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"GEO-POLITICAL DYNAMICS (III): The Palestinian Future – Impediments to Peace and Possibilities for Progress"

CHAIR:

Mr. William Corcoran – President, ANERA (American Near East Refugee Aid).

SPEAKERS:

Ms. Kathleen Christison – former Analyst, Central Intelligence Agency; Author, *Perceptions of Palestine: Their Influence on U.S. Middle East Policy*; *The Wound of Dispossession: Telling the Palestinian Story*; and, *Palestine in Pieces: Graphic Perspectives on the Israeli Occupation*.

Dr. Sara Roy – Senior Research Scholar, Center for Middle Eastern Studies, Harvard University.

Mr. Andrew Whitley – Director, UNRWA Representative Office, New York.

Ms. Barbara Lubin – Founder and Executive Director, Middle East Children's Alliance.

COMMENTATORS:

H.E. Sameh Shoukry – Ambassador of the Arab Republic of Egypt to the United States.

H.E. Maen Areikat – Representative of the Palestinian Liberation Organization to the United States.

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GEO-POLITICAL DYNAMICS: THE PALESTINIAN FUTURE

Mr. William Corcoran
Ms. Kathleen Christison
Dr. Sara Roy
Mr. Andrew Whitley
H.E. Sameh Shoukry
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Barbara Lubin

[Mr. William Corcoran] Thank you, John Duke. I trust you had enough coffee this morning but were going to stimulate you further with this topic and also with the erudition and eloquence of our speakers. We do have one change to your list of speakers today, unfortunately Mr. Daniel Levy is not able to attend and so in his place we've been very fortunate to secure the wisdom of Barbara Lubin.

Barbara is Executive Director of the Middle East Children's Alliance based in Berkeley, California. I'd like to make one other note, the bios are quite detailed and I think sufficient for you to study them on your own. But we have one change in the bio of Mr. Andrew Whitley and that is that soon he will be finishing his career with UNRWA and he's moving on to a fascinating future as the Policy and Advocacy Director of the Elders based in London. So we wish him good luck in this endeavor.

I would ask the commentators His Excellency Ambassador Shoukry and also we're expecting any moment now Ambassador Areikat of the PLO to interject themselves actively in this, create a lively conversation for us and engage us in their backgrounds so that we have more depth in this whole illustration.

And one side note may be said in context right now, I just came back two days ago from Palestine, seeing our offices throughout West Bank and Gaza. And in the conversations with various officials and also with our staff there, I came away with a foreboding sense of anxiety among people. Anxiety not in the peace process. To many of them this is a non event. Their anxiety is to what follows in the intervening months. As you drive along the Jericho-Jerusalem road you see bridges are being built across that road now, which would then anticipate highways traversing the West Bank in places they had never been before. It raises questions.

The other questions are involved in, for instance, in terms of what happens after the midterm election here. Will that be sending a signal to, for instance, right-wing politicians or settlers in Israel that they now have a new freedom because the political clout of this administration is less than it was prior to the election.

These are all questions they are raising and this would serve as a context from which I would ask our speakers to address you. We will begin first with Ms. Kathy Christison and I would ask her to please stay comfortable either at your seat or the podium, your choice.

[Ms. Kathleen Christison] Good morning. When Benjamin Netanyahu, then out of office, was caught on video talking back in 2001 to a family of settlers in the West Bank he boasted about having undermined the Oslo Peace Agreement when he was Prime Minister in the mid-1990s. And speaking about the United States he said QUOTE I know what America, is America is a thing you can move very easily, move in the right direction UNQUOTE.

I would have to say that this little truism uttered by Netanyahu has never been more accurate than it is today. The so-called peace process in which President Obama is currently mired, is of course only the latest of a multitude of U.S. attempts to ignite the search for a peace agreement between Palestinians and Israelis over the last several decades.

And it has to be said that each attempt is a little more hopeless and each time the United States is a little more blind to why it is hopeless. The hard reality I think is that because of that blindness it is the United States itself that is blocking any possibility of reaching a just, equitable and lasting peace. The United States itself is ultimately the party that is impeding the search for justice and equity in Palestine-Israel.

There has been and there still is to a considerable degree a disturbing amount of enthusiasm for this current round of talks from what I would describe as those who have an investment of reputation in the two-state solution.

This includes first and foremost policymakers from the Obama administration, as well as many former policymakers from the Clinton administration, moderate Zionists such as the relatively new pro-Israel lobby group "J Street" and a great many commentators in the mainstream media.

The danger in this push for a two state solution and in the fact that these people have invested their reputations in its achievement is that they are pursuing it for the wrong reasons. Because it is politically expedient, or to save Israel from the demographic problems of a too high Palestinian population growth or simply because this is what they've staked their reputations on.

And they fail or deliberately refuse to recognize the substantial obstacles to the actual realization of a peace agreement that would result in a real viable Palestinian state. They don't examine the realities on the ground that stand in the way of sovereignty for the Palestinians. They refuse to see that Israel whether under Netanyahu or under any other conceivable Israeli government will never agree to genuine Palestinian independence or to ending the occupation.

They don't in fact generally even acknowledge that there is an occupation, that one party to the negotiations occupies and totally controls the other, and therefore that the two parties are in no way equal or equally able to press their demands for a peace agreement. This is the road to disaster, meaning most likely disaster for the Palestinians.

These two state enthusiasts are locked into this particular solution no matter what. No matter that Israel continues to devour the territory where the small Palestinian state would be located, no matter that the negotiations and the proposed solution --ignore Gaza, where over one third of the Palestinian population in the occupied territories live. No matter that the United States arms one

side in that negotiation and enables its territorial advances in all of its oppressive policies. This is really the crux of the issue.

Because the United States gives Israel at least three billion dollars in military aid every year and usually more as part of a 10 year \$30 billion arms package agreed to by the Bush administration and because the U.S. and Israel are in so many ways geopolitical partners, the United States is in fact an interested party on one side of peace negotiations rather than a neutral mediator or an honest broker. U.S. military aid and the fact that it is essentially a signed and sealed commitment running through the year 2017 removes virtually any leverage that the United States might have to induce Israel to make concessions.

The U.S. is powerless to cajole or force Israel to move. I think we've seen how this works in reality throughout the dispute over Israeli settlements in the so-called settlement freeze. The United States demanded, Israel made a show of complying but did not. Obama covered for the Israelis telling them that they were making unprecedented concessions and then when we wanted an extension of the freeze Israel said flatly, no. And so instead of exerting pressure on Israel on the Israelis or even objecting we have offered them more aid and more concessions. Israel is never held accountable, always rewarded.

Which raises another critical effect of this U.S.-Israeli partnership, the glaring power imbalance at work in negotiations and in all other aspects of the Palestinian Israeli situation. This partnership places an almost totally powerless people, the Palestinians, on one side of the negotiation table opposite their very powerful occupier and the occupier's arms provider. The power imbalance dramatically skews not only the relative strength of the parties but the very terms they are negotiating.

The Palestinians have already recognized Israel's existence inside its 1967 borders constituting 78% of Palestine and it should be clear actually that even Hamas is willing to agree to a long-term truce with Israel and live with a two-state situation if Israel were to move back inside its own borders and withdraw from the occupied territories.

The Palestinians are now being asked to negotiate over the remaining 22% of Palestine, the West Bank, Gaza and East Jerusalem, but Israel is determined to retain the large settlement blocs inside that 22% as well as large additional areas inside that territory. And it has the military power and the U.S. support necessary to impose its demands on the disposition of territory.

If the Palestinians gain a state, quote unquote, at the end of this process it will be a state in name only. Little more than a disconnected set of tiny enclaves with no real sovereignty or independence or viability and without Gaza, which will be left to drift, a state in pieces. I think it's vital that we recognize that this totally unacceptable outcome which is probably the best that can be expected will be the responsibility of those two-state enthusiasts, including inside the Obama administration, who are ignoring the grim realities that stand in the way of a solution.

The noted Israeli historian Avi Schlaim recently made an important point about the power imbalance in an article in the London *Guardian*. The prospects for reaching a permanent status agreement are poor he said, "because the Israelis are too strong, the Palestinians are too weak

and the American mediators are utterly ineffectual. The sheer asymmetry of power between the two parties militates against a voluntary agreement by putting a lion and a lamb in a cage and asking them sort out their own differences. In order to bridge the huge gap," this is still Schlainm talking, "the huge gap separating the two sides America must first redress the balance of power by putting most of its weight on the side of the weaker party."

I would guess we are nowhere near the day when the United States is prepared to put most of its weight on the side of the weaker party in this conflict. And so we come to the reasons for the identity and interests that binds the United States to Israel and prevents any meaningful U.S. pressure on Israel.

I happened to be an advocate of the school of thought that holds that the pro-Israel lobby play a vitally important role in determining the direction of policy in the Middle East, particularly the Palestinian Israeli conflict and that the lobby cements the U.S.-Israeli relationship.

There is disagreement among analysts on this issue, but I think there's a mountain of evidence to support this view, the view of the strength of the lobby. It's fair to say that almost everything President Obama has done during his almost two years in office demonstrates the profound power of the lobby to move policy in a pro-Israel direction. This phrase "to move policy in the pro-Israel direction" comes from the two scholars John Mearsheimer and Stephen Walt who wrote a groundbreaking book on the lobby three years ago and essentially broke the taboo on discussing the lobby.

It's a critical phrase. It certainly doesn't mean that the lobby controls all Middle East policy. It simply means that the lobby has a profound effect on how policy is made in this area. One of the most important aspects of this impact, I think, is the state of public discourse that has formed around the Palestinian-Israeli situation over the years, actually over the decades. This is a mindset and a set of assumptions that determine how we all automatically think about Israel when we hear the name mentioned and what we all think when we here the name Palestinians mentioned. This is a public discourse a mindset that has been building and being shaped and being internalized for almost a century and it is all the Zionist-Israeli narrative.

Public discourse has a huge impact on how any policymaker approaches the Arab-Israeli issue and particularly the Palestinian-Israeli issue. I'm talking about every policymaker in every administration since the Zionist enterprise began promoting itself in the United States around World War I. It's important to realize that pro-Zionist activists have been working to mold U.S. opinion and since well before there was an Israel and the effort continues, in Congress, in the media, in the rest of the political establishment, among the public and at the top of the heap among key policy makers including presidents.

Policymaker thinking has been directly affected in this way. Over the years since Israel's creation there has been a pervasive atmosphere in which Israel is simply assumed to be so close to the United States, its interest so closely intertwined with American interests, that it is accepted almost as a part of the U.S.. The lobby reinforces this sentiment maintaining it in a myriad of ways and channeling it into institutional ways of involving ordinary Americans in supporting Israel.

In this atmosphere criticism of Israel is silenced. And this silencing has a direct impact on policy formulation. It also has its longer term, more indirect but equally critical impact, because this is the atmosphere in which future policy makers grow up, an atmosphere of ignorance and denial in which it is virtually impossible first of all to learn anything about the situation and secondly to speak out without incurring the organized wrath of Israel's supporters.

This is where Barack Obama and the United States are today. Caught in an induced ignorance and blindness. I actually believe that Obama fumbled so badly on the settlement freeze issue, precisely because he and his advisers are almost totally ignorant of the actual situation in Palestine-Israel. I don't believe they understand the situation on the ground in Palestine and what the occupation means for Palestinians and they do not care.

They are also basically ignorant, I think, about Israel and its objectives, particularly its objectives. Their ignorance is the work of the Israel lobby. Obama's subservience to Israel on the settlement freeze, on the appointment of officials in the U.S. government who Israel and its supporters don't like, just ask Ambassador Freeman, on the Goldstone report about Israel's assault on Gaza last year which the U.S. has repudiated, all this has occurred not because of U.S. imperial ambitions or because of the military industrial complex but purely and simply because the Israel lobby has such a powerful influence on policymaking.

I don't need to tell this audience how very dismal is the U.S. image throughout the Arab and Muslim world because of our unquestioning support for everything Israel does. The tragedy of the present situation is that the United States and all U.S. politicians appear trapped in a web that they do not even recognize, in a mindset that dominates both political parties in the United States and a web that in which it is impossible to separate U.S. from Israeli ambitions.

This perceived convergence of interests has a profound effect on U.S. policy choices in the Middle East and I believe we are seeing this all too clearly as President Obama attempts, always unsuccessfully, to induce Israel to work toward a peace agreement. Commentators and former policymakers are using some very damning language, almost unprecedented, never use of that word, to describe Obama's handling of Netanyahu. Strong words like humiliating, pandering, pathetic -- that came from a former policymaker.

If the United States is unable to do better than this and unable to distinguish its own real needs from those of another state then it simply cannot say that it acts in its own best interest. In the face of the massive human rights violations being committed against Palestinians today the failure to recognize this reality is extremely dangerous. Ambassador Freeman told us yesterday that there will never be a peace agreement, until there is a reversal of policy. Unfortunately I'm afraid he's right and I don't see it coming.

If I could have just one more minute I want to cite an example that sort of captures everything I've been saying.

Last night Barbara and I were in the line, the food line at the Iraqi embassy, and there were a group of midshipmen behind us and we got to talking to one and he said that they had all he

anyway had been with the group of 30 cadets from the three military academies on a trip to Israel last summer. I said did you go to Palestine, did you go to the West Bank and he said no, the Israelis wouldn't allow it. Apparently they went into the West Bank on the bus but they were not allowed to get off and I would guess that they didn't go very deeply into the West Bank.

To me this speaks to the power imbalance because Israel has the power to control what is done, what the United States does and the United States representatives inside Palestine. It speaks to the U.S. and its penchant for going along with anything Israel desires and it speaks to the induced ignorance, that I've been talking about because these all of these cadets a rename remain ignorant of the situation in Palestine.

Thank you very much.

[Corcoran] Now I would ask with great pride Sara Roy to join us. Sara, by footnote, is also a member of the advisory board of ANERA advisory council.

[Dr. Sara Roy] Thank you very much. I am going to devote my presentation to a discussion of what I consider to be some very important, critically important, and very damaging paradigm shifts in the way that the Israeli-Palestinian conflict is conceptualized and addressed. In many ways my talk follows very logically from Kathy's.

Since 1967 when Israel conquered the territories the various settlements that subsequently emerged have all been based on three key assumptions.

The first is that the Palestinian refugees of 1948 would not be a primary factor in negotiations, the second that the Arab minority in Israel, those Arabs who remained within the newly created state of Israel, would not be part of any comprehensive settlement, and three the only territory subject to negotiation would be the West Bank Gaza Strip and East Jerusalem, the 22% of pre-48 Palestine occupied in 1967 to which the PLO agreed in 1988 and thereafter. Thus according to the post-67 settlement formula 78% of what was pre-48 Palestine and later became the state of Israel and more than 50% of Palestinians were minimally to be excluded from any peacemaking process.

Over the last few years Palestine's reality has been further compromised by certain critical paradigmatic shifts in the way that the conflict is conceptualized and addressed. For example since the beginning of Israeli occupation there has long been an implicit and often explicit assumption or belief among Palestinians, many Israelis and members of the international community that occupation can and will end, and that Israel's expansion into Palestinian areas stopped.

For many this was how they understood the Oslo Peace Process. The belief that occupation is reversible and should be reversed was largely unquestioned and uncontested, and was the catalyzing force behind many social, political and economic initiatives. This belief that occupation and the forces that sustain it can be stopped has itself been reversed and is powerfully illustrated in the formalization, institutionalization and acceptance by Israel and key members of

the international community of Palestinian territorial and demographic fragmentation, cantonization and isolation.

This represents a key paradigm shift in the way the conflict is understood and approached. Perhaps the most powerful illustration of occupations power lies in the expansion of Israeli settlements and their infrastructure and in the building of the separation barrier or wall. The effect on Palestinian of course has been extremely damaging, not only have lands and the use of that lands been lost and according to the Israeli human rights group, Bet' selem, 42% of the West Bank is now under total Israeli control and inaccessible to Palestinians, with 21% of settlement being built on private Arab land. But Arab lands are being incorporated and consolidated into a new special and political order that aims to eliminate any physical separation between Israel and certain and increasing areas of the West Bank. Diminishing the presence of Palestinians and precluding the emergence of any viable entity that could be called it a Palestinian state.

The denial of territorial contiguity and the reality of territorial and demographic fragmentation was facilitated by the physical isolation of the West Bank and Gaza Strip which was largely completed by 1998. Illustrating that their separation had long been an Israeli policy goal, as argued by many analysts including the Israeli journalist Amira Haas.

Indeed the Israeli economist Shir Hever revealed that on April 20, 2007 in a lecture delivered at the Van Leer Institute, Brigadier General Yair Golan, then commander of Israeli forces in the West Bank, stated that, "Separation and not security is the main reason for building the wall of separation, and that security could have been achieved more effectively and more cheaply through other means."

This points to another important paradigm shift. Prior to Oslo there was a belief among Israelis and within the international community generally that peace and occupation were incompatible. The former could not be achieved in the presence of the latter, and this too has changed.

In recent years more and more Israelis are benefiting from occupation. Their lives have been facilitated by the vast settlement route network built in the West Bank and by an improved economy. Settlements are now regarded as natural outgrowth, a needed constituency providing protection and security with important familial links to Israel proper. Thus the integration of the settlement blocs and their infrastructure into Israel, that is the argument that the West Bank or part of it belong to Israel, is no longer extraordinary or contentious. On the contrary it is necessary and normal.

According to a recent poll carried out by the War and Peace Index two thirds of Israelis support a total or partial resumption of settlement building in the West Bank, 47% object to the evacuation of all West Bank settlements in favor of an agreement with Palestinians and 66% support the establishment of the Palestinian state on 1967 borders with land swaps allowing Israel to keep large settlement blocs.

Hence, for many, if not most, Israelis and several key international donors primarily ones in the United States, it is no longer a question of normalizing the occupation but of removing the term

altogether since it no longer applies, especially in light of a strong and expanding Israeli economy and the virtual cessation of suicide attacks inside Israel over the last few years.

In a March 2010 poll only 8% of Israelis Jews named the conflict with Palestinians as the most urgent problem facing Israel, putting it fifth behind education, crime, national security and poverty.

In fact silence over the occupation has become a key condition for continued international funding of the Palestinian Authority. Hence Palestine's effective dismemberment and the permanence of territorial fragmentation are accepted by certain members of the international community as legitimate and benign, and totally manageable, especially with the virtual absence of any criticism from Palestinian officialdom.

Separating from Palestinians and doing what is necessary politically, militarily and economically to ensure and maintain that separation has also become increasingly routine and institutionalized. The occupation has been transformed from a political and legal issue with international legitimacy into a simple dispute over borders where the rules of war apply rather than those of occupation. In this regard Israel has successfully recast its relationship with Gaza from one of occupation to one of two actors at war, a recasting that the international community has largely come to accept. Indeed, as Kathleen said some international actors now deny the existence of occupation altogether.

The growing inapplicability of occupation as an analytical and legal framework leads to another important paradigm shift regarding Israel's intentions towards Palestinians and their territories. This shift is from one of ongoing occupation to one of annexation and imposed sovereignty. That is, claiming that the West Bank or parts of it are de facto sovereign Israeli territory. This shift also reflects the change in Israeli policy from one that sought to control and dominate the Palestinian economy shaping it to its own interests, as it did particularly during the first two decades of occupation to one that will fracture and debilitate the economy and perhaps most striking of all transform Palestinians, especially those in Gaza, from a people with national and political rights, into a humanitarian problem for whom the international community bears total responsibility.

This policy shift from occupation to annexation is illustrated by many policies such as settlement expansion, the severing of Gaza from the West Bank and so forth, but I will go beyond that. If people have questions we can discuss that.

The paradigmatic shift from occupation to annexation also has been accepted by key members of the international donor community, especially after Hamas's electoral victory and the seizure of Gaza and refusal to accede to the Quartet's demands. Not only have major donors participated in the draconian sanction regime imposed on Gaza they have privileged the West Bank over Gaza in their programmatic work.

Donor strategies now support and strengthen the fragmentation and isolation of the West Bank and Gaza and divide Palestinians into two distinct entities offering exclusivity to one side, economically, politically and diplomatically, and criminalizing the other.

What emerges are in effect two political economic models, the West Bank model which is characterized by restricted levels of institution building, isolated pockets of business and commercial development, itself shaped by a cantonized geographical entity, as seen in the commercial, economic bubble that is Ramallah and the professionalization of security forces.

This model is devoid of political content and does nothing to confront the occupation. To the contrary, it advocates silence and represses criticism. There is also the Gaza Strip model, characterized by siege, isolation and collective punishment and economic subjection with the leadership strengthened by the occupation but incapable of doing anything to address it.

Both models have failed and their failure underlines the fact that the Palestinian State has long been a U.S.-Israel project not a Palestinian one.

The transformation or paradigm shift that reduces Palestinians from a political to a humanitarian issue is most visible and most acute in Gaza and has been accompanied by another equally dangerous paradigm shift. Since the Hamas victory in January of 2006, Israel's policy goal with regard to Gaza is no longer just the isolation of the territory but its disablement, as seen in a policy shift that addresses the economy in some manner whether positively or negatively, to one that dispenses with the concept of an economy altogether. That is, rather than weaken Gaza's economy through punishing closures and restrictions as it has long done the Israeli government has since June of 2006 imposed siege that treats the economy as totally irrelevant, as a disposable luxury.

One illustration of this was the Israeli Supreme Court's decision, first approving fuel cuts to Gaza in October of 2007, permissible since it would not harm they said the essential humanitarian needs of the population, followed in January of 2008 by electricity cuts and in May of 2008 by a lowering of acceptable levels for fuel and electricity. The court stated and I quote, "We do not accept the petitioner's argument that market forces should be allowed to play their role in Gaza with regard to fuel consumption." Unquote.

Thus according to the Supreme Court, it is permissible to harm Palestinians and create a humanitarian crisis for political reasons. Or, as the analysts Darrell Lee put it "the logic of the court's decision on fuel and on electricity suggests that once undefined essential humanitarian needs are met all other deprivation is possible."

It is no longer, and in fact has not been for quite some time, a question of economic growth through development, change or reform, freedom or sovereignty, but of essential humanitarian needs, of reducing the needs and rights of 1.5 million people in the Gaza Strip to an exercise in counting calories and truckloads of food.

In this way Israeli policy blurs and in fact justifies the destruction of Gaza's economic capacities, which were largely completed with the December 2008 attack. And within such a scenario aid, international aid, can at best be no more palliative states the World Bank, slowing down socioeconomic decline rather than a catalyst for sustainable economic development. And while this problem is most acute in Gaza it also finds expression in the West Bank. In 2009 the World

Bank observed, "Large amounts of donor aid have produced insignificant growth and an increase in economic dependency despite the consistent improvement in PA governance and security performance."

Although growth rates are projected to increase this year, they are not sustainable as constraints particularly in private sector development remain formidable. They include a high dependence on donor aid as the principal driver of economic growth, with aid comprising 30% of GDP, highly restricted access to Area C which comprises the majority of the West Bank and contains critical water resources, restrictions on trade including on exports to Israel and needed imports of machinery and equipment, and severing of access to the lucrative East Jerusalem market.

Now last month, and with this I'll conclude, last month I was in the West Bank. I was not in Gaza but I spoke with many friends and colleagues in Gaza and in their conversations their concerns and fears were absolutely consistent. These fears no longer center on the wasting of Gaza but on the deepening unwillingness to repair it, on a complacency and complicity among many actors: Israeli, American, European and Arab, that continue to relegate Gaza to the status of a dustbin, unworthy of development, unworthy of redress.

One friend of mine expressed it this way and I quote him, "We are not charity cases. We are an animal farm where all kinds of products are dumped on us whether we need them or not. We are not asked what we need or want. We are not allowed to participate in our own lives, but must accept our own decay. Our horizon is vague. There is no vision, no debate and no critique. The critique that does exist is for the benefit of the individual not society. We are not allowed to plan, to even think of planning and we are rejected if we try. We are denied the right to live as normal people and there is a growing feeling among people here, despite the fact that some still resist, that this will not change. If there is a plan we believe it is to ensure that our abandonment is total."

Thank you.

Actually, Bill, I just want to say one more thing.

Let me conclude with this set of questions. In the continued absence of a political resolution to the conflict why must occupation be the default position? Why must Gaza be pauperized and the West Bank cantonized and annexed, and Palestinians treated as a humanitarian problem rather than as a people with political and national rights entitled to self-determination? Why should Palestinians be forced to accept their own decay, as my friend asked and why must they be punished for resisting? These are questions that demand answers.

Thank you

[Corcoran] Thank you Sara. Note, that I had just spoken to a pollster recently in the West Bank and he was polling children, youth in Gaza and to summarize what Sara has said, he asked them the question that you would normally ask a child. What do you want to do when you grow up? And the two responses he said sent chills up the spine. The first response was, I want to get out

of Gaza. The second response was, I would like to die. That sort of captures what the tone and the statistics of what Sara has just related to us.

Andrew Whitley is also someone who is struggling with a number of dilemmas not the least of which is the budget of UNWRA as they try to sustain and give the Palestinian people hope, not only in Gaza but throughout the region.

[Andrew Whitley] Thank you Bill. As our chairman mentioned, in a few months time I will no longer be a UN employee. Being one, at least for now, means that unfortunately I cannot be as forthright as our bold and articulate predecessors, my predecessors on this podium.

Let me just say that at the outset that I've long admired the strong moral voice of Sara Roy and now add to it my full agreement with intellectual insights and analysis of the problems here. But unfortunately I cannot for now as a serving UN official, say many of the things that she has said so well.

But in many ways UNWRA does speak for Gaza. We represent 70% of the population of Gaza who are refugees. 1.1 million of them are registered refugees out of that 1.5 million and we are indeed the main actor responsible for preventing a major humanitarian crisis and allowing the situation simply to be the degrading, humiliating one that it is for the vast majority of the population.

Let me begin though by saying just a few words about the profile of the refugee population, because if I have a brief today, it is to bring the refugee dimension into this discussion. It's a truism that this conflict is about land and people and the people are primarily those who were displaced in 1948 and again in 1967 of which approximately two-thirds, perhaps 70%, eventually ended up registering with UNWRA. UNWRA's refugee population, when it began work some 60 years ago, was approximately 750,000. Today we are responsible for 4.8 million people spread through Jordan, Syria, Lebanon, the West Bank and Gaza.

If we look just at the population of the occupied Palestinian territory, and I'll come to the importance of that singular word territory in future and why that should be considered as a single territory which has been sadly undermined by recent developments. If we look at the region known as the West Bank and Gaza and the occupied East Jerusalem, to be politically correct, add that in there as well, approximately 40% of the population as a whole are refugees and who look primarily to UNWRA for their basic public services in health and education and social welfare, infrastructure inside the camps, rather than to the Palestinian Authority. This is primarily for political reasons related to the unresolved status of the refugee question.

So UNWRA, then, is an organization which is extremely well known in the region such that we are known simply as "the Agency" to most people, is one that is nevertheless a very controversial one here in the United States, where we're often accused quite wrongly in my view, of perpetuating dependency and perpetuating being anti-Israeli or anti-Semitic feelings. I would argue to the contrary, and I am not here to be able to give a brief about UNWRA, that in fact the role of UNWRA has been a productive and constructive one to be able to help people escape from dependency, to give them better options in life and to be able to improve the quality of their

lives while waiting for the political actors to eventually get around to dealing with the refugee question.

This indeed is the issue that the refugee question has been put aside, put into the two difficult to deal with basket, left till the end as being something that could eventually be adopted as a package deal along with the rest of the remaining elements of the final status issues. It's the position of my agency and my personal firm belief that however one needs to start dealing with the refugee issue early, for far too long the refugees have been left as helpless actors in the play not of their own making, in which they are simply treated as people who will eventually have to accept whatever is put on offer for them, whatever that may be.

The broad contours of what will be a practical and acceptable solution for all parties to the refugee questions are pretty well known among policymakers. We recognize, as I think most do, although it's not a position that we publicly articulate that the right of return is unlikely to be exercised to the territory of Israel to any significant or meaningful extent. It's not a politically palatable issue, its not one that UNWRA publicly advocates but nevertheless it's a known contour to the issue. Therefore, that the working assumption is that the vast majority of the refugees will eventually end up either in the future State of Palestine, within which boundaries we have yet to see, and hopefully there will be enough land for them. That's a significant issue given the gross overcrowding in Gaza and the lack of resources in Gaza and the lack of the water resources or lack of possibility of employment in whatever remains of the West Bank that will eventually give power to part of the Palestinian territory. But those are the determinants. Clearly the alternatives are that the refugees will remain where they are, in some new form of status either as citizens of those states or else alternatively as citizens of Palestine residing abroad in those territories. But the status of the refugees will vary according to their personal circumstances, according to their own personal prospects, according to the compensation that might be on offer, the alternative packages, how attractive they may be and the prospects of resettlement elsewhere in the West. But I think it's a practical reality that we all recognize that the numbers who will be permitted to resettle in Western countries or elsewhere in the world are going to be very limited indeed by the huge financial factors involved and the difficulties of being able to absorb significant people, numbers of peoples.

I would say that if one doesn't start a discussion soon with the refugees, for them to start considering what their own future might be, for them to start debating their own role in the societies where they are, rather than being left in a state of limbo where they are helpless, but preserve rather cruel illusions that perhaps one day they will return to their homes, then we are storing up trouble for ourselves.

This is an issue which we need to begin now in preparing the ground for them to think not just about how they might have some better options in life, but also considering the mechanics of how this might be done. Who are the refugees going to trust? In the past for many years it was the PLO's Refugee Affairs Department. And I think many in this room will know that the PLO is a shadow of its former self. It doesn't have the political clout, the financial clout, the patronage that it used to have. The Refugee Affairs Department, while it remains the official vehicle, is a much weaker organ than it used to be so will they will look to others.

We may be one of them. We have been at the side of the refugee population for over 60 years providing those basic services. Poll after poll has said that if in a crisis who would you turn to they say invariably, 60 to 70%, they would turn to UNWRA as those who have seen them through times of emergencies and in normal times to be able to help them to improve their lives.

So while such a change would require a change in the mandate of UNWRA which is still a temporary agency as far as the UN is concerned, 60 years on. It's something which we would be prepared to take up if we were given responsibility to assist with the transition of the refugees, to prepare the ground and help them to move on to their final status either in the territories, where they are or elsewhere.

Bringing about that final settlement is one that is not our responsibility. We remain, as I said, a humanitarian actor, a developmental actor but not one that has a specific political role despite the fact that we work in such a deeply political situation.

Let me turn for a few minutes to the Gaza situation because while Sara has laid out, very well I believe the intellectual shifts that have taken place, perhaps some of the realities, the sordid reality of the insult to human dignity in Gaza is not so well known to you.

Indeed it is the case that notwithstanding this very modest easing of Israeli controls on the entry of consumer goods only or primarily into Gaza since June, since the flotilla incident as it's referred to in UN parlance on 31 May, that the economy remains effectively dead. The private sector remains to all intents and purposes destroyed. The agriculture and fishing is virtually nonexistent any longer. Exports are limited to token symbolic amounts of flowers and strawberries which have been allowed out into the Dutch market but of no real significance economically.

Thus the state of dependency on the international community, primarily my agency, but not exclusively, remains very high indeed, in a state which we find ourselves helpless to be able to do more which we would actually wish to do, particularly in the area of improving of housing. It is estimated that 68,000 new housing units are required to house natural population growth. Among the refugee population alone there is more than 5,000 homes that are either damaged or destroyed that we would wish to reconstruct if we could do so.

Prior to the imposition of the siege in its current type form in July of 2007 UNWRA had had a major redevelopment program for Gaza, which we've had to sadly put on hold. We are unable to build more than a fraction of the schools that we wished to do so to take in the new intakes of students. We have a program for 100 schools, the Israeli authorities approved in principle seven recently. Two of those have just been canceled. So they remain passing out the permissions for us to bring in goods in short supply.

We were asked in the questions that we were given to address on this panel to deal with a couple of quite deep issues, most of these are beyond my agreement, someone who should not comment on U.S. policies. But let me just say that the issues of reunification of Gaza and the West Bank remain very high indeed. Gaza and the West Bank have been deepening in their divisions in recent years socially, economically, and politically in virtually all terms. There is hardly any

contact between the two any longer. It is difficult to imagine under present circumstances how those threads in the fabric of the single Palestinian territory are going to be re-woven again, but indeed it's a high priority that it should be so.

So too is the issue of reconciliation of the divided Palestinian polity divided by outside actors as well as themselves. That is clearly a high priority to ensure that there is a single Palestinian leadership able to eventually deliver to the peoples whatever negotiators settlement might eventually come about.

We are also asked in the questions to be able to say are there third parties who can address this issue of being able to meaningfully engage with Hamas on issues of mutual interests to Hamas. Indeed the Egyptian government has been playing an important role in this regard for some years now, not with full success until now but it has remained persistent in the task and more quietly a number of governments notably Norway, Switzerland and to a lesser extent more specifically Germany have retained contact. But I think it's fair to say that all governments whether they admit it or not have had discreet contacts with Hamas. We've seen that my future organization, the Elders with Jimmy Carter in attendance was recently in both Gaza and in Damascus attempting to play their own part to try to find a way to deal with this quite difficult issue which now has a regional dimension to it. But also brings in a variety of issues related to political legitimacy, to the security forces that have been created by both the Palestinian Authority as well as Hamas and also the need to be able to do restore those economic links, to be able to end the holding of prisoners, the relaxation of the controls of Gaza. It's a complex problem one that has not eased in recent years. Although I think that there is a will on the part of many political actors to try to find a way out of the current morass, which is so debilitating for so many people.

Thank you.

[Corcoran]

Anecdotally, in addition to this I would just note to you that we were given USAID grants for water and sanitation in Gaza. It has taken us three months to get one truck of cement into Gaza. The mood has not changed their dramatically. Barbara, if you could also add to the human impact.

[Barbara Lubin] Hello and thanks for inviting me to speak today to fill in and so I am really not as prepared as our last speakers. They were really great.

I'm just going to give you a little information about myself and Middle East Children's Alliance and what we do. I started the Middle East Children's Alliance in 1988 and since that time we have delivered over \$14 million of aid to children in Palestine, Iraq and the camps in Lebanon. We have projects in the West Bank and particularly now in Gaza to help children deal with the trauma of what happened a year and a half ago, almost two years ago, the attack on the people of Gaza by Israel. I was there during that time and was able to bring in ambulances and much needed medicine and food for kids and coloring books and crayons.

I want to just take the time, I'm not going to take much time. But I'm going to take the time to read you a piece that was written by my Associate Director at the Middle East Children's Alliance, Ziad Abbas. Ziad was a young man who I met when he was just a kid and he grew up in the Dheisheh refugee camp, which is in the Bethlehem region of the West Bank, and he wrote this piece for our latest newsletter. He wrote it about our project that we had been working on for the last year and a half. And that project is building water purification and desalination systems in the schools in Gaza.

“The Middle East Children's Alliance is working to support the rights of children, particularly at the right of Palestinian children to survive and flourish. MECAs Maia Project,” that's what it's called, the Maia Project, “has succeeded in building 25 water purification and desalination systems in schools and nursery schools in Gaza. As a result mothers who have been worried and had watched their children drinking putrid water, the parents whose kids go to these schools no longer at have to worry about this.” I just want to interject and say the reason we're doing this project is in our Project Director Dr. Mona El-Farra in Gaza, who has worked with us for many years, went to Bureij school in Bureij camp in Gaza and asked the kids there what they would like the Middle East Children's Alliance to do for them. And their response was, after holding meetings, they have a parliament in Bureij school. They came back to Dr. Mona and said what they want more than anything else is to be able to come to school and have a clean glass of water to it drink.

Ziad says, “Since 1967 Israel has continually expelled Palestinians and built settlements in the Jordan Valley to appropriate its rich agricultural land and plentiful water sources. On July 19, 2010 the Israeli army demolished over 50 structures belonging to 22 Palestinian families living in the northern Jordan valley, saying it was a closed military area. Since I started working at MECA the Maia project to bring clean water to the children of Palestine has become closest to my heart. All of our projects are important to the people of Palestine, Lebanon and Iraq but the Maia project is connected to my history and my family. It takes me back to days when I struggled with my family to bring clean water to our house in Dheisheh so we could drink, cook and sometimes have a shower. My mother's sisters and I would carry gallons of water in heavy containers on our heads providing what was essential for our family made my mother her physically strong, her arms and shoulders shaped by her efforts but her health suffered. Much work and time is required to achieve the basic necessities of clean water. I remember the weight of the water and the great responsibility on our necks and backs every day.”

I'm not going to read the whole article but the issue of water has been paramount in the lives of people in Palestine since 1948. We are very grateful to be able, the Middle East Children's Alliance is a very grateful to be able to alleviate some of this.

In the past children would bring a big pitchers with them from their homes of water to try, the water at home was better than the water at school. Now not only do they have access to clean pure water at school but also their families come the school take water from these purification systems, take it home and use it for all the children and their families.

It is a very important project, many of our projects are important, but now we are faced with having to.. UNWRA has come to us and we are working with them. They have over 250- 260, I

guess, Andrew could tell us the number of schools in Gaza. And we have started partnering with them in building these systems in their schools.

This is been a long journey for me personally. I grew up in a very right-wing Zionist family who supported Israel and it wasn't until I was a grown woman and served on the Board of Education in Berkeley as its President, that I began to look at this issue. And it was quite an ordeal for me to move from where I was over here, to who I am today, a 69-year-old mother of four, grandmother of seven and somebody who's looking for partners who would like to help us continue building water systems in Gaza, and making life a little bit better for the children there.

Thank you.

[Corcoran] Thank you Barbara. Thank you for what MECA is doing, it's tragic to see that the most basic necessities of life are transformed or mutated into political issues.

I would ask now our two esteemed Ambassadors to offer commentary or questions on any of the issues that have been proposed so far.

[Ambassador Shoukry] Thank you very much. If you allow me I will start by thanking the Council for including me in this year's annual meeting, and to thank that panelists for their very insightful presentations.

I quite understand the level of pessimism that ensue from their presentations, that which is associated to both the political circumstances, that the peace process is currently in and has been for over two decades or for the humanitarian crisis that exists in the occupied territories which is a matter of frustration for a large segment of the Arab and Muslim worlds if not for the international community at large.

It is I think it incumbent on us too, at the same time, let's be somewhat pragmatic. I have tried to look to the future and recognizing that and I don't want to be presumptuous in the presence of Ambassador Areikat to mention that the two-state solution and the aspirations of the Palestinian people still rests whether in the occupied territories and in the diaspora, in terms of achieving that objective and it is that objective to which states in the Arab world have been actively pursuing and will continue to pursue, in recognition of that aspiration and in the necessity to deal through that solution with the humanitarian and political dilemmas that have existed.

The U.S. role, I think, has been demonstrated on various occasions during this conference, but it remains fundamental that we should also recognize that it has been shifting. I was privileged the day before yesterday to attend the Task Force on Palestine where the Secretary of State was in attendance. A matter in itself which is remarkable if we were to take into consideration the development in terms of U.S. policy towards Palestine, towards Palestinian aspirations and towards even American based institutions that deal with these issues. And the content of her remarks were also quite pertinent and I think recognized issues related to the occupation. There was recognition of the United States of the presence of an occupation and the need to end that

occupation. And these are, I think, developments which should be also highlighted as important ones that do contribute to our common desire to find a political solution to the situation.

The fragmentation of and policies demonstrated by Israel again have not been as readily accepted as maybe was demonstrated by some of the panelists today. The international community does still adhere to the international legitimacy and legality, and I don't discount that the affects of those actions might not be consequential in terms of the status or the conditions under which Palestinians live or under which the negotiating process continues, but it does remain a fact and must be also a positive one in view of our efforts to find a just and lasting solution to the Palestinian issue.

On all those counts we can only share in many of the frustrations that have been indicated by the panelist but that does not discount the fact that we must persevere, must find a way to raise the level of understanding of the desire of both the policymakers in the U.S. and around the world that the status should change, and the negotiating process should move forward and again the Palestinians have been striving for self-determination and there is definitely of course a practical inequality in terms of the strength of the parties. But that does not discount also that the Palestinian and the Palestinian Authority does muster the support and is reinforced both by many of the Arab countries and the international community, whether the Quartet or otherwise in many of its negotiating positions.

So I think I'll stop at that juncture, and leave the more pertinent comments to Ambassador Areikat.

[Ambassador Areikat] Thank you very much Ambassador Shoukry. It is a pleasure to be here today thank you. I'm honored to be with the distinguished group of panelists here who have really given you the actual picture of the situation on the ground in both the West Bank and then Gaza Strip.

I believe there are two important issues here that were covered by the speakers. One is the U.S. role and how the Palestinians and the Arabs, in general, are perceiving this role. Of course as you all know, we have been very much encouraged when the Obama administration took over about the rhetoric and the statements that were made and about their determination to see an end to the conflict, their determination to engage early, their determination to, actually their description of the resolution of the conflict as being a U.S. national security interest. This has given us hope that the Administration will be hopefully taking a new approach to this conflict.

Two years later we are finding ourselves bogged down in the same hole that we found ourselves in the past. Israeli intransigence, refusal to comply with existing agreements and obligations, clearly defying international law, defying the United States -- their strongest supporter and ally. And we are also seeing people here in this country who are increasingly discouraging the Administration from continuing their efforts. Once by claiming that the Administration has no leverage over Israel, the other is by, you don't want to clash with the pro-Israel lobby in this country. So once again we are hearing those apologists and supporters of Israel trying to discourage the Administration from continuing their efforts to try to reach an agreement in the region.

I think the U.S. Administration has a lot of leverage and the question is whether they want to use that leverage or not. This is the most important question and here I think when it comes to the issue of the settlements, the United States government repeatedly has described these settlements as being illegitimate and illegal, and in violation of international law and of U.S. policies. The least that this country can do is, at least, to prevent some groups in this country from transferring funds to settler groups inside the West Bank and Jerusalem to continue with their illegal actions. We haven't seen any effort on the part of the Administration to deal with that issue and this is the least that we can expect them to do in order to translate these policies into some concrete action.

I think what we need to see is a new approach from the Administration, an approach that will point blame to the parties who are really hampering the U.S. efforts here. This is something that we were promised when we first started this process that the United States will not hesitate to name the parties who are really blocking the progress towards the realization of a peaceful agreement in the region and it is no secret today, to anyone in this room that the party which is doing that is Israel.

Israel has refused to extend the so-called moratorium and you have all to remember that was a compromise on the original U.S. demand for a total cessation of settlement activities. They accepted to slow down the settlement activities not including Jerusalem and when September 26 approached or arrived the Israeli government failed to extend that so-called moratorium which led to the breakdown in the current negotiations.

So I think it is time for the Administration to try to think about what is ought to be and not what could be. We have for the past ten years seen the U.S. trying to tailor things according to what Israel can do and what Israel cannot do, and this will never take us to peace. The United States should act as a superpower interested in preserving peace and stability in the Middle East and in the world and they should act according to their national security interests. And we cannot continue with catering for Prime Minister Netanyahu's internal problems and difficulties.

Prime Minister Netanyahu did have the choice to be in a coalition with other Israeli parties who would have supported him in his efforts to make peace with Israel. He chose to be in that position so he knew from the beginning that he is going to be in this position and using that as a failure to put pressure on the Israelis to move forward is not acceptable.

The other major issue, I think, is what do we as Palestinians and Arabs have as an alternative. I mean this is the biggest question I myself face when I go around and talk to members of the Palestinian community or with Arabs. What are you going to do? I mean if this process of negotiations fail what are you going to do?

And I think this is being debated right now within the Palestinian society, within the Palestinian leadership in coordination and consultation with the Arab countries. Because for the last 17 years this process did not produce but half a million settlers and more settlements in the West Bank, and Israeli facts on the ground that are aimed at making the realization of an independent Palestinian state impossible then what is this sense of continuing in this track. This is the biggest question that we are being faced with right now. And we have tried in the past to give answers,

we want to give it a chance. We want to continue but today I think we are at a juncture that we really need to contemplate and explore other venues, of course short of violence, to try to deal with this issue. You know this debate is ongoing, it's a serious debate and it will be important to determine the next step on the part of the Palestinian and Arabs in general.

I just want to allude to an issue that the speakers here mentioned which is donor support, the economic conditions, funding the Palestinian Authority. I think a lot of people here are mixing, are deliberately trying to portray the government plan of Prime Minister Fayyad as an economic security alternative to resolving the conflict between the Israelis and the Palestinians.

The plan of the Palestinian government, which is the government of President Mahmoud Abbas, is to work in parallel with the political track to put an end to the Israeli occupation at the same time that we are building our institutions and increasing capacities. It was never meant to be an alternative to the political solution. So yes, we are grateful for the support of the international community. We are grateful for the support of all our friends. But I think we should not be distracted from the real issue that Israeli military occupation is the cause of most, I'm not going to say all, most of the economic problems that the Palestinians are facing.

Once the occupation is over we will be able to be dependent on ourselves and we would not need support from any other donor countries. The areas you noted that are controlled by the Israelis actually is 61% of the West Bank is totally controlled by the Israelis as part of Area C, which the Palestinians have no access to it and 17% is Area A, under total Palestinian control; and Area B which consists of 21% is a security area under Israeli control, and civilian under Palestinian control which actually makes almost 83% of the West Bank today under total Israeli control.

Thank you very much.

[Dr. John Duke Anthony] Because we have six speakers on this panel, in the next one we have three, hopefully the three in the next one will beg your indulgence that we receive the gift that we hope you won't present of ten minutes from your time to lengthen the time for answering questions on this one.

Secondly one of the questions says I am surprised, disappointed at the lack of foresight and ability on the part of the National Council not to have a more balanced set of speakers. One can say that there is an absence of foresight and ability on the part of the individual who asked the question, as to the efforts made to have a number of alternate or additional speakers on this panel, and the number who turned us down.

We are not in the hostage taking business of forcing people to come for the sake of balance, and secondly balance is in the eye of the beholder. In this particular case of course, none of us are bereft of blemish, no one is devoid of defect, and no one's free of flaws and in this case is the degree of balance of another kind. There are two Jews, there are two Christians, there are two Muslims amongst the six presenters here, and this reflects the reality of the Holy lands being the epicenter of prayer and pilgrimage of faith and spiritual devotion to fully a fifth of humanity. And there is a balance of another kind in this sense that we have the three government

representatives and three nongovernmental representatives. So we have a balance of a different kind there.

What we are going to do is Mr. Corcoran will read number of the questions and I will read a number of them and the speakers can answer whichever ones they want. Those that don't get answered, we will pose them to the speakers and have them answer them subsequently and we will post the answers on the National Council's website and if we have the emails of everyone here we will provide you with answers to all of them.

[Corcoran] My apologies to any of you if we don't read your exact question but there are several of the issues that overlap so we will somehow combine them. This would be open to anyone please, what are the implications of a movement to formally declare Israel a Jewish state. Will this increase or decrease the likelihood of trying to reach a peace agreement between the Palestinian authority and the government of Israel.

Let me read a few others please. What are the possibilities that the Palestinian Authority might simply issue a unilateral declaration of independence creating a Palestinian state first and then fleshing out the details and expanding the area of control?

What elements are necessary for creating a peace settlement that can be sold to the people of Israel and the Palestinian people of Fatah and Hamas? Is the Rafah Crossing in Egypt still closed? If yes, why and are the Egyptians willing to reconsider this considering their affinity to the Palestinian people?

Also if someone could comment on how do you see the Israeli embargo on Gaza strip changing is especially related to the economy? What will be the results short-term and long-term arm of destroying the Gazan economy?

Why don't we start with those questions and please if some of the speakers or commentators would like to respond.

[Ambassador Shoukry] If you allow me maybe I'll just address the issue of Rafah because it's a clear-cut one. The direct answer to the question is no it is not closed. It hasn't been closed for several months and at no time was it fully closed. The crossing of Rafah has been constantly open to address the humanitarian needs of the population in Gaza, under Egypt's consideration of the dire circumstances that the people of Gaza are in and in view of the very long and strong relations that bind us to the Palestinian people at large and those in Gaza particularly since they are immediately adjacent to Egyptian territory. The crossing has been regulated to guarantee the flow of humanitarian assistance, to guarantee the security and safety of both Gaza and Egyptian territories and also so as not to give any false pretext to the Israeli government that it can discount its responsibilities under international law of the population under occupation in Gaza. On all of those counts the Egyptian government has acted with considerable amount of understanding and at the same time political expediency to preserve the right of the Palestinian people and at the same time contend with their humanitarian needs.

There has to also be the issue of illicit trade into Gaza which has also complicated somewhat the issue of the border crossing and it should be noted that the border crossing at Rafah is regulated by an agreement with the Palestinian Authority and the Israeli government and the European Union and its operation is purely for the transfer of human beings and not a commercial crossing. It wasn't established and it is not equipped to be a commercial crossing but has been utilized for tons and tons of humanitarian assistance with great difficulty from a logistic perspective but it is the seven other crossings which should bear the majority of the influx of assistance and freight into Gaza. Thank you.

[Anthony] In order to have the adrenaline of the other speakers pump being a bit more let me just throw out additional ones so they can be thinking of them.

There has long been complaint without action on the pro-Israeli lobby and their ability to have Israeli-Americans petition the government through their rights of the First Amendment, etcetera. Why don't pro-Palestinian Americans take this blueprint and do the same?

Another one, if the two state solution is dead as one must conclude from the speaker's remarks then the one state solution is the default answer, yet for obvious reasons that solution is not viable. If so, what is the solution?

What is the alternative to the various solutions that have been proposed? And no one in terms of the bleak nature of has your views on the prospect or any improvement in the lives of the Palestinians in the foreseeable future refers to the possibility of renewed violence and a new Intifada. Why is that?

Given the economic status of Gaza why cannot wealthy Arab countries lead the way in investing, why does it have to be the West. There is an opportunity not taken. Yes? No?

Could Ambassador Shoukry provide some specifics regarding the Egyptian efforts to reconcile Hamas and Fatah?

[Christison] I'd like to address the very first question on what are the implications of the Israeli move to ask the Palestinians to recognize Israel, and I guess the rest of the world too, Israel as a specifically Jewish state.

I think that in actuality this just puts a fine point on what Zionism is all about and has been from the beginning. Zionism is the political philosophy that holds that Israel is a state, a Jewish state, a state for the Jewish people. This is why the Palestinians were dispossessed in 1948 and again partially in 1967.

Because Zionism, and the move to create a Jewish state, basically has no room in it for non-Jews. The implications for the Palestinians in this current move to make this an explicit demand is that it is asking the Palestinians to legitimize their dispossession. To legitimize the discrimination against Palestinians who are citizens of Israel. To legitimize the refugee status or the exile status of Palestinians who lived in Palestine until '48 and were dispossessed until '67 and were

dispossessed and I think it's just an impossible demand. It's like demanding that the United States be recognized as a White Christian nation. It is just outrageous.

[Areikat] Can I just add on this particular question. I think we look at it as a political maneuver by Prime Minister Netanyahu. Once again you know the Israelis are negotiating with themselves. They are not negotiating with us. They are not negotiating with the international community. He is trying to appeal to the right, the extreme right wing elements in his government and his society.

The issue of the Jewishness of the State of Israel was never brought up in any of the previous agreements that were signed with Jordan and with Egypt. For us, the Palestinians, we have recognized the State of Israel in 1993 when we exchanged the letters of mutual recognition, we recognized Israel, Israel recognized the PLO and we even took a step further in 1998 when we convened the Palestine National Council in the presence of President Clinton to revoke all the clauses in the Palestinian National Charter that referred to Israel's destruction. We feel that we have done enough in this regard. It is a Palestinian state that needs to be recognized by the state of Israel and not the opposite. Thank you.

[Roy] I will just briefly address the question of how the destruction of Gaza's economy will contribute or not contribute to a resolution of this conflict. Perhaps one way to start is to just give you some facts and figures. Gaza's economy has been very consciously and very deliberately attacked and dismembered. And it's important to remember that prior to the siege and certainly prior to Israel's 2008 attack there has been a long-standing policy of deliberately undermining and weakening the economic structure of Gaza and the West Bank in order to preclude the emergence of a viable economic infrastructure which could then be the basis, form the basis of a political state. This has been the imperative the goal the objective from the beginning of the occupation. It's something that's been articulated to me many, many times, sometimes very bluntly, sometimes very directly and sometimes not so bluntly by a range of Israeli officials.

Before the attack in 2008 for example, between 2005 and 2008 due to Israeli restrictions, closures, blockades, the number -- this is one of many statistics but it's a telling one, the number of operating factories, and this is a World Bank figure, the number of up operating factories in Gaza declined in that three-year, two and a half-year period from 3900 to 23.

Between 100,000 and 120,000 people in the private sector lost their jobs. This is prior to the attack as a result of the siege. The siege basically has destroyed any kind of normal trade between Gaza and Israel and its traditional trading partners. You have in Israel per capita GDP of \$35,000. In the West Bank you have a per capita GDP of \$1600. It's declined from about \$2200 years ago. And in Gaza you have a per capita GDP of \$800, a figure that I believe General Allen referred to as one of the lowest in the region in his talk.

You have in Gaza a very, very young population. Approximately 74% of the population is 30 years of age and younger and almost 51% of the population, over 50%, is 18 years of age and younger. You have an unemployment rate now which has approached on average 40% for Gazans and if you break it down by region its higher, much higher in certain regions. However for young males between 20 and 24 the unemployment rate is 67%. People are absolutely

trapped. There is no freedom of movement. The borders are sealed except for individuals who can leave under highly constrained circumstances. You have a private sector that has been virtually destroyed and you have the once productive people of Gaza reduced to dependency on humanitarian assistance and public sectors salaries with no hope and no future.

Now what is the implication of this and many other stats that I'm not going to give you because of time. Of course this has fueled all kinds of divisions politically within society. People, young people have no hope, no possibility, nothing to do. So this fuels radicalization. It fuels violence. You have various divisions within society along political and economic lines. You have growing divisions between the refugee community and the non-refugee community, between economics classes, where the asymmetry in wealth, because of other issues, have grown quite dramatic. So you have the very rich and the very poor. You have political divisions not only between Fatah and Hamas but within Hamas splinter groups, the growing role of the very extremist Salafist groups in Gaza. They are still a minority but they are gaining, and they are gaining adherents because children have nothing else to look forward to.

Also remember that Gaza is cut off from the West Bank and the West Bank, of course from Gaza not only demographically but economically and politically and this is a very serious problem. In my view it is the single most serious problem confronting Palestinians and confronting a sustainable solution to the conflict. Attempts to thwart and to preclude any kind of attempt at unification between Fatah and Hamas which our government has pursued as well as others, I think is absolutely dangerous very dangerous and will consign ultimately will consign both Palestinians and Israelis to continued conflict.

So the imperatives are many, but economic devastation can never possibly lead to any kind of positive long-term workable solution. Nobody in this room would want their children to have to confront the lack of options and the daily violence that occurs in Gaza not only at the hands of internal forces but external forces as well.

The number of people in Gaza who are dependent upon aid, just to survive, to meet their basic needs are minimally 72% and I've seen some sources go as high as 85%. This is the population where poverty was below 10% 20 years ago.

[Corcoran]

Obviously the level of interest here is high but in the interest of time we're going to have to limit ourselves to one more comment so please, Andrew or..

[Whitley] I want to very briefly add a little antidote to what Sara had to say because while I agree fully with her analysis and statistics I want to try to counter the impression that this need be the case.

Gaza is a territory which is perfectly capable of standing on its own feet. It has a successful, thriving entrepreneurial business community, which left to themselves is able to provide employment, to be able to integrate with the region and prior to the year 2000 Gaza was a prospering middle income developing country that was moving rapidly.

In the past 10 years it has been reduced to the status of a least developed country, to the standards of Chad and Niger. That's the comparison that descent brought about by artificial reasons, by man-made reasons, nothing to do with the capabilities of the people to be able to provide employment for themselves, their territories. Gaza looks naturally toward Israel and the West Bank. It doesn't look naturally towards Egypt, which is a competitor for most of the things it provides and so that is the way that the future ought to be orientated.

In the past, ninety percent of Gaza's imports and exports went either to Israel, through Israel or involved Israel in one form or another. Israel has taken deliberate policy decisions to close those doors, progressively over the past ten years starting with the ending of manual labor going from Gaza which is previously the largest source of income for Gaza and it has clearly taken a long-term policy decision to be able to close that door. I doubt that it will ever be restored again in the near term. Certainly if that economic integrity of the Palestinian territory is going to be resumed then we must be looking to the West Bank. We must be looking to forms of investment to allow those businessmen to be able to reestablish those businesses. There is still some money left in Gaza but most of the businessmen are pretty pessimistic at the moment.

[Corcoran] Thank you very much. To the speakers, you've been extremely candid. Your comments have been excellent and I'm sure informed a number of us of your latest insights.

Last week I had a conversation with some of Tony Blair's Quartet staff and I asked them what they foresee. They were talking about a long-term strategy. I think a number of Israelis and Palestinians are both saying but what of the short-term.

Let's continue to think of those things. Also one final note, both Sara and Kathy have their most recent books available. They are on sale in the back and if you are at all intrigued by some of the things they were saying I'm sure the books will inspire you also.

Thank you.

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