

CARNEGIE ENDOWMENT FOR INTERNATIONAL PEACE

**Gaza in Crisis: Teleconference with Carnegie Experts
in the Middle East and D.C.**

Participants:

Paul Salem, director, Carnegie Middle East Center (Beirut)
Marina Ottaway, director, Carnegie Middle East Program
Amr Hamzawy, senior associate, Carnegie Middle East Center (Beirut)
Nathan Brown, nonresident senior associate, Carnegie Middle East Program

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Paul Salem: The Arab League itself has been very slow to move towards the summit, whereas Turkey has taken up an interesting role trying to mediate. The Turkish Prime Minister and Syria, talking with the head of Hamas. Egypt still proposing a plan. There is, vis-à-vis the United States, the usual disappointment, certainly as to the Bush administration position, but more disappointment that President-elect Obama has not really come out with any meaningful statement, even though he did after the attacks in Mumbai. People are comparing the two—not really buying his statement that he is not yet president and can say nothing.

Question: I was wondering if you can tell me what effects this adverse criticism of Egypt's role this time around is having on its own ability to help negotiate some sort of solution and what might be the role of Jordan and the United Arab Emirates? Secretary of State Condoleezza Rice has been in contact with the foreign ministers of Jordan and UAE three times in the last, roughly, 24 hours. Do you have any perspective on what they can possibly do?

Amr Hamzawy: Let me comment on that. With regard to Egypt—first of all it's a highly divided region, which is following what is happening in Gaza. And as much as Arabs are following news related to the Israeli operations, they are following rising tensions between different Arab states, and between states and non-state actors. Egypt has been heavily criticized, primarily by Arab states close to the so-called resistance camp: Syria, of course Hizbollah—a non-state actor—heavily criticized Egypt. Hamas has criticized Egypt as well and there were different negative signs coming out of Qatar, Doha, and Libya.

So Egypt is being blamed, as of now, by several Arab states and non-state actors, for two issues. One, Egypt is being blamed for at least passively accepting the Israeli operations in Gaza. Livni was in Cairo two days before the operations started, and (inaudible) Hamas out of Cairo, so everyone went ahead as soon as operations started and blamed Egypt for accepting the Israeli attacks and not saying no to it. And second, Egypt is accused of sustaining the siege on Gaza, the blockade of Gaza, by closing the border crossing, primarily the Rafah crossing, between Egypt and the Gaza strip. The Arab media and the Arab press have a very critical assessment of Egypt.

The Egyptian position so far has been comprised of two key elements. One, that Egypt has signed different international treaties, including a treaty of 2005, to organize the border crossing, signed by Israel, the Palestinian Authority, mediated by the Egyptians, and the European Union. And Egypt has announced that its declared position—President Mubarak did it yesterday—is to abide by the treaty, and it will not open up the Rafah border crossing, in spite of criticism out of different Arab capitals.

Definitely the Arab street has been criticizing Egypt as well, including in Egypt. There have been many demonstrations taking place in Cairo

and other Egyptian cities over the last days, criticizing Mubarak and the government's position.

The second element which the Egyptians have been stressing is that Egypt's role is to mediate. Egypt has called on Hamas not to declare the ceasefire terminated, and basically "Hamas is to be blamed. Hamas has to take responsibility for what happened afterwards." Egypt continued to mediate—Foreign Minister **Aboul Gheit** went to Turkey. It seems there is a joint Egyptian-Turkish effort going on to broker a new ceasefire, based primarily on the elements of the last ceasefire, which was mediated in June 2008, basically guaranteeing a ceasefire on the two sides and guaranteeing that the border crossing between Gaza and Egypt would be open, but under control by the Israelis and Egyptians. So there is a mediation effort going on, but Egypt is isolated as of now in the region. And in general, the regional environment is one which is really less preferable to any peace initiative as of now. There is a great frustration in the region. Frustration towards Arab capitals that did not act, or acted less than expected, as well as at the U.S. and European powers who did very little or nothing to stop up till now to stop the operation.

Marina Ottaway: Let me address the issue of the appeal to Jordan and the United Arab Emirates. I would like to point out that it's more a reflection of the way in which the United States looks at those two countries being reliable, from the U.S. point of view, than their reflection on any particular closeness they have to Hamas. In other words, they are not particularly good mediators because they do not have a strong relationship and they cannot offer much to Hamas. Egypt can offer something in terms of the border crossing. Neither Jordan nor the UAE can offer very much.

Question: Following up on the question of Egypt being isolated, and of course Egypt is the main U.S.-Arab ally in the region, and it has always been behind efforts to promote a U.S.-brokered peace throughout the region. Iran, of course, has become more powerful the last few years. Where does it stand now—the two camps? The U.S.-led moderates in the region, and the Iran-led rejectionists—not just Hamas, but Hizbollah, and those in Iraq? Does this swing it back from the Annapolis process a year ago, to something more favorable to the Iran-led rejectionists?

Paul Salem: If I may jump in on that, Amr was mentioning, which is very true, that the immediate impact of war and bloodshed of this type certainly is a mobilization or inflammation of the Arab street, the Muslim street, which all goes to bolster the position of radicals who say that “Israel was never serious about peace. Look at how it treats the Palestinians. There is no way but to fight. We must stand up.” And so on, and so forth. So the immediate impact certainly weakens those who talk of peace. However, one must also say a couple of things.

One is that it depends on some degree how this ends. The war in Lebanon ended with UN Security Council Resolution 1701, with international troops on the Lebanese-Israeli border, with a whole set of developments that changed the status quo in Lebanon to some degree. We do not yet know what the days and weeks ahead hold for the end-game of the Israeli-Gaza confrontation.

I would also say that this war, in which Hamas is engaged with Israel, will probably end more poorly for Hamas than it did for Hizbollah in 2006. So, in a sense, oddly enough, it might be weakening both camps in the sense that those who say “one must negotiate,” it certainly doesn’t seem like this is the time for negotiation. But also, for the radicals who say that non-state militia action is the way to confront

Israel, that doesn't appear to be a very successful strategy either in Gaza today.

It's also the case, and what's interesting, is that Iran does not seem to be making much headway right now in the Arab world. Interestingly, Turkey—the modern, sort of pragmatist player in the region—is making much more headway than Iran. So I think it's a complex situation. Much depends on how it ends and much depends on what the players in the region, and perhaps what the next Obama administration will make of it.

Amr Hamzawy: Let me add two points on the dynamism that is going on in the region right now, with regard to the camp of Arab moderates and the camp of militants, radicals, resistance, activists, regardless of how we label it. I guess one of the immediate impacts of what's going on in Gaza is that tensions are increasing between Egypt and Saudi Arabia, on the one hand, and Iran and Syria on the other, which will add to the division that has been emerging in the region over the last two years. The division is along the lines of pro-U.S., pro-peace, anti-U.S., and to an extent on Palestinian-Israeli issues, anti-peace. Of course the camp that centers around Iran and Syria, Hizbollah, and Hamas, has more leverage as of now because of what's happening in the Arab street.

But Arab moderates still have some cards to play out—some assets that they can put forward. Primarily, the capacity to mediate. If Egypt, Turkey, or some other combination is to be successful at mediating a ceasefire, which I see Hamas accepting by the way—up until now, Hamas has not said no to a newly brokered, mediated ceasefire—if they manage to do it, the environment will change. But the real, immediate impact is increased tensions, and the camp of anti-U.S. forces having more leverage.

The second point is that there are real and significant voices coming out of Riyadh, coming out of Cairo, coming out of Amman, accusing Hamas of basically acting, in a way, to serve Iranian interests. It's very similar to what happened in 2006, in the Israel-Lebanon war/Israel-Hizbollah war. Hizbollah was accused by Cairo, Amman, and some other Arab capitals, of acting to serve Iranian interests. So even if Iran is not doing much to make headlines, Iran is very much in it, and everyone is positioning themselves with or against Iran.

Question: It seems that Paul may agree with Amr there. That maybe Iran has a temporary upper hand. But both are saying that we don't know how it is going to play out.

Paul Salem: Right, correct.

Marina Ottaway: There is one point that I would add to this. Somebody earlier talked about U.S.-led moderates and two camps. One of the interesting aspects of the relations between moderates, and essentially anti-Iranian Arabs, and the U.S. is that recently there has been a lot of tension because many moderate Arab countries have been very worried about the confrontational position the Bush administration has taken. They have been afraid of being caught in a war between the United States and Iran if the Bush administration attacked Iran. Certainly countries like Saudi Arabia, Egypt, and all the Gulf countries, have been very much in the U.S. camp and not the Iranian camp, but they have been very hesitant to act openly as U.S. allies. One of the issues to watch in this new situation is whether they will pull closer to the U.S. as a result, or whether they will continue keeping their distance. And I think a lot of that will ultimately depend on what Obama does immediately after the inauguration, because these countries have been very much against Iran, but also afraid of what the U.S. might do.

Paul Salem: This is Paul Salem. I just want to add a comment on the picture. To some degree, there are different camps: those closer to the West, those closer to Iran. But a country like Syria has been sort of in the Iranian camp, but Syria has been putting forward talks with Israel as a strategic choice and has been having indirect talks [inaudible]. And this track has been temporarily ruined, or suspended, because of the attacks on Gaza. So, Syria's position, although it's close to Iran, it is not in the camp of those who do not want to negotiate peace. If one looks at it that way, Israel, at this point, is placed in the camp of those countries that do not want to negotiate peace. Israel has not been terribly forthcoming with Syria, nor has it been at all forthcoming with Abu Mazen on the West Bank. And many people view this action in Gaza as just another event to postpone Syria's peace talks with anybody and for Israel to maintain its settlements on the West Bank, make the peace process more difficult, make talks with Syria more difficult, and kick the ball down the road, and make it more difficult for Obama to really talk about talks. And I think one needs to look at it in that vein as well.

Question: Paul, you said earlier that Iran doesn't seem to be making much headway in the region, that Turkey is making more headway. Can you elaborate on that a little bit? I'm not clear quite on what you mean. You mean, making more headway in what sense?

Paul Salem: Iran is very, very present, as Dr. Hamzawy mentioned, in terms of being a backer of Hamas, being a backer of Syria and Hizbollah, and so on and is very strong. And a lot of what is taking place in the region is reaction to Iran. What I was referring to was the diplomatic and political activity; well I was referring to two things actually. One is the political and diplomatic activity. That it is Turkey that is stepping in and being able to talk to all parties, and trying to broker agreements. As it did try to help on the Syria-Israel track, it tried to help in the Lebanese crisis. Now Turkey is trying to help on an issue that relates to

Egypt: Palestine-Israel. This is really a new role for Turkey and it's significant that Turkey is able to play this role. That's sort of what I meant at the diplomatic level. That indicates something a bit deeper. That, the outside power Turkey, as opposed to the outside power Iran. Iran, by really only playing one side of the game, is not being able to make much headway in the Middle East beyond its hard-line allies, such as Hamas, Hizbollah, and Syria. That influence is not spilling over into soft power or diplomatic power with anybody else, but rather making enemies and making opponents. It's also the case in this particular confrontation, that Hamas is unlikely to come out of this as triumphant as Hizbollah did. And hence it's not a particular triumph for Iran whereas the war of 2006 was painted as a triumph for Iran. So those are the two elements I was hinting at.

Question: Assuming the trend continues that Hamas is not likely to be as successful as Hizbollah was, and assuming that Israel makes some significant headway in its campaign against Hamas in Gaza, what will this look like, what might this look like, at the end? What might be the state of power in the Gaza Strip when this is finished, at the rate it's going now?

Nathan Brown: I think one of the reasons this is playing out a little bit differently than 2006 is not so much what is happening militarily, as a more subtle approach by Israel, rather than talking about impossible war aims at the beginning and then having to scale back. The Israelis have been more circumspect about what their final objectives are. The Israeli leadership has said that they wish to see Hamas thrown out of power in the Gaza Strip, but they've been extremely careful not to posit that as an immediate goal of this military campaign. So in a sense, by setting limited war aims, it's much easier for Israel to declare victory, and much harder for Hamas to claim that they held Israel off. But what that means is that at the end of this, Hamas is still likely to be there, in the

Gaza Strip. I think there was some sort of toying with the idea, in both senior PA circles, and in Israel, the idea of handing over Gaza in some way to the Ramallah-based government. I think that would be politically almost impossible at this point. So what you're likely to see is a Hamas in which the leadership has been temporarily driven underground, in which perhaps the military wing has sustained some real losses, but not a fundamentally different position. What Israel and Hamas are going to then have to decide is whether or not they will accept some sort of formal ceasefire, and if so, on what terms. It's difficult for me to see a fundamentally different strategic context coming out of this, however, as long as Israeli gains remain limited, and as long as Israel holds out as an ultimate goal dethroning Hamas and Hamas hasn't changed its program. It's hard for me to see this as a final chapter in the conflict. What we may see is a renewed ceasefire, on some level of formality, perhaps with some modest changes from the previous ceasefire, but again, following that, not necessarily a fundamentally different situation of a shaky ceasefire that could break down when one side or the other sees it in its interests.

Question: And why do you think it's politically impossible for Gaza to be handed over again to Abbas and to the PA?

Nathan Brown: Well, Hamas has basically been an unquestioned power in the Gaza Strip since June of 2007. So that's a year and a half, and they've used that time extremely effectively. What the current campaign has done has been to drive the senior Hamas leadership underground, so that they can't exercise power effectively on a daily basis. But you're talking about driving them underground for a week, two weeks, conceivably slightly more than that, but not fundamentally changing the situation. If the Ramallah government were going to reassert control over Gaza, it would have to do so either with Hamas' approval, which is almost impossible, and the level of vitriol between Hamas and Fatah has

greatly increased, or they would have to do so by force of arms. It would be politically impossible I think for them to do so by force of Israeli arms and therefore the question would be whether they could do so by force of Palestinian arms, that seems extremely unlikely, or by some international force and again it seems to me unlikely that you could assemble any sort of international force that would have within its mission taking sides in a Palestinian civil war.

Paul Salem: It's conceivable in my mind that the issue could be compartmentalized geographically, [inaudible] and this similar thing happened in Lebanon to some degree. If the Israelis did want to use some of their ground troops to move into Gaza they will certainly move only into parts of Gaza. They cannot use tanks in the cities and towns and so on. And from the perspective possibly of the Israelis, also from the perspective of the Egyptians, there is a lot of attention paid to some of the border zones, the crossing areas, the tunnels, the northern part of the Gaza Strip which is closer to the Israeli towns, and so on. It is conceivable to me that a few weeks down the road, if the Israelis have moved into some parts of Gaza, that they could negotiate an exchange for their withdrawal from those parts, a certain arrangement. Now who that arrangement is with, whether it is international forces, or with Europeans, or on one side Egyptians, on the other side some arrangement or compromise with the PA. In other words, there is a debate that, separate from who controls Gaza in general, I think Hamas is there to stay, but there could be parts of Gaza perhaps, at a later stage if the war develops into a wider one, that could be objects of negotiation.

Amr Hamzawy: Just to stress the fact that the objective of getting the Palestinian Authority, Abu Mazen, back together is not simply only an Israeli objective. It seems that it is a regional objective to an extent. I mean, a country like Egypt has been stating, in fact frequently over the last days

that it cannot tolerate a Hamas-controlled Gaza any longer. It is a national security issue for the Egyptians as well. And it seems that Saudi Arabia, some GCC countries, [inaudible] are in favor of a new formula in which the Palestinian Authority returns back together. The fact that Egypt, Mubarak yesterday stressed that Egypt is not going to open the border crossings, primarily Rafah and Karem Abu Salem, which is the second major border crossing, unless the Palestinian Authority is back, is quite significant. So it is not only an Israeli objective, there is some regional interest in it as well. Now the question becomes, as the Arab foreign ministers are meeting in Cairo, trying to [inaudible] Palestinians, Fatah, Hamas, the different Palestinian factions, to meet and reconcile. The question becomes what the terms of a possible reconciliation are going to be. Whether Hamas would be open to some form of returning back the Palestinian Authority to Gaza. But it's a regional issue. It's not only Israel and Hamas; it has some regional dimensions as well.

Question: Yes, Amr, just to follow up on that, it seems that the nub of the problem for the Annapolis process is—has always been—the Gaza problem. Does this bring it any closer to a solution? That's still an open question—that Egypt has to play that role of reconciling those two factions. And the Annapolis process can only move forward on the two territories when that happens. So we're no closer than we were a year ago on that front.

Amr Hamzawy: Well, we're definitely not closer in any way, but let me address a point that you raise on prospects of Egyptian mediation. Up until now my reading is that Hamas, in spite of its very harsh rhetoric on Egypt, Hamas up until now has not said "no" to an Egyptian-mediated ceasefire, has not said "no" to Egyptian mediation efforts. So I guess Egypt is the one actor in the region which can mediate a ceasefire, maybe helped by Turkey, or other combinations of actors that could

evolve in coming days. And Egypt is the one actor with enough cards to play out to bring the different Palestinian factions to sit at the negotiating table and see where they can go.

It was very significant what Yasser Abderabbou, a key adviser to President Abu Mazen (Mahmoud Abbas), said two days ago: there has been some conflict in the region over whether the urgent Arab summit should take place in Doha—Qatar proposed an urgent Arab meeting in Doha on the second day of the Israeli operation—and Yasser Abderabbou came out two days ago and said that the summit will have to take place in Cairo, at the Arab League headquarters; Egypt remains a key actor. So there is some effort on the part of the Palestinian Authority to give Egypt enough credit, enough authority and assets to act as the one mediator. In fact, Yasser Abderabbou and, if I'm not mistaken, other figures close to Abu Mazen have said that Egypt is the only mediator they recognize as able to bring the different Palestinian factions to the negotiating table. Egypt still has and still will play its role, but as we said at the beginning the regional environment is becoming tougher; it is getting more tight for the Egyptians to act, and they have to act quickly. The key question is, will they be able to mediate a ceasefire soon or not? If we see Israel start its ground operations it's going to be very difficult for Egypt to stress the capability and the validity of its diplomatic efforts.

Marina Ottaway: This is Marina. I would like to pose a question to Amr more directly, to try to clarify one point. When you are talking about the possibility of the Palestinian Authority re-asserting some authority in Gaza you are talking in the context of some agreement, a reconciliation of sorts, between Hamas and Fatah? You are not talking about, I think, the possibility of Fatah itself—the Ramallah government—being able to assert its authority over Gaza. Am I correct?

Amr Hamzawy: You are definitely correct—I was talking in the context of a regionally-mediated reconciliation between Fatah and Hamas, and a ceasefire of course, and I suspect the key regional actors—Egypt, Saudi Arabia, Jordan—will stress the need for getting the Palestinian Authority back to Gaza. Whether Hamas will accept it or not we will have to wait and see, and of course wait and see what the outcome of the Israeli operations is and where Hamas stands when it is over.

But it is definitely in a regional context because it is a regional interest—at least as far as Arab moderates are concerned—that Hamas no longer control Gaza. What is being circulated right now, as far as I can see it, is the Palestinian Authority is returning back to some sort of a role, especially at the border crossing. Mubarak mentioned it twice yesterday in his statement, saying that the Palestinian authority will have to come back to the border crossing for Egypt to agree on a regulation of sorts.

Marina Ottaway: I posed the question to call attention to the fact that this would put both Israel and the United States in a serious dilemma, because it would mean the Palestinian Authority playing a greater role in a Gaza that still has Hamas representation, which is not exactly what Israel and the United States wanted.

Paul Salem: This is Paul Salem, can I just comment on that? Lebanon and Palestine have somewhat similar situations. You have Hizbollah here, considered a terrorist organization, and at one point the U.S. urged parties in Lebanon to go at it, to separate into different camps, and encouraged Israel to try to knock out Hizbollah, and yet in the end the Arabs, with acquiescence from the U.S., accepted a national unity government with which the U.S. has very good relations, which includes Hizbollah with veto power in the government.

I think Marina is putting her finger on a very important element, which relates to U.S. policy vis-à-vis the Palestinians which partly broke the Palestinian Authority, not recognizing the results of the election, breaking apart Hamas and Fatah, or at least encouraging that. Certainly it's the case that the U.S., as much as it has influence in this situation, should encourage and should find a way to accept a Palestinian Authority with a lot of Hamas representation—just as it found a way to accept a Lebanese government with a lot of Hizbollah representation. That is the only pragmatic way to go.

I also think that Hamas might learn the lessons Hizbollah learned—that being a resistance movement on your own, and controlling a territory, makes you an easy target. Being a resistance movement under the cover of the Palestinian Authority, or a weak Lebanese government, is actually more advantageous. Those points might create a situation, somehow, for all parties to agree on some kind of accommodation here in which each party would have enough to go into it.

Question: Just following up on Marina's comment, and on yours, Paul. We think that Obama might be more flexible to encourage negotiations with Hamas elements within the Palestinian movement, whereas the Bush administration really just wanted to isolate Hamas until it was sidelined totally. But even with this Israeli attack—you said Hamas could go underground maybe, and it still has popular sympathy—Hamas will still be a force to be reckoned with. So maybe Obama could in fact be more flexible with some element of Hamas.

Marina Ottaway: Well, put it this way— it would be easier for Obama to be more flexible in the sense that he does not have to eat his words. It was the Bush administration's policy not to deal with Hamas. There are expectations in the Arab world that he may be more amenable to negotiation, more flexible, and certainly the statements he has made in

the past about Iran indicate that he's amenable to diplomacy and negotiations. As far as I know, and perhaps my colleagues can correct me, I don't think he has ever made a clear statement that he would be open to dealing with a government in Palestine that includes Hamas. I am not aware of any clear statement to that effect.

Nathan Brown: This is Nathan. No, I think it would be difficult for him to do that. I would say, however, that the Bush administration's policy was to have absolutely no contact with Hamas, that's true. They did back away slightly from the extreme version of that position by essentially endorsing the ceasefire and then endorsing Egyptian mediation efforts between Fatah and Hamas. So in a sense the Bush administration has turned directions slightly. I think the main choice for the incoming administration will be whether to revert to the Bush administration policy of not only not dealing with Hamas but also discouraging anybody else from dealing with Hamas either, or to go the other direction where Bush has been slightly leaning, and that is to endorse, however reluctantly, efforts by others to mediate and to knit the Palestinian Authority back together. That's going to be a very, very difficult project now for whoever attempts it, and I don't see the Obama administration itself attempting it, but I do see a real possibility of them giving quiet support to other efforts.

Amr Hamzawy: I was going to add a point, related to what Nathan just said, following different statements from Arab officials, and especially following what happened today in Cairo as Arab foreign ministers met at the Arab League, that it seems while the Egyptians, the Jordanians, the Saudis, all have their troubles with Hamas, I think there's a regional consensus that Hamas is a key actor and Hamas cannot be ruled out of the Palestinian political landscape and the equation of power in Palestine. Not only because Hamas has Gaza under control, but because Hamas is a movement which is popular, has a real constituency; even the

Palestinian Authority has recognized it in a different way. So regionally, as far as we're concerned, Hamas is not an actor that can be pushed aside. What some actors in the region are trying to do is at least to get the Palestinian Authority to counterbalance what Hamas has been doing in Gaza over the last year and a half, since they took over Gaza in the summer of 2007. As Nathan mentioned, the Bush administration endorsed not only mediation by Egypt between Fatah and Hamas, they endorsed the ceasefire as well which Egypt mediated between Hamas and Israel in June of 2008. There is a difference between accepting Hamas, from an American perspective, from an Obama administration perspective, as an actor, and recognizing that regional powers, including U.S. allies, have come to realize that Hamas cannot be ruled out and any arrangement will have to include Hamas.

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