

Chatham House, 10 St James's Square, London SW1Y 4LE T: +44 (0)20 7957 5700 E: contact@chathamhouse.org F: +44 (0)20 7957 5710 www.chathamhouse.org Charity Registration Number: 208223

Transcript

The Middle East in the 21st Century: A Conversation with David Miliband and George Mitchell

Rt Hon David Miliband MP

UK Foreign Secretary 2007-10

Senator George Mitchell

US Special Envoy for Middle East Peace, 2009-May 2011

Chair: Dr Robin Niblett

Director, Chatham House

17 October 2011

The views expressed in this document are the sole responsibility of the author(s) and do not necessarily reflect the view of Chatham House, its staff, associates or Council. Chatham House is independent and owes no allegiance to any government or to any political body. It does not take institutional positions on policy issues. This document is issued on the understanding that if any extract is used, the author(s)/speaker(s) and Chatham House should be credited, preferably with the date of the publication or details of the event. Where this document refers to or reports statements made by speakers at an event every effort has been made to provide a fair representation of their views and opinions, but the ultimate responsibility for accuracy lies with this document's author(s). The published text of speeches and presentations may differ from delivery.

Robin Niblett:

Ladies and gentlemen, welcome to Chatham House. I'm Robin Niblett, director of the Institute. Delighted to see such a great turnout for this conversation that we're going to have on the Middle East in the 21st century. It's a conversation rather than a presentation. And it wouldn't have been possible without the partnership of OneVoice and OneVoice Europe, John Lyndon and his team. I want to say a word of thanks to them for helping pull this meeting together. I know the Centre works very closely with them.

OneVoice, as I think you all know here, is a group that's looking to try to amplify mainstream voices from both Israel and Palestine on trying to find a two-state solution to the current crisis. And in addition to training students from both sides of the divide, they're also involved in trying to link conversations together between political leaders in these groups.

So it's great to be partnering with them, and especially pleasing and an honour in fact to have both Senator Mitchell and David Miliband with us. I think they're both well-known to you. Obviously David Miliband is particularly well-known here in the UK, so I will save the introductions, but former foreign secretary and somebody who has also held a number of positions, including in our world, in the think tank world, both at IPPR and helping found the Centre of European Reform before heading up the prime minister's policy unit, serving as Secretary of State for Environment and obviously as Foreign Secretary.

Senator Mitchell, who we had the pleasure of joining us for one of our Chatham House prizes a few years ago and spoke here at the Institute as well, has been the Special Envoy to the Middle East for the Middle East peace process for President Obama, a position which he held until earlier this year, starting in 2009. But somebody who had been intimately involved in conflict resolution for many years, contributing after being leader of the Senate on behalf of the Democratic Party. But as leader of the Senate through to 1995.

He then took up the position as Special Envoy for the President, President Clinton, to Northern Ireland. And helped chair the process all the way through to the Good Friday Agreements. And also wrote the Mitchell Report in 2001 which I think provided a lot of the context for his later work on the Arab-Israeli conflict.

So we've got two people here who could not be better placed to be able to discuss this issue of the Middle East in the 21st century, which I think is a rather large envelope under which to tackle some very specific issues. And Senator, if I could start with you right at the beginning. And I think speaking in London and thinking of London as a European capital as well, the level of kind of optimism and hope that was felt here in this capital, in the UK as a whole and around Europe in particular, with the beginning of the Obama Administration. With this commitment early in an administration, when everyone has said, 'Can you get a commitment early to work on the Arab-Israeli conflict?' and great effort having been put in by you and by others in those early months and years of this administration... it hasn't resulted in things.

What would you put down as the kind of key issues in your opinion as to why we are where we are? And maybe you might say where we are actually is not bad. We're still moving forward. But if you could just give us a sense of why you think things did not work out as I think the President probably had hoped.

George Mitchell:

Well there have been ten presidents, 19 secretaries of state. I don't know the number of British prime ministers or Israeli prime ministers, but a lot of them in the past six decades. And all have made the same effort. Some starting later in their terms than President Obama did. And they all encountered the problem, which is that while the outlines of how to create a two-state solution are out there and rather clear and have been for more than a decade, the two sides have not been able to reach agreement on how best to get there.

I believe that they will. I'm an optimist by nature and I think that ultimately individual human beings and societies act out of self-interest. And while it clearly will be politically painful for both sides in their internal politics to take the steps necessary to get to an agreed two-state solution, I think what will ultimately be persuasive is that the pain of not doing so will be much greater.

I think both Israel and the Palestinian Authority face very serious challenges that will grow and be exacerbated over time and that the best way to deal with them, at least those related to this specific issue, will be to negotiate an agreement.

Now, it's clear – both sides have said publicly, including President Abbas and Prime Minister Netanyahu in recent weeks – very specifically that they recognise it can't be done other than through direct negotiation between the parties, with the help and assistance of the United States, and other friendly and supportive governments and institutions. And so the sooner they get into

negotiations, the sooner they begin to exchange serious views on the very difficult issues that they face, I think the better off all will be.

It's difficult to be optimistic in the immediate term. There is of course pending in the United Nations the Palestinian resolution that will be controversial. There will obviously be a lot of difficulty about it and whatever happens, there will be a fall-out from it. But I think once beyond that, I hope that they'll come to recognise what I've just said. It will be more painful not to do it than it will be to do it.

I personally am disappointed, as I think all who participated in the process are, not just on the US side, but Israelis, Palestinians, Europeans and others, that we were not able to make more progress than we did. We were able to get them into negotiations, but for only the very briefest of times. They were not of sufficient length and intensity to be in any way meaningful and productive, but we hope they'll get into that in the near future.

Robin Niblett:

And just quickly, do you think, when you're talking about negotiations, that they need to be comprehensive from the outset? In other words, the tradeoffs and balances between each side require a comprehensive approach to negotiations from the beginning? Or is it possible to pull out certain elements, to try and build up the confidence? Which appeared to be the approach of the Obama Administration at the beginning.

George Mitchell:

Well, our approach was that all issues were on the table. But when you speak you have to begin somewhere. And that the best way to begin was to deal with the issue of territory and borders. But without excluding discussion of other issues. I made it very clear to both Prime Minister Netanyahu and President Abbas in the few meetings that we did have that anybody could say anything that they want, not that a prime minister and a president need me to tell them that: They can say anything they want at any time anyway.

But I wanted it to be emphasised that we were not trying to impose any restriction or limitation on what anyone might say. But we wanted to create a structure within which negotiations could be focussed and productive.

Robin Niblett:

David, you had a chance to see this process both from the inside in government and also to be watching it now from the outside. What do you think about the approach that was taken? If you go back to this as a starting point, is there an optimal approach to trying to break down this particular problem?

David Miliband:

Well, I think the first thing that's important to say is that Senator Mitchell has been an extraordinary global public servant in his career after leaving the Senate. I mean, he's got honorary degrees. He's got the plaudits of people around the world. And it was an honour to work with him and his efforts were always driven by a real passion for the people of the Middle East, and especially the people of Israel and Palestine who he saw suffering from this deeply sub-optimal relationship.

And I think one important thing to say is he always understood that the different positions weren't about being pro-Israeli or pro-Palestinian, because actually a leap forward was in both sides' interests.

But let me pick up a phrase that he used, because I think it goes to the heart of the problem here. George rightly said, 'with the assistance of the United States and others'. And I think buried in that phrase, negotiations with the assistance of the United States and others is a really fundamental issue. Because James Baker famously said in 1991, 'Here's my telephone number. Call me when you're ready.' But he also said, 'You can't want a solution more than the parties themselves.'

Now I think that in that notion is permission for both parties to behave in ways at different times that are deeply damaging for the effort to get a negotiated solution. And I've come to the conclusion that the international community – we can go into what that means – is going to have to be far more proactive in more than prodding, in pushing and demanding of both sides more if we're to get a solution.

Because remember, despite the extraordinary efforts of Senator Mitchell, the fact that the President did put this on the agenda on day one. He rallied Europeans, Arabs, Israelis to his cause. We can come to talk some more about how he handled the politics within Israel because I think there are some quite important issues there.

But the truth is, this is the greatest diplomatic failure in 40, if not 60 years, because there has been an enormous amount of consensus about what we all think is in the interests of both the peoples, but we seem to be further and further away from the comprehensive agreement.

And so I think that in that context, we're going to have to look for different ways to force the pace on this, because although I'm an optimist by nature as well, I'm not an optimist about where this is going.

Robin Niblett:

Being proactive requires leverage, I think. In other words, if you want to do something at a particular moment when you may want it more than the parties themselves, if one is going to kind of throw the James Baker thing back at him, then where is the leverage? I know in Europe we talk about, of course the US could be doing this, the US could be doing that. There is certainly leverage the EU has on the economic front. But David, just staying with you for a second...

David Miliband:

I can give you a good example. What's interesting is both sides say, 'We're going to do what's in our own interests and frankly the outside world is more of a problem than a help.' However, this UN debate that's been happening over the last six months really shows that both sides care a lot about what the rest of the world thinks.

And so I think we've got to be careful not to underestimate our leverage. One really big issue – I don't know if George will want to talk about this or not – is whether or not an American president or, I think I would subscribe to a rather wider coalition, should set down, if you like, Obama parameters. We had the Clinton parameters Camp David in 2000, 2001.

But the danger of not having Obama parameters or international community parameters, is that the negotiations always go back to square one. You see, I have a real... so there's a strategic issue. But let me put on the table a tactical problem. I kick myself – not that I overestimate how much difference I could have made – but in the period before President Obama came to office, there were very serious discussions going on between Prime Minister Olmert and President Abbas.

We didn't do enough, I don't think, before January 20, 2009, to consolidate, publish, institutionalise those discussions. And what happened was that the parties, if you like, they'd certainly got to second base, in American parlance, and they'd almost got to third base. By the time George Mitchell started on January 20, we were back to home plate, if you like, we were starting again. Maybe my baseball isn't as good as it should be, but you get the... Or maybe we're in the batting circle.

I think that that was a real... and why did we do that? I was asked this in Israel last week or the week before, 'Why didn't you make more effort to consolidate that agreement?' And I think partly we were waiting for Obama. Partly there was a real substantive issue about E1, which was anathema to the Palestinians. And thirdly, there was the issue of what good would it be because Prime Minister Olmert was on his way out

Actually, the history shows that getting stuff that's agreed out there is incredibly important. And I think we could have done more on that.

Robin Niblett:

What do you think on this last point in particular? Having that comprehensive plan laid out. Obama plan, call it what you want, Quartet plan. Something I know people in Washington have been arguing for some time.

George Mitchell:

First, let me reciprocate David's kind words. One of the things I tried to do when I served as US Envoy was to maintain close consultation with all of our allies, particularly here in Europe. And I spent a great deal of time with David, the other European foreign ministers, and we always had excellent consultation, co-ordination. Didn't always agree on every issue or word, but it was in the fullest sense a meaningful consultation among good friends and allies.

Let me go back and put this in some context. When President Obama took office on January 20, 2009, the Gaza conflict had ended less than a week earlier. When I made my first trip there, emotions were extremely high. Mistrust, almost total hostility, on both sides.

Israel was going through an election. The current government was not chosen until about a month after Obama took office, and because of their problems of forming a coalition, which I understand occur even here, they really didn't take office until the first of April. The Prime Minister said, and rightly so, 'I need a period of time to have a strategic review.' So we didn't really engage with the Israelis until almost June. It was in late May when we had our first engagement with them. And getting either side to think about getting into negotiations was extremely difficult, because of the very high level of hostility that existed.

The President's objective was to try to create an atmosphere that would be conducive not just to negotiation, but to meaningful negotiation. And we embarked on a process to achieve that result.

It included seeking from the Israelis a halt to settlement construction activity, because it is of critical importance to the Palestinians. Seeking from the Palestinians a continuation, indeed an intensification of their activities with respect to halting actions against Israel or Israeli citizens. And also seeking a commitment to get into talks and stay in talks. Not to come in and say, 'Well, if you say X I'm going to leave. If you do Y I'm going to leave.' To get in and stay in once they were there.

And thirdly, to help create that atmosphere, to ask the surrounding Arab nations to engage in positive steps, moving toward normalisation of relationships with Israel. Not to normalise relations, but to take small, significant steps. Reopening trade offices, engaging in exchanges, things of that type.

The fact is, we weren't able to get any of them to do any of that, with the exception that the government of Israel did agree to a ten month moratorium on any new housing construction starts. So from the beginning, we tried to create an atmosphere that was conducive to meaningful negotiation, but we couldn't persuade the parties to do it in any meaningful sense

Robin Niblett:

On the Palestinian side, if I could just focus on that first, did you... the violence has certainly declined in recent years. You could say one of the successes of Mahmoud Abbas has been to kind of build up those trappings of a state and so on. Was that then not the problem, and the problem more was how they approached the negotiations? Where do you think the problem lay on that side, on the Palestinian side?

George Mitchell:

Well, it was in all of the above. I'm well aware of the efforts that they made. The United States organised and financed the training of what are now nearly 5,000 Palestinian security force members. Order and personal security have been established in a way that never was previously. And I have to say that the leadership of Prime Minister Fayyad has been truly outstanding. He's a very impressive man. He may well have spoken here before, and if he did you all would have been impressed, as we were.

They've done a really good job at laying the foundation for institutions needed for a successful state once created. The problem is that that effort cannot be sustained in the absence of progress, or at least the hope of progress on the political front. It will break down internally on the Palestinian side, and it will break down in relations with the Israelis.

And it is to President Abbas' credit that, notwithstanding the fact that we haven't been able to get into meaningful negotiations, he has maintained coordination and co-operation on the security front and it continues. But even he will tell you that that cannot go on indefinitely. There has to be a political horizon.

So we weren't able to get the parties to do the things needed, I think... I'm speaking personally now, to get into a meaningful negotiation, for the reasons I've just described.

Robin Niblett:

I want to open up in a minute to the audience and get some questions and so on. And they may want to go into some of these specific issues of how the negotiations played out.

David, let me just turn to you, contextually. Arab uprisings, Arab spring, however you want to define it, changed pressures therefore both on the Palestinian leadership. Changed pressures in terms of Israel's perception of its strategic position, having lost Egypt perhaps as a kind of status quo power, a Syria that's far more unpredictable now with all of the violence taking place in that country.

How do you see it? Let's put it this way. You're not in government. If you were in government, would you be trying to take advantage of this moment? Are there ways that you could? Has it changed the context fundamentally or not?

David Miliband:

It certainly has and I'll come to that in a minute. Let me just provide one bit of commentary on something that George has said, because I think it's important. This gap between January 20 and the end of May, I think the Israeli action was on March 10, if memory serves me rightly, and the government was formed three weeks later, and then Prime Minister Netanyahu set up a review. And then the review was extended.

I think that the balance of power was even affected in those early skirmishes. I mean, the decision... every country has a government, even when it's got an election going on. And so there was a government in Israel after January 20. And I think that the delay between January 20 and end of May, I think George said was his first meeting, was... I think that slowed things right down. And I think that that, in retrospect, it wasn't helpful.

I think the President's Cairo speech was in June, if I'm right. My reflection on that is actually the speech should have been in Tel Aviv. I said something about how the President had played Israeli politics. I think that, in a way, the message about a two-state solution needed to be – and a re-engagement with the Muslim world – needed to be heard in Tel Aviv. I think that relates to your question, really.

Obviously the Arab spring changes everything in many ways. It creates enormous uncertainty. But I've always felt it was deeply damaging for Israel to feel itself to be the only democracy in the Middle East. You can argue about Lebanon, and that's why I say to see itself, but certainly for Israel to feel isolated in its democratic nature.

And I think that for the sake of argument, a more or less democratic Egyptian government, if it emerges in the next year, will be a much less comfortable partner for the west, but will actually be better for the goals that we have. Because I think the truth is that President Mubarak's lack of domestic credibility in his own country and our alliance with him sapped our authority when it came to the peace process issues. I think it was really unfortunate.

Now, how does the Arab spring change things? One, it creates the prospect that we'll have new governments with democratic mandate, which I think is important. Secondly, it's obviously caused an awful lot of concern within the Israeli political system and within the Israeli government. And you don't want to be in a situation of being President Mubarak's last defender. That's not a good position for anyone to find themselves in. And I think that the collapse of some of the regimes has caused, especially in Egypt, has caused a lot of uncertainty.

Thirdly though, I think that it points to a really fundamental issue. The only people in the end who can give security to the Israelis is the rest of the Arab world. That's why George listed three things he was demanding, and the third of which gets very little coverage. Which is the so-called 'deposits' that George was asking for from the Arab world in line with the Arab Peace Initiative of 2002. And that is absolutely fundamental to Israel's security.

Now, the trouble is, given the uncertainty, it's a very difficult time to push the regionalisation of this agenda, but I think it's incredibly important. And if you think about the strains and stresses that are going on, I mean obviously in Syria but even in Lebanon and elsewhere, they're all part of this regional equation. And so I think there's a short-term hiatus, but in the medium term I think it's potentially, it drives us towards the kind of regional solution that I think is essential.

George Mitchell:

Let me just make comments on both aspects. First, on that early period, I share David's view that it's unfortunate. But what happened was that while the Annapolis talks had gone on for some period of time longer than a year, Prime Minister Olmert made his offer to President Abbas after the Prime Minister had announced that he was going to leave office.

Secondly, I talked at great length with both Olmert and Abbas, and their versions of what was said differ. It wasn't a written text on which historically we could all review, it was an oral discussion and their understandings are quite sharply different.

Third, when Olmert made public his proposals prior to the election, the three principal candidates – Netanyahu, Barak and Livni – all repudiated them, said they didn't agree with what he had proposed. So there was a kind of setback and it's not surprising in an election, a few weeks before an election, people don't always say what you expect them to say. Or maybe they say what you do expect them to say, but what you hope they don't say.

Now with respect to the Arab spring. It has created great anxiety on both sides. Although they differ in many respects, the Palestinian Authority and the government of Israel both had as a pillar of their policy in the region their relationship with the government of Egypt and specifically with the person of Mubarak. So both were very disappointed, angry, when Mubarak left office. Felt that we should have done more.

For the Palestinians, it was a double jolt, because you will recall when Arafat was driven out of the region, he and his aides found a home in Tunis. And they were very close to and grateful to the Tunisian president. And were very disappointed when he left office. And sometimes people get a rather fantastic view of American power, and they felt that if we really had wanted to, we should have been able to keep Ben Ali in office and keep Mubarak in office and leave things the way they are.

So the natural human reaction in a time of turbulence is to hunker down. To wait and see what happens, see how this settles before they make what they regard as existential decisions. And that's what has occurred.

And one of the concerns I have is that most revolutions don't resolve themselves completely in a couple of weeks or a couple of months. There may be some Americans here who will recall that between the time of the victory at Yorktown and the establishment of government, seven years elapsed, in which we operated under Articles of Confederation and so forth that just didn't work. I hate to bring up unpleasant events in your history here, but I'm just trying to make a point.

So I think it's going to be quite a while before the revolutions, counterrevolutions, re-revolutions settle down. I think the results are going to be uneven. They're not going to be identical. We in the west, I'll say we in the United States, tend to think of, they're all Arabs, they're all Muslims, they're all the same. They are very different countries.

They have some things in common, but their governing histories, their systems, their cultures are different. It's not going to be a uniform result and there's no person alive today who can predict with absolute certainty how it's going to turn out. So I think there will be some additional period of uncertainty. Not just Egypt now, but Syria as well.

Robin Niblett:

Just very quickly on this point. This prisoner swap deal that's been now arranged between Hamas and the Israeli government. Does that have the feel to you of an echo, of people trying to readjust their positions? In other words maybe... you said everyone's going to hunker down and not commit. And yet we're seeing a type of a commitment or a kind of move taking place right now, are we not? Do you think, on both sides? It's really minimal in a way, it just kind of keeps things calm.

George Mitchell:

Yeah, it's significant... but remember it's been going on for five years. And the final agreement was possible because Hamas shifted somewhat on some of their demands.

Robin Niblett:

As a result, perhaps, of them reassessing their position? I know Iran's... no? That's reading too much into it?

George Mitchell:

Well, it's hard for me to know what's in anybody's mind but I didn't deal with Hamas, so I really don't know what's in their mind. I will say, though, that it's a good thing in the sense that Shalit should never have been taken, and he was treated very poorly. And his release is a very good thing. It's very emotional for the Israelis.

Equally emotional for the Palestinians are their sons and husbands coming back home. So there will be a positive result. The negative result is that of course it gives a boost to Hamas, vis-a-vis the Palestinian Authority.

David Miliband:

It's very hard to put ourselves in the mind of Hamas, but they've undoubtedly got a boost out of this. Why were they willing to move their positions? I think that they were thrown onto the back foot by the Palestinian tactic of going to the UN. And I think that there's no question that President Abbas' standing as a real leader of his people has been significantly increased by the theatre around the UN decision.

Obviously it's an enormous day of liberation for Gilad Shalit and his family. But we had a very strong position in government: you never make substantive concessions to hostage takers. Very, very hard line. It's a hard line, and it's a hard line to maintain. But I'm sure George would agree, the dynamics of this play out far beyond the human story.

And I think that whatever you think of the thousand people who are going to be led out and what they might get up to in the future, one of the great issues for those of us who want to see a negotiated settlement is how do the Palestinians who are pursuing a political track get rewarded for their pursuit of the political track? I've heard a lot of people say, both in the west and in Israel, President Abbas and Prime Minister Fayyad are the best people we could ever have on the Palestinian side. Obviously this prisoner release doesn't speak to their power, it speaks to Hamas' power.

And so I think that there's some quite difficult... I was actually in Gaza the week before last, looking at charitable efforts of the people on the ground. Not really talking to any of the politicians. But the double tragedy of the Gaza situation is one, it's completely dropped off the political agenda. Unless there's violence there, no one ever talks about it. And secondly, Hamas actually aren't under pressure as a result of the blockade. And that's the real problem.

George Mitchell:

I just want to say that I agree that governments have a policy of not negotiating with hostage takers. There's the policy that's honoured in the breech. We learned in the Iran-Contra affair in the United States that while President Reagan was saying, 'We'll never negotiate with terrorists,' we were not only negotiating with them, we were making deals with them.

And then when I got to Northern Ireland, I was told, 'Well the British government has an absolute policy. We don't talk to terrorists.' Well then I found out, not only were they talking to them, the British government chartered the plane to bring them here to make it more convenient for them!

David Miliband:

Just to make a pedantic point – there's a massive difference between talking to terrorists and talking to hostage takers. Because none of these conflicts are ever brought to an end unless you talk to terrorists. It's a separate issue whether you reward hostage taking, to get someone back. And that's the... Israel puts enormous and rather impressive standing on the life of one of its soldiers. I mean, it's a deeply impressive commitment that they make to members of their own armed forces. That as long as you're alive, we're going to get you back.

George Mitchell:

Yeah, but let's be clear though, David. Being a hostage taker and being a terrorist is not mutually exclusive.

Robin Niblett:

Well I think for the purposes of this conversation it has to be.

Question 1:

Passing mention was given to settlement, but surely this is the big issue. So long as Israel continues building settlements not only in the West Bank, but particularly in East Jerusalem, there will be no peace process worth talking about. There will be no two state solution. And I'm afraid America's reputation, because it's failed to stop Israeli settlements, is going down the plug hole.

Question 2:

My question is for Senator Mitchell. Do you think the Obama Administration lost a golden opportunity by not backing the Palestinian application at the UN? It had an opportunity to establish its credibility for generations to come.

Question 3:

There are a lot of similarities, it seems to me, between the Israeli-Palestinian conflict and the old South Africa. And the old South Africa came to an end because there were two outstanding leaders on each side, but also because the old South Africa realised that it had no future. In other words, the pain of going on was far greater than it could stand. Neither of these seems to be the situation with Israel and Palestine at the present time.

Robin Niblett:

Those are three big, very different questions. Senator Mitchell, I think you've spoken in the past about some of the structural issues. Although it may appear that neither side needs to act, I think you've talked in the past about some of the demographic and other pressures that may force them to act. But taking either, one, two or three of those points. In particular I think for you the US not baking the UN resolution, South Africa parallel, settlements?

George Mitchell:

Well I won't comment much on the South Africa parallel, because I did not have direct experience there. I was the Senate majority leader at the time that the United States enacted the sanctions on South Africa. President Reagan vetoed it on the credible ground that it would hurt ordinary citizens more than the government. The Senate in which I then sat overrode the veto and the sanctions took effect. And both Mandela and de Klerk later told me in the Senate that it was a very significant action with respect to them.

That's not to say that sanctions work all the time, because they really don't. In fact, most of the time they don't work. But in that case they did. I won't go beyond that there.

With respect to the two questions raised, my answer to the second gentleman is no, I don't agree. But I respect your point of view. Both President Abbas and Prime Minister Netanyahu have said direct negotiations are required. The action at the United Nations will not bring them closer to negotiations. It will in fact almost certainly drive them further apart.

There is no question about the objective. The United States strongly favours the creation of an independent Palestinian state. The question is of how best to achieve it. So I think it's an honest difference among friends about whether it actually advances or moves you away from the objective that we all seek.

With respect to the issue of settlements, the fact is of course that American policy, in the 43 years since settlements began has been of opposition to the policy and the actions of the government of Israel in its settlement construction activities. Every president has expressed that, Democrat and Republican, in varying terms. President Obama expressed it in his terms many times publicly, including in a statement to the United Nations.

The government of Israel doesn't agree. We are friends and allies. We disagree. The United States and the UK are friends and allies. We disagree on some things. So it's understandable. The President urged that there be a complete halt. I personally negotiated with the Israeli leaders to bring about a ten month halt in new housing construction activity.

The Palestinians opposed it on the grounds, in their words, that it was worse than useless. So they refused to enter into the negotiations until nine months of the ten had elapsed. Once they entered, they then said it was indispensable. What had been worse than useless a few months before then became indispensable and they said they would not remain in the talks unless that indispensable element were extended.

We were unable to persuade the Israelis to extend it, and so the negotiations ended. Just as we were unable to persuade the Palestinians to enter into the talks and to stay in the talks. Now, a lot of people have a lot of advice on what we ought to do to force them to do it. Not surprisingly, what force should be applied and against whom depends on your position on the issues. Thus, the Palestinians and Arabs want us to sever our relations with Israel, cut off funding, do this, do that to them. While the Israelis feel we should do precisely the same to the Palestinians. It's not commonly known, but we provide very large sums to the Palestinians, on a per capita basis right now larger than the amounts we provide to the Israelis.

Our position has been that the best way to persuade some, particularly friends and allies, which we regard both as friends, and we share their objectives, is to seek to persuade them to do so. That forceable action, particularly the severing of all funding and relationships, will in fact be counter-productive.

You are free to have a different opinion and I'm sure many of you do. But in my judgement, were we to take the actions recommended, they would produce a reaction the opposite of that which we intend. That's a judgement that everybody must make for their own, and I respect the fact that many disagree with the American judgement on that, but that's our view.

David Miliband:

I won't detain us for long so we can get some more questions. But I certainly would agree with George that cutting off relations with either side would be silly. Let me just pick up this point about the UN process. Because I think for the first time in a long time, the Palestinians have got some good tactics. But the tactics are not the same as a good strategy. Now let me explain why.

I think it's a plausible case that if the Palestinians hadn't pursued their UN process, we wouldn't even be talking about two state solution here. We've got our hands full with the Arab spring, economic meltdown around the world. And I think the Palestinian judgement in the first quarter of this year was, we're going to get left out of this global conversation completely.

In September 2010, President Obama said, 'Look forward in a year's time to having a Palestinian state' at the UN. And they looked at this and thought, we're just not even going to be part of the conversation. And so I think it's been a smart tactic to go to the UN, to mobilise opinion, to raise their concerns.

But they've been wrong-footed by the allegation that going to the UN is somehow an alternative to a negotiating track. Of course they conceived it as a trigger for a negotiating, not as the alternative to a negotiating track. And so in the PR battle, they've been put on the back foot as somehow going to a multilateral organisation as, first of all, a unilateral act. And secondly an antinegotiations act.

But I think that the tactic of trying to use international political fora is actually a good one. What you've got to keep in mind, though, is that the goal is to provide a trigger for a negotiation. If in the end it goes to the General Assembly, I think I can see a way that it might do that.

George Mitchell:

Let me just emphasise a point I made. In 1948, the United Nations proposed the partition, which would have created two states and an international city of Jerusalem. The Israelis accepted. The Arabs rejected it. The next day, six Arab nations invaded Israel. The first of many wars, which an increasingly strong Israel has won.

Almost every Arab leader I know now would gladly accept the partition plan that was rejected in 1948. Because the reality is that the offers made since then are fewer and less attractive. And I said to President Abbas, and I said to Chairman Arafat many times, there is not a single shred of evidence that you can cite to me to suggest that the longer you wait, the offers are going to get better. They're not.

The 1948 partition plan is not now on the table and never again will be. So in my judgement, what they've got to do is to sit down and negotiate and get a deal that creates a state and builds on it. And that will resolve the settlements issue. Then they'll know what's Israel and what's Palestine and anybody can build what they want in their own country.

But the longer this goes on, the less optimistic one must be because the opportunities for both are going to decline. Israel faces very, very serious challenges. There is a sense of calm and security now, but if history is any guide, it will not last.

Demography. Right, there are 5.75 million Jews in the area between the Jordan River and the Mediterranean. There are 5.25 million Arabs, including Israeli Arabs, West Bank and Gaza. But the birth rates are such that the demographers are unanimous in saying that the lines are going to cross very soon – not decades, but years. And that Israel, if the two state solution is lost, will have to choose between a Jewish state and a democratic state. And that's a choice they should not have to make.

Secondly, they built a large wall to keep out suicide bombers. I lived in Berlin as a young man, in Northern Ireland for five years. Walls do provide a temporary respite. They do not solve the underlying problem. And the problem Israel faces now to its existence is not suicide bombers, its rockets. Hamas has several thousand, Hezbollah has 30,000. Now Iran has rockets that can reach Israel. That's the existential threat and the first step to dealing with it is to make a deal with the Palestinians.

And the third issue is isolation and delegitimisation. We all know the votes at the UN. We've described them. The United States vetoed the settlement resolution in February; 135 countries were for it. Only Israel and the United States against it. The vote on this resolution won't be that lopsided. But it will still be decisive.

And Israel's relations with Turkey, with Egypt, major countries are in the process of deterioration. Very significant actions, and that's a huge threat. And the Palestinians face the indefinite continuation of an occupation under which they have suffered for more than 60 years. So for both sides, the answer is get in the room, sit down, and negotiate an agreement that will be less than 100 percent of what each wants, but much better than the alternative for both.

Question 4:

I just wondered if Senator Mitchell could respond to what David Miliband was saying just before we went to questions, which strikes me as crucial, to do with dealing with Hamas in the wake of the Gilad Shalit affair. Isn't the lesson of Northern Ireland, as you sort of indicated, you do have to deal with these people. We dealt with the IRA before they recognised Britain as it were, and that surely, therefore we have to deal with Hamas. Given really that only America can persuade Israel that it's in Israel's interest to seek a settlement, shouldn't President Obama be dealing with Hamas?

Question 5:

Do you think, Senator, that after years of going around in vicious circles and we haven't achieved anything, and the Palestinians are losing and losing every day, it's about time that we find a new tack, a new road to follow? Every time we go to speak to the Israelis, we lose more. And you talk about the Arabs, and then you say 'the Palestinians'. What you mean is the PA.

I'm a Palestinian. I'm for two states, but a viable state. Not any state. We talk about 22 percent and Obama says 'with swaps'. What kind of swaps are we talking about?

Question 6:

My question is very simple. Are we deceiving ourselves in imagining that we are going to have a Palestinian state in our lifetime, given the facts on the ground? And under Shalit issue, don't you think that despite the uncertainty and the tension between Egypt and Israel, still Egypt could manage to fix this negotiation and come to a mediation which was successful? That it means that both sides need each other, and that at the end of the day, there has got to be a negotiated settlement, as you said. Thank you.

Robin Niblett:

Can I just say, we've got many members, probably more than this room, checking in watching this online. We've had a series of questions here. One of them actually is about the viability of the Palestinian state and the comment about Gaza and non-contiguity. I think that ties in with two of the questions we heard here. Are we deceiving ourselves that a Palestinian state can be constructed? How viable would it be? Could you have Gaza contiguous?

And two other points I want to make sure we get in, because one I think is a question targeted to each of you. How committed can a US administration be to support this process? Given the economic challenges facing the President right now, the changing political profile to a certain extent in the United States. Maybe it's not changing, but there was a question about that.

And the other question I've got down here, David, is about the EU and whether we should be playing a more forceful role, including sanctions, using this trade leverage vis-à-vis Israel. Specific questions that came from there.

So I've got a note of those questions, if I could hand them in any order over to you, Senator Mitchell.

George Mitchell:

Well, I don't think we're deluding ourselves. History will judge. I do think there should be a Palestinian state, and I think there will be. Secondly, I agree that a very hopeful sign was the impressive role played by Egypt in the latter stages of the negotiations over Shalit. As you well know, they started as an

Egyptian enterprise, then the German media was involved and then no one and then the Egyptians stepped in. So I think that's a positive sign.

With respect to the question about what kind of swaps are we talking about, those were described in detail in the talks between Olmert and Abbas. There was a map; they discussed percentage terms. They discussed specific areas. The problem was that the map wasn't exchanged, there wasn't the kind of substantive documented exchange that you need to bring it to a conclusion, but there have been reams of studies and analyses. I have in my home a pile this high of maps which show what various formulations there are. So that's been very, very much discussed.

A few of the major population centres of Israelis would become part of Israel, and compensatory land would be provided to the Palestinians. That's the discussion there.

David Miliband:

Let me just talk about internationalisation, because one thing that I've always banged on about is the regional dimension to it. The second is the international dimension. I think the truth is that given where American politics is and how competitive it is, we're expecting a huge amount, if America is going to bear the whole burden of driving these two parties to a solution.

And my feeling is that it's worth remembering that Madrid was an international conference. That the first Bush Administration did mobilise wider international engagement on the process. And given the overwhelming international consensus, it is striking how little that has brought to bear on feelings of the two parties.

And so I would be very supportive of trying to think hard about, how do you internationalise the effort, as well as regionalise the solution? And I don't think that's an anti-American thing to say. I think it's a recognition of the reality of America's role in the world and the other pressures on it.

Now that's especially the case, given that history isn't going to stop for the next 14 months while America decides who its next president is going to be. Obviously from my side of the political spectrum, I hope it's a re-elected president who comes to office with similar commitments that he had last time. But history isn't going to stop. All sorts of stuff is going to happen. And I think that if we are moving to a situation where suddenly the first two years of a presidential first term are... the Middle East is in play, but the second two years are not because of a coming election. It's going to be very dangerous.

Now the Quartet is one nod towards internationalisation, but of course it doesn't have an Arab partner of a serious kind. There's now a quartet which meets on an ad hoc basis. I think we should be thinking about a more systematic and structured international engagement with this issues, otherwise we're just going to drift on.

Robin Niblett:

By structured, you mean one that has Arab governments involved, formally, somehow with the Quartet process?

David Miliband:

Well, either interlocking with it, and there are meetings of the Quartet with the Arab Quartet, and that could happen on a more structured basis. But given that part of this process is going to require more responsibility from Arab states and thinking about how they'll live up to the Arab Peace Initiative, I think they need to be part of a more structured dialogue.

Also, if it's too difficult to have Obama parameters, then we need some international parameters that need to come out in a more... out of some kind of international process. And I think it's in that way... I don't think the EU launching its own parallel track would be sensible at all. But I think that if you're saying should there be a forceful EU role with Americans and the UN and others, then yes.

George Mitchell:

If I could just add. Every dominant power in human history has encountered many of the feelings that are commonly expressed and have been expressed here today. There is an expectation of action and an implication of omniscient power that I find travelling around the world. People think we are really smart when we adopt policies that happen to coincide with their interests and that we are really dumb when we adopt policies that don't happen to coincide with theirs. There's nothing new about that.

But I share David's view that one of the things that President Obama has tried very hard to do, and I personally try very hard to do, was to get the maximum degree of international co-ordination input and support, because notwithstanding the United States' status in the world, we still need friends, allies and those who share our objectives and hopefully our values to join with us in dealing with these problems. So I'm in complete accord with that.

But I'm also under no illusion that what people ultimately judge our policies based on is how it coincides with their preconceived view and their preconceived policies.

Robin Niblett:

Neither of you touched the issue of Hamas. There was a specific question about whether. You'll touch it?

George Mitchell:

You raised about the IRA. The fact of the matter is that I chaired those negotiations and Sinn Fein did not enter the talks for the first 16 months, until they complied publicly with what became known as the Mitchell Principles which I personally wrote out in my long hand, which included the renunciation of violence and a willingness to accept the results of the negotiation. And if they wanted to change them, to do so only through peaceful and non-violent means.

There was never any direct discussion with the IRA. It was with their political link and it was under those circumstances. And 16 months later, Gerry Adams came and stood before me and committed to those principles, and then walked out and said the same thing in a public press conference.

We welcome Hamas' participation. We think every Palestinian and every Palestinian organisation should be involved in the process. To do so, they should comply with generally universally accepted democratic principles. And that's our policy. Indeed, it's the Quartet's policy. It's the EU's policy, Russia's policy, and the United Nations' policy that they so far have refused to comply with.

But in my judgement, they will ultimately take steps to do so once there is a negotiation that's meaningful with respect to which they'll join. Sinn Fein joined, and they did a good job in representing their interests in the discussion. But they did so when they became convinced that there was a serious process that had a possible result. That's what's essential there. Don't overlook that history when you draw comparisons with the IRA.

David Miliband:

I'm also nervous of comparisons with the IRA and the way George has spoken about it I think is very powerful. I think some in Hamas actually don't want the negotiations to succeed. Some.

But I tell you where I think we do have to... or the most troubling thing for me. I used to talk to people who talked to Hamas. We didn't talk to them ourselves, but there are lots of people talking to Hamas. And the question I never got an answer to is, why won't Hamas support the Arab Peace Initiative?

You see, the Arab Peace Initiative, which is supported by Saudi Arabia and all sorts of other Arab states, doesn't actually recognise Israel now. It says, 'We'll recognise Israel in the event of the creation of a Palestinian state.' And it always worried me that Hamas could never bring themselves to say that they would support the Arab Peace Initiative. And I think that is actually the strongest possible position. And it's rather revealing that they're not willing to support that.

It's a slightly, it's a sort of caveat on what George has said, and I think that should be the rallying point. Because the Arab Peace Initiative says, 'Recognition of Israel, diplomatic relations, full engagement, by the whole Arab world in return for the creation of a Palestinian state.'

Question 7:

What arguments will politicians use with the new Middle Eastern regimes? That it's in their interests to support a peace process.

Question 8:

My question is, given the events of this year, we can see that civil society in the Middle East has finally vocalised and can produce political results. Could you reflect on the Israeli and Palestinian civil society, and the effect that they can have on ending this conflict?

David Mitchell:

The remarkable protest in Israel, 450,000 people on the streets in a population of seven million shows the power of civil society there. I think at a time when consent is being withdrawn from politicians to make compromises, that work inside civil society... one of the reasons I support OneVoice is that

work inside civil society is absolutely critical. And making the arguments, as Israelis and as Palestinians about why it's in your own interest to pursue this two state solution, is ten times more powerful even than an outsider as powerful as George Mitchell coming to say it's in their interests. And that's the sort of support that we should be trying to mobilise. And what you're doing in both Israel and Palestine to try and deliver that mobilisation and that voice is I think really important.

George Mitchell:

It is of critical importance. One reason why I think OneVoice is so valuable is that they're one, a very large one, but one of many organisations who are committed to it and there are some extremely impressive and moving individuals and organisations working at the grassroots level in very difficult circumstances between Israelis and Palestinians. Helping each other, seeing each other in human terms. Not as 'the other' or 'them', which I think is essential to make peace.

Diplomats and statesmen and elected officials or appointed officials can make peace. But it takes hold only in the hearts and minds of the people. And it's essential that whatever happens here, they have enough endurance that at the first setback, which there are bound to be many, it doesn't fall apart. And that comes only from the people.

Robin Niblett:

David Miliband, George Mitchell, I think your accumulated experience, wisdom, is really on show here for our members and guests here today. Hope you remain involved with Chatham House. On behalf of Chatham House and OneVoice, our partners on this event, I'd like to say thank you very much.