli hearts that they cultivated an illusion that they could make an offer to the Palestinian Arabs that would
make it in their interests to acquiesce in peace. That offer was the liberty and the land on which to establish a state of their own. The crushing truth is that the Arabs at present do not care enough about the establishment of one more Arab state to pay for it in the only currency that matters.

Whilst this analysis suggests pessimism as to the prospect of a peaceful resolution of the conflict in the near future, history suggests reason for more optimism about long-run prospects. The dispute between the Arabs and the Israelis will come to an end. Numerous ancient enmities are now alive only in the minds of historians: Trojans versus Greeks, Persians versus Babylonians, Persians versus Athenians, Athenians versus Spartans, Romans versus Carthaginians, Ottomans versus Byzantines. All these and countless more once vital hatreds and rivalries are now lifeless. We know of them principally because of their expression and resolution through the cataclysm of war. Other ancient enmities, once visceral, dissolved in a more evolutionary fashion. The Genoese and Venetians once bitter enemies eventually saw their rivalry displaced by other more pressing antagonisms. And remember the history of French-German relations. These two nations had been bitter rivals and enemies, now they are allies, even friends. Or, consider the United States and Canada. They have the friendliest of relations. But it was not always so. In 1812 the
United States fought a particularly vicious war with its northern neighbour. So this conflict too will eventually come to an end, and its resolution like those that preceded it will ultimately rest on a fundamental change in consciousness.

Such changes in consciousness are rarely, if ever, planned or even anticipated. They happen and then the new solution seems obvious. France and Germany each indulged centuries of dreams of itself as the dominant European or World power, now those ideas have been reduced to the barely comprehensible dreams of one's benighted forbearers.

So, something will eventually happen between the Israelis and the Arabs to end the current impasse. Perhaps the Israelis will lose heart and move to Los Angeles. More likely, I think, the Arabs will eventually wake up and become a modern people no longer obsessed with suppressing Jewish national aspirations. But whatever happens it will require a deep change of heart to bring about a resolution to this problem and no amount of rushing to a solution will hasten it, indeed forcing a solution where there is none is more likely to retard its eventual achievement.
NOTES

1  Something very close to this scenario occurred as recently as 2008 along the Ecuador and Columbian border. FARC guerillas had been using Ecuador as a refuge to escape from and recuperate from its confrontations with the Columbian military. In February, the Columbian government launched a midnight cross border raid and killed two senior FARC commanders, Raúl Reyes and Julián Conrado, and thirteen other guerillas. This was met by outraged protests from Ecuador and its supporter, Hugo Chavez, President of Venezuela. Richard Gott, “For FARC’s Sake,” The Guardian, March 3, 2008, http://www.guardian.co.uk/commentisfree/2008/mar/03/forfarcssake (accessed on August 28, 2009).


4  Moore, Digest of International Law, 414.

5  This was openly expressed by all parties during the secret negotiations between Israel, represented by Uri Savir, and the PLO, represented by Ahmed Qurei (a.k.a. Abu Ala). Dennis Ross, The Missing Peace: The Inside Story of the Fight for Middle East Peace (New York: Macmillan, 2005), 102-104.

6  See, for example, Herbert C. Kelman, “Building a Sustainable Peace, The Limits of Pragmatism in the Israeli-Palestinian Negotiations,” Journal of Palestine Studies 28, no.1 (1998): 10, 13-15 (arguing that one of four “key ideas” necessary to move to a “principled peace” is the “mutual acknowledgement of the other’s nationhood and humanity” – see p.10 – which the author expands upon, noting the steps each side must take to communicate a respect and acknowledgement of the other’s humanity and national identity).

   See also Sami Adwan and Dan Bar-On, “Shared History Project: A PRIME Example of Peace-Building Under Fire,” International Journal of Politics, Culture, and Society 17, no. 4 (2004): 513, 516, 521 (arguing that an essential element of peace is the bottom-up process of peace building, which necessarily involves face-to-face meetings as a step toward acknowledging and respecting the other. The article makes this argument as it presents a summary of an educational exchange in which Palestinian and Israeli teachers collaborated to draft a dual-narrative textbook to expose their students to the narratives of the “other”).

sustainable and peaceful solution is based on the mutual recognition of each other’s legitimacy and history”).

One common feature of successful negotiated agreements is that each side attempts to give up items of little value to their side but of greater value to their interlocutor in exchange for a similar sacrifice by the other side. Indeed, that is the very message being expressed by the trope of “land for peace.” See Oren Barak, “The Failure of the Israeli-Palestinian Peace Process, 1993-2000,” Journal of Peace Research 42, no. 6 (2005): 730.


For example, former president Jimmy Carter has argued that “In a two-state solution, the basic framework is to recognize Israel and Israel's right to exist and live in peace within its pre-1967 borders . . . to let Palestinians return to Palestine; and . . . to share Jerusalem with them. . . . the Palestinians will have to accept the proposition that all - a flood of Palestinians cannot return inside Israel. They'll have to return, I would say, into the West Bank and Gaza – not into Israel - and be compensated, those that can't return. So a two-state solution is the only logical plan. . . .” Linda Wertheimer and Renee Montange, “Jimmy Carter Offers A Peace Plan 'That Will Work',” National Public Radio Morning Edition (transcript), Jan. 27, 2009, http://www.npr.org/templates/transcript/transcript.php?storyId=99870908.

Others have similarly argued that peace is attainable by presenting Israel and the Palestinians with a “full fledged, non-negotiable final agreement” that entails two states, with both sides retaining some rights to Jerusalem, security land arrangements granting Palestinians a non-militarized state on the equivalent of 100% of the pre-1967 land, and a resolution to the refugee issue. See Hussein Agha and Robert Malley, “The Last Negotiation: How to End the Middle East Peace Process,” Foreign Affairs 81, no. 3 (2002): 12-15.


The Congressional Research Service (CRS) has characterized the Palestinians as “the largest per capita recipients of foreign aid worldwide.” Since the Oslo Accords


13 “Middle East Peace Chronology,” U.S. Department of State.

14 For example, during the Oslo period between 1993 and 2000 there were twelve separate agreements, protocols, memoranda and accords signed as part of the Oslo peace process, including the Interim Agreement (a.k.a. Oslo II), which provided inter alia for democratic elections in the West Bank and Gaza for the Palestinian Council; and the Wye River Memorandum, which addressed the implementation of Oslo II as well as set a target date for commencing final status negotiations. See “The Israel-Palestinian Negotiations,” Israel Ministry of Foreign Affairs, http://www.mfa.gov.il/MFA/Peace%20Process/Guide%20to%20the%20Peace%20Process/Israel-Palestinian%20Negotiations (accessed May 30, 2009).

15 The Palestinians have received significant financial aid from the European Union and other countries, like Japan. For example, in 1997 the EU accounted for fifty percent and Japan ten percent of the $2 billion in financial aid pledged to the Palestinian Authority. See Barry Rubin, “Israel, The Palestinian Authority, and the Arab States,” Middle East Review of International Affairs Journal 1, no. 4 (1997), http://meria.idc.ac.il/journal/1997/issue4/jv1n4a6.html.


17 One such argument holds that the breakdown of the Oslo process was the result of Israel’s unwillingness to sufficiently compromise on key issues, culminating in a disingenuous, ‘take-it or leave-it’ offer made by Prime Minister Ehud Barak at Camp David in 2000. See Jerome Slater, “What Went Wrong? The Collapse of the Israeli-Palestinian Peace Process,” Political Science Quarterly 116, no. 2 (2001): 189.

18 This is a common critique of the more hands-off approach to the Israeli-Palestinian conflict taken in the early years of George W. Bush’s presidency. See Dennis Ross, The Missing Peace: The Inside Story of the Fight for Middle East Peace (New York: Macmillan, 2005), 781.

19 As noted by Israeli scholar Barry Rubin, “a two-state solution is not a present given at the start of negotiations but a reward for the proper compromises ensuring peace succeeds.” Barry Rubin, "Netanyahu’s Peace Plan," Global Research in International Affairs, May 11, 2009, http://www.gloria-


23 In 1948, Folke Bernadotte, the UN negotiator in the Arab-Israeli dispute, wrote in his diary “The Palestine [sic] Arabs have at present no will of their own. Neither have they ever developed any specifically Palestinian nationalism. The demand for a separate Arab state in Israel is consequently relatively weak. It would seem as though in existing circumstances most of the Palestinian Arabs would be quite content to be incorporated into Transjordan.” Folke Bernadotte, To Jerusalem (London: Hodder and Stoughton, 1951), 113.

24 See Cohen, The Israeli Lust For Peace, 750.

25 As noted by former ambassador to Israel and Egypt, Edward Walker, Jr., after Yasser Arafat’s death the full extent of Arafat and his PLO’s corruption began to become clear. It has been speculated that Arafat personally controlled $1.3 billion as late as 2003, money he used to reward allies and bribe opponents, as well as to fund

26 As related in 1948 by U.N. Mediator, Count Folke Bernadotte, in his diary, then-Egyptian Prime Minister Nokrashi Pasha informed Bernadotte that “no settlement could be acceptable to the Arab States or to Turkey and Iran which would involve the recognition of the right of the Jewish State in Palestine. ...there must be no independent Jewish State in Palestine.” Bernadotte, *To Jerusalem*, 26.


30 *The Covenant of the Islamic Resistance Movement (Hamas)*, e.g., Articles 7, 12, 13, and 14.  

31 Alexander Zvielli and Calev Ben-David, “Abba Eban, father of Israeli diplomacy, dies at 87,” *Jerusalem Post*, Nov. 18, 2002, 1,  