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Middle East and North Africa Programme Workshop Summary

Refugees in the Middle East Peace Process: Evaluating the Impasse

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INTRODUCTION

This document summarizes discussions in a one and a half day meeting examining recent developments and future prospects in the Palestinian-Israeli conflict and for the Palestinian refugees residing in the surrounding host countries in particular.

The workshop, part of a wider research project entitled 'Dialogue on Solutions to the Palestinian Refugee Problem,' took place in September 2012 in Minster Lovell, Oxfordshire and was organised by Chatham House in collaboration with the International Development Research Centre, Canada. This work is in the context of Chatham House's on-going work on the regional dimension of the Palestinian Refugee issue.

In recognition of the current impasse in peace process negotiations and the absence of the refugee issue in particular from any known initiatives, the workshop provided an opportunity to evaluate the options from the perspective of international policy makers and host countries.

The meeting was held under the Chatham House Rule and the views expressed are those of the participants. They represented a mixture of officials and experts from both the international community and the host countries. The following summary is intended to serve as an aide-mémoire to those who took part and to provide a general summary of discussions for those who did not.

The Chatham House Rule

'When a meeting, or part thereof, is held under the Chatham House Rule, participants are free to use the information received, but neither the identity nor the affiliation of the speaker(s), nor that of any other participant, may be revealed.'

Refugees and the Middle East Peace Process: Where are we today?

The Palestinian-Israeli conflict and the Palestinian refugee issue have fallen firmly off the international agenda. Many who previously devoted all their energy to the issue now dedicate most of their attention to other aspects of the peace process like the issue of statehood, while broader international attention is preoccupied by seismic changes elsewhere, including the Arab Spring, the Eurozone crisis and, to a lesser extent, the 2012 US elections. The only aspect of Israeli-Palestinian relations receiving sustained attention was the Palestinian bid for the United Nations to upgrade its status to that of a 'non-member observer state' by the end of 2012. The bid is not viewed as an isolated act. Instead, it is understood as a means to an end in the PLO's continued push for a two-state solution.

It was felt that there was little prospect of any initiative, either international or regional, that would either revive the Israeli-Palestinian negotiations towards a two-state solution or support the unilateral statehood bid by the PLO. This state of limbo could last for a long time and it was noted that simultaneous developments, from settlement expansion to the Arab uprisings, could in the meantime undermine the prospects and feasibility of a two state solution. A participant argued that Islamist rhetoric on Jerusalem, such as in the speeches of Sheikh Yusef Qaradawi, was a mobilising issue that should not be underestimated. Conversely, one participant argued that the relative lack of international attention now being paid to the conflict could make it easier to resolve, since external relationships and linkages have tended only to complicate it. Other participants suggested that this situation may last up to 5 or 10 years until something drastic happens to change the game.

This impasse leaves the Palestinian-Israeli conflict stuck in an 'interim zone' with little hope of a territorial solution in the near future. The cost of maintaining the status quo is significant and, in the long run, unsustainable. At the same time, there is a deteriorating appetite within both the European Union and other donors to continue funding the work of the United Nations Relief and Works Agency (UNRWA). The organisation is now struggling to maintain itself in its capacity as a neutral organisation in a polarised political environment, it was said. It also faces structural problems, making reform and modernisation essential. It costs a huge amount of money to sustain the services that UNRWA provides and it is continuously in deficit. However, it was suggested that the 20% cut to UNRWA resources proposed by the donors would see essential parts of the operation having to shut down

entirely. There is a strong anti-UNRWA lobby in the US calling for dismantling the organization.

Host countries, Lebanon, Jordan and Syrian, insist on maintaining UNRWA, seeing its presence as an indication that sometime in the future there will be a solution to the Palestinian refugee issue. The absence of UNRWA would symbolise the absence of such a prospect, with dire consequences on both the host countries and the refugees. The host countries see an urgent need to get the institution out of its permanent state of crisis.

Domestic politics

The prospects for resumed negotiations look slim in the short-term, both on the Palestinian and on the Israeli front, because of the domestic politics on both sides. Neither side had a strategy, only tactics for staying in power and winning the next election. There is a paucity of fresh thinking on possibilities for the future outside of a simple one or two state solution. A key question going forward will be what new paradigms, if any, can be developed to propel the situation forward and whether it is useful to think of developing new ideas instead of sticking to an agreed that continually fails to materialise.

On the Israeli side, attitudes towards a two-state solution have shifted. A participant argued that in some quarters of the right wing, there is now a sense that a Jewish state within Greater Israel is in reach. For them, the impression of imminent victory leaves little incentive to 'give away land in the name of peace'. The number of settlements proliferating across the West Bank, East Jerusalem and the Golan Heights is reinforcing this notion, it was said. Meanwhile, Israel was extending its barrier through the only refugee camp inside the municipal boundaries of Jerusalem.

The domestic political cost of the Israeli occupation remains low for Israel, as long as there is no violence. Meanwhile, the territorial expansion has increased the cost of a two-state solution for Israel, creating the impression that there is more to lose. In practical terms, it also makes withdrawal from West Bank settlements increasingly difficult without a significant resettlement programme. Prime Minister Benjamin Netanyahu has cast demonstrations in the West Bank as seeking to usurp Israelis from their homes.

In addition, it was said that the settler community is the most united and best organised political 'group' within Israeli society. The settlers knew what they wanted very clearly, and were effective at influencing the agenda, even if they did not represent majority opinion. A participant argued that over time there

had nonetheless been some significant shifts in mainstream opinion that should favour a two state solution; it was once seen as radical in Israel to advocate a Palestinian state and participants could remember when it had been illegal for Israelis to meet with the Palestinian Liberation Organisation. It was also noted that polls tend to suggest there is only minority support on either side for a one state solution.

The Palestinian leadership faces significant constraints. It is fragmented, a reality that has significantly diminished both its popular legitimacy and advocacy potential since it cannot claim to represent a unified body politic and can give the impression that there is no interlocutor that can both carry out negotiations and deliver results. The Palestinian National Authority is also facing increasing internal tension. This has been reflected in an upsurge of popular protests in Gaza and the West Bank that have not explicitly identified with any political faction. It is facing significant financial pressures – one participant described it as being ‘at the edge of a fiscal cliff’ – that stem from underlying structural problems. When dealing with the different Palestinian Authority (PA) bodies, international donors must be well-informed of the different responsibilities and capacities of each one. There remain significant problems both within these political bodies and more generally, in how they relate to the Palestinian community.

In this respect, it was argued that problems had to be resolved within each body politic, Palestinian and Israeli, before a negotiated solution between the two would appear to be feasible.

International context

The changing international context is also significant. It was suggested that the Palestinian-Israeli conflict is unlikely to be solved if it does not appear to policymakers that they have much chance of fixing it. Confidence in the feasibility of reaching a two-state solution through negotiations has ebbed after years without progress. Meanwhile, policymakers were preoccupied with other regional issues, notably the conflict in Syria, Libya, and the tensions over Iran’s nuclear programme. It is clear that international donors have grown frustrated with the conflict, having sporadically invested heavily in alleviating its humanitarian and political problems, but seeing their efforts result in few tangible improvements. In this sense, the international community’s current strategy was described as “part of the problem, rather than part of the solution”.

European policy towards the conflict was also described as particularly disappointing. Rather than using the trade leverage that they hold over Israel, many European governments have strengthened economic integration with Israeli partners. Increasing numbers of trade, university and air-traffic agreements between Israel and the EU suggest that there is little grand vision from this trade bloc to push for political changes. In addition, it was suggested that the EU possesses a number of legislative tools that could be used to push the Israeli-Palestinian conflict to the fore. There was a suggestion that the post WWII experience of European reconciliation may now even be more relevant to the region with all the changes that are happening.

Prospects for an American push to re-ignite the peace process were also seen as dim. It was argued that President Obama's second term in office would most probably be focused on securing his domestic legacy, suggesting that foreign policy is unlikely to take priority. A participant asked whether following the administration's shift to engaging with the Muslim Brotherhood during his first term, Obama's second term could see an increased willingness to engage in political dialogue with Hamas. However, it was noted that existing legislation means Congressional approval would be required for such talks to take place, at least formally and openly. Such approval was seen as highly unlikely; it would require a far less polarised and combative legislative environment than America is currently experiencing. US objections to speaking to Hamas remained an obstacle for multilateral organisations. For instance, UN agencies operating in Gaza, which has been governed by Hamas for just over five years, were supposed to eschew contacts with Hamas except on "purely technical" issues.

It was argued that the events of the Arab Spring have reflected the diminished agency of the United States and the European Union on the world stage. The possibility of new international players coming to the fore could present opportunities for the Palestinians, although much would on which actors emerge as the ascendant powers.

The on-going shift in regional dynamics is also important. Other refugee issues are becoming increasingly pressing for the countries bordering Syria, especially Jordan, Turkey and Lebanon with refugees from the Syrian conflict, including Palestinians, reaching critical numbers. This emergency will continue to divert attention from the longer-running Palestinian refugee question. The immediate after-effects of the Arab Spring were seen as unlikely to impact on the Palestinian-Israeli issue in the short-term. However, as leaderships change in the countries that have experienced revolution,

attitudes were likely to change. In Egypt, for example, the election of a Muslim Brotherhood president and majority Islamist parliament suggests a move towards a policy that focuses more on the pan-regional context, rather than simply addressing concerns that fall within the country's borders, it was argued. This may affect the country's stance on issues such as the right of return for Palestinian refugees.

Within the broader region, few states appear likely to take the lead on peace talks. Despite taking steps to ease relations with the Palestinian authorities – notably by re-opening the Rafah border crossing – Egypt's President Morsi would be largely preoccupied with developments at home, it was argued. The new president would also be aware that his country remains partly dependent on US funds, money which appears to be tacitly, although not formally, attached to maintaining complementary policies on the Israel-Palestine question. The possibility of an autonomous Palestinian state on its border would also be seen as a security risk, a participant argued. Elsewhere, Saudi, Iranian and Iraqi political elites face increasing challenges in their own domestic arenas, leaving them unlikely to feel able, or willing, to devote sufficient resources to the task. Key refugee host countries such as Syria, Lebanon and Jordan are also dealing with the ongoing fallout from the civil war enveloping Syria.

Bringing the issue back to centre stage

There are a number of outcomes that could bring the conflict back to centre stage. The first would be a definitive sign from the Israelis or the Palestinians that the two-state solution is dead. It was argued that the refugee issue would become increasingly pressing if the game was changing in this way. Conversely, however, it is also possible that a collapsed peace process could have the opposite effect on the refugee question, rendering it just another unsolved component of the broader dispute.

Secondly, it was suggested that if Palestine is able to win upgraded status as a non-member observer state at the UN, then its authorities will lodge new complaints against Israel with the International Criminal Court and the International Court of Justice, with the refugee question being one of many issues that will be raised. However, whilst others agreed that UN membership could indeed prove strategically useful, they warned against escalating the dispute into the criminal courts, warning that this could lead to a 'very ugly fight', that it would take a very long time and that it would be hugely costly. Negotiations, they argued, remained the best option.

Palestinian refugees and host communities

There is a range of divisions within the refugee community. Although this community has a lot in common in terms of their shared historical experience of refugeehood, they have also led very different lives across many different countries. These will be shaped by the political dynamics, financial pressures and attitudes towards them within their host country. Far more detailed research should be conducted into the goals and priorities of different refugee communities, it was argued.

There are two elements to the Palestinian refugee question in each host country. The first is humanitarian, the second political. Whilst these are of course linked, it must be remembered that it is still possible to alleviate the humanitarian situation in the absence of a political solution. However the absence of any prospect for a political solution also makes any new initiatives to improve conditions much more likely to be met with suspicion and more difficult to implement.

Refugees as a stabilising force?

Host countries often depict their Palestinian refugee communities as a destabilising force. However, when allowed to integrate socially and economically, they can in fact be the opposite. A participant argued that there had been an impressive level of co-ordination among Palestinians to prevent their community becoming more of a destabilising factor in Lebanon. In the absence of efforts to normalise the experience of Palestinians living in host communities, however, there remains an increasing chance that the refugee presence will shift towards being a destabilising factor as discontent increases. Host governments should be wary of this, but because they have heard messages that refugees are a 'time bomb' repeated many times over the years, it is no longer a concern they take so seriously.

Lebanon

The extent to which UNRWA makes contact with the Palestinian refugees from Syria entering Lebanon is unclear. Many individuals certainly enter the country without the help of any formal institution. The relationship between refugees and the government remains a key issue. The Lebanese authorities currently operate with a light touch, doing little to help new arrivals but also facilitating matters by allowing the renewal of permits. As a result, many refugee camps, which are already in a very poor state, have had to

accommodate even more refugees coming from Syria, with obvious implications for the day-to-day lives of their inhabitants.

A number of participants emphasised the need for normalisation – without naturalisation – of the lives of those who currently live in Lebanon. If refugees were given the opportunity to live with dignity, rather than in squalid refugee camps, it was argued that the ‘refugee problem’ and the violence that the Lebanese government associates with it could be alleviated. This is still an important short-term policy option, as the refugee question is unlikely to be solved in the near future; three generations had already been living in unacceptable conditions, it was said. There was a false sense that allowing refugees to live normal lives in decent living conditions would somehow undermine their status as refugees.

It was argued there is a disconnect between the human and political cost of having Palestinian refugees within Lebanese borders. As troubles within the Ayn el Helwa and Nahr al-Bared refugee camps have illustrated, the lives of those residing in designated refugee areas grow increasingly desperate. However, their views have little impact on the Lebanese government, producing little incentive to ameliorate the situation. It was suggested that Lebanon’s donors should place greater pressure on the Lebanese authorities to improve quality of life within the camps. Even a sum of US\$10-15m per year would make significant improvements. A participant suggested donors could stipulate that reconstruction projects in Nahr El Bared should hire a proportion of their workforce from within the camp, arguing that funds were being wasted on Lebanese contractors and middlemen. UNWRA had had some success in raising funds from Gulf donors for Gaza, where Saudi Arabia was now donating tens of millions of dollars, and it was argued that the organisation should actively seek more Arab donations for refugee camps in Lebanon.

It was noted that the Lebanese government has now revived the Lebanese Palestinian Dialogue Committee and seems to be more proactive on the Palestinian refugee question. Yet there still seemed to be a perception among Lebanese politicians that making any political concessions to the Palestinian refugees in the country would simply embolden them to ask for more. This way of thinking was evident in the debate about whether to upgrade the official status of the PLO office in Beirut to an embassy, for instance.

Lebanon’s labour laws remain a key problem. Palestinians are still barred from working in professions like medicine, engineering, law, real estate

management, and accountancy. This is a particular issue in refugee camps where medical staff are required. Amending these laws could open one route into addressing the broader issues facing refugees in Lebanon. In addition, greater cooperation between the PLO, UNRWA and the Lebanese government could produce a solution to the staffing shortages in camp facilities.

A participant argued the Palestinian refugees in Lebanon would see little improvement in their rights until there was a more unified Palestinian leadership. However, the refugee leadership in Lebanon was strongly affected by the divisions within the Palestinian leadership in the West Bank and Gaza.

Meanwhile, Lebanon's position as a border state to Syria is presenting fresh problems as large numbers of refugees attempt to enter the country in order to flee the violent conflict, sometimes crowding into already densely packed refugee camps where they stay informally with families. They received little or no international assistance; in theory they fell under UNRWA's auspices, but the budget UNRWA has for Palestinian refugees in Syria is not enough to fund those refugees to be based in Lebanon, a more expensive country. Participants argued in favour of making it easier for Lebanon to liberalise its admission process in this time of crisis. The numbers entering Lebanon are unlikely to make a significant demographic difference.

In relation to the wider Arab-Israeli conflict, it was also suggested that the lack of progress or prospect for progress on the peace process would complicate matters for the Lebanese government, making them more afraid that they would be expected to host refugees permanently, and thus more wary of taking any initiative to improve the situation of the Palestinian refugees.

Jordan

Jordan hosts more than two million registered Palestinian refugees. Generally speaking, Palestinian refugees in Jordan find it easier to integrate socially and economically than in other countries, since they have the right to work and, in most cases, to hold citizenship (although they are still defined as refugees under international law) and a passport. However, the Jordanian authorities remain concerned about the number of refugees within its territory. Concern was also expressed that because Palestinian refugees in Jordan were less badly treated than in some other countries, they would be seen as the lowest priority cases to help. Jordanian stakeholders spoke in favour of finding a

solution that allows refugees to return to a Palestinian territory. It was said that in the event of such a solution, Palestinians in Jordan would be given the choice of either retaining their status as full citizen or taking on Palestinian citizenship. This would ultimately decrease many of the tensions that exist within Jordanian society.

Syria

The condition of Palestinians in Syria was previously perceived to be one of the best in the region. They had virtually full rights except for citizenship; or at least their lack of certain political freedoms and rights were similar to that of Syrian citizens.

There are two key concerns about Palestinians in Syria. One is what will happen to their status in case of the regime falling; in the case of Iraq, Palestinians, who were perceived as having been favoured by the Saddam Hussein regime, suffered after its fall. The other concern is whether the status will remain the same in a new Syria.

Participants suggested that international policymakers should start making representations to the Syrian opposition about the status of Palestinian refugees in Syria. Opposition members have suggested that policy towards Palestinian refugees might not change in the event of Bashar al-Assad's fall from power, although they have also suggested that certain factions within the Palestinian refugee community which are close to the regime may have an equally difficult transition after its fall. However, it is not clear how widely shared such views are across the fragmented Syrian opposition. The severance of links between the Syrian regime and Palestinian factions in Lebanon could be an important change to Syrian politics.

It was said that the growing Syrian refugee crisis might necessitate an international response, and countries looking at this needed to have a sense of the history, politics and particular situation of the Palestinian refugees who had been based in Syria. Concern was expressed that a large influx of Palestinian refugees from Syria into Jordan, where some will have family networks, would be difficult for Jordan to absorb, and could even feed into the narrative among parts of the Likud party in Israel that "Jordan is Palestine". Meanwhile, a participant said there was scope for tension, or even conflict, between Palestinian refugees in Lebanon and Syrian refugees in Lebanon, as the latter be more likely to receive assistance from Gulf countries, being

victims of an emergency and being associated with a newer cause that the Gulf was embracing enthusiastically.

Finally, a participant argued that policymakers had consistently underestimated the strategic importance of the refugee issue. Considering the issue afresh in the light of the Palestinians being displaced from Syria, amid the broader Syrian refugee crisis, might help policymakers to see its strategic importance to the future stability of the region.

CHATHAM HOUSE PALESTINIAN REFUGEES PROJECT (THE MINSTER LOVELL PROCESS)

The Chatham House project on the Palestinian Refugee Issue in the Middle East Peace Process, on-going since 1999, aims at an in-depth examination of the regional, legal and political complexities of the issue. To date, 32 gatherings had been held, mostly in the Oxfordshire village of Minster Lovell, and also in Europe and the Middle East. The activities over that period have been funded by the European Union, the International Development Research Centre (Canada), the Swiss Agency for Development and Cooperation and the UK Foreign and Commonwealth Office.

The Minster Lovell Process provides an informal mechanism to bridge some of the communications gaps that exist between parties directly concerned with the Palestinian refugee issue. It seeks to raise awareness of the issue and to highlight the importance of its regional dimension through continuous dialogue in the absence of, and in preparation for, formal negotiations.

www.chathamhouse.org/research/middle-east/current-projects/israelpalestine

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