

Leveraging Friction: Using Israel's tensions with normalization countries to engage them in Israeli-Palestinian peacemaking

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Since the signing of the Abraham Accords, Israeli governments have successfully isolated the normalization process from events in the Israeli-Palestinian arena. This separation has assisted the development of the process but, at the same time, impeded its potential to expand and deepen. In the last few months, the Netanyahu-Smotrich government has pursued policy efforts to challenge the status quo in the Occupied Palestinian Territories (OPT), increasing the risk of Israeli-Palestinian escalation. These steps changed the normalization countries'2 attitudes towards Israel and the Palestinian issue. Their attempt to minimize involvement in the Palestinian issue has been replaced by a strong stance against Israeli government policy, and increased involvement, especially by the United Arab Emirates, in the Palestinian arena. Moreover, normalization countries appear to be reconsidering their policy of normalization vis-à-vis Israel and the value of further developing relations with it if the government continues its current line of escalation. The mainstream political right has branded the normalization process a historic success story. Its popularity among the general public, particularly moderate right-wing voters, turns normalization countries into significant leverage points to stop Israeli annexation and escalation activities. The threat of downgrading relations could incentivize the Israeli government to refrain from violating the status quo in the OPT. Subsequently, the specific involvement of the normalization countries in halting the escalation trends may serve as a basis for expanding their overall political involvement in the Palestinian issue, as separate countries or as part of international coalitions. Paradoxically, this Israeli right-wing government and its escalatory policies create an opportunity to finally leverage the normalization process to promote Israeli-Palestinian peace.

A. Introduction

Since the signing of the Abraham Accords (2020), Israel's various governments have consistently sought to delink the normalization process from the Israeli-Palestinian conflict in order to remove obstacles from these diplomatic developments. This effort has been partially successful. The two tracks have been separated, and the normalization process has developed a momentum of its own, although its progress has been limited in no small part due to its separation from the Palestinian issue. Paradoxically, the current Israeli government, which includes extremists for whom peacemaking or integration into the

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² The term normalization countries includes the United Arab Emirates, Bahrain, Morocco and Sudan.

region is hardly a priority, is driving the need for normalization countries to increase their involvement in the Israeli-Palestinian conflict.

The government's extreme right-wing pillars, the measures it is taking, and its outright rejection of the two-state solution heighten the risk of Israeli-Palestinian escalation. This, in turn, jeopardizes the continued development of relations between Israel and the normalization countries. Israel's ability to maintain the status quo in the conflict with the Palestinians and prevent escalation enabled the delinking of the Abraham Accords from the Palestinian issue by previous Israeli governments. However, the new government includes forces that seek to redefine the fundamentals of the conflict – whether by institutionalizing the creeping annexation process, presenting repeated challenges to the status quo at Jerusalem's Holy Basin, or promoting escalatory policy in Area C.

Israeli policy in recent months has resulted in an initial shift in the normalization countries' policies on Israel. On the one hand, it has encouraged an initial process of rethinking the costs and benefits of continuing to develop relations with Israel. On the other hand, it has spawned a need for more active engagement by these countries with the Palestinian issue in order to curb policies that potentially risk their interests and undermine their regional and public standing in the Arab world. These countries are increasingly concerned over prospects of a "perfect storm" – a wide-scale escalation even as the Palestinian Authority suffers from an unprecedented crisis of legitimacy. Violent escalation fueled by the PA's loss of control in the West Bank is expected to place public and political pressure on normalization countries to reconsider their continued commitment to developing relations with Israel.

The normalization countries are international actors with considerable influence over the current Israeli government, precisely because of its right-wing orientation. The previous Netanyahu government highlighted the Abraham Accords as a groundbreaking achievement by the right-wing camp in Israel and proof of its success in advancing its goals without concessions to the Palestinians. The agreements are popular among moderate right-wing voters where they are perceived as a turning point in Israel's regional integration. Prime Minister Benjamin Netanyahu cited the achievement as proof of his place among the top ranks of international leaders. Therefore, any decision/threat by the normalization countries to downgrade the profile and scope of relations with Israel will likely impact the current government's considerations. The Israeli public increasingly views the normalization process as a strong indicator of Israel's regional standing and ability to fulfill its foreign policy goals. A public downgrade of relations would likely exact electoral costs from the incumbent government, especially loss of support among moderate right-wing voters.

The potential influence of normalization countries on Israeli government policy can be leveraged in two main ways. First, in the coming months, these countries (alone or as part of a united front) could serve as a pressure mechanism to halt the government's policy efforts to change the status quo, with an emphasis on opposition to the institutionalization of annexation and escalation measures. Second, looking to the future, the immediate involvement in blocking Israeli government measures could serve as an initial framework for these countries to increase and broaden their political involvement in the Palestinian issue. Their current intervention for conflict prevention could serve as a basis for their

future integration as initiators and promoters of political solutions to the Israeli-Palestinian conflict. Specifically, they can play an important role in promoting a "creeping peace" – a series of practical steps that carry the potential to reshape the political reality of the conflict. At the same time, involving normalization countries in advancing peace could carry substantial value in strengthening, deepening, and expanding the normalization process. Addressing the Palestinian issue is key for the normalization process to gradually become a "game changer" for Israel's acceptance by the countries and peoples of the Middle East.

In addition, the clash between the Netanyahu-Smotrich government and the normalization countries provides an opportunity for Israel's political opposition, especially civil society, to increase its involvement in the normalization process and assist in its reshaping as a tool for peacemaking. This could be achieved by structuring an independent relationship, dialogue frameworks, and shared activity with governmental and non-governmental partners in normalization countries.

This paper examines Israel's policy of severing the normalization process from the Palestinian issue and its implications for curbing the development and expansion of relations with the Arab world (the "glass floor and ceiling" model). It goes on to highlight increased political involvement on the part of normalization countries in the Palestinian issue in recent months since the installation of the new Israeli government. The paper then examines future scenarios for the normalization process in an era of a "fully-fledged" right-wing government. Finally, the paper sets forth recommendations for leveraging the recent involvement of normalization countries to harness their involvement in promoting Israeli-Palestinian peace.

B. Untapped potential: exclusion of Israeli-Palestinian conflict from normalization process

Two and a-half years have elapsed since normalization agreements were signed (September 2020) between Israel, the United Arab Emirates, and Bahrain, and with Sudan a month later, followed by renewed diplomatic relations with Morocco. Through most of that time, the disconnect between the development of relations with the normalization countries and the ongoing conflict with the Palestinians has been maintained. This separation stemmed from a series of considerations that disincentivized the three actors – Israel, the Palestinians, and the normalization countries – from linking the normalization process to the Israeli-Palestinian conflict.

1) Israel: Israeli governments have touted the Abraham Accords as a success story, not only in strengthening regional relations, but also in countervailing the Palestinian issue as an obstacle to developing Israeli-Arab relations. For Israeli decision makers, disconnecting the traditional linkage between normalization with Arab countries and progress with the Palestinians removed a structural obstacle and opened a spectrum of possibilities for regional cooperation.

Opposition to linking normalization with the Palestinian issue is even more pronounced on the Israeli political right, which perceives the Abraham Accords as a groundbreaking political-ideological achievement, beyond their strategic value. They serve as proof that political breakthroughs are possible without compromising the ideological framework of the Israeli right, which rejects the two-state vision. In this context, the Abraham Accords were presented as an alternative approach to the "Oslo paradigm", which viewed peace with the Palestinians as a prerequisite for normalization with the Arab world. The normalization, Netanyahu said at the time, "absolutely contravenes the widespread concept which holds that Israel will only secure peace if it appeases the Arabs with far-reaching concessions that will weaken it and shrink it."For Netanyahu and others on the Israeli Right, the Abraham Accords serve as the harbinger of a new formula – "peace in return for peace" with the Arab world, from which Palestinians are deliberately excluded.

2) The normalization countries: Their policy since the signing of the agreements with Israel ranges from ignoring the Palestinian issue outright to giving the issue low priority in national considerations. Their leaderships generally regarded the introduction of the Palestinian issue into the relationship being built with Israel as courting unnecessary trouble. In the Emirati case, delinking the two arenas was related, among other things, to animosity between the President of the Palestinian Authority, Mahmoud Abbas, and the UAE leadership. Morocco's key consideration was to detach the bilateral relationship from broader issues of disagreement. This relates primarily to its uncompromising demand for recognition of its sovereignty over Western Sahara, and concern that dealing with the Palestinian issue would once again turn the international spotlight onto this controversial matter.

The Abraham Accords constituted a significant turning point for the weight given by the "moderate axis" countries in the Arab world (with an emphasis on the United Arab Emirates and Egypt) to the Palestinian issue in shaping their relations with Israel. The 2002 Arab Peace Initiative led by Saudi Arabia and supported by the Gulf states, Egypt and Jordan, offered normalization with Israel in return for Israeli-Palestinian peace. The Abraham Accords thus marked a fundamental change for some of the Arab initiative's leading supporters. It constituted a de facto agreement to sever the link between progress on the Palestinian track and progress on the regional level. Indeed, the UAE and Bahrain presented the agreements as a tool to block Israel's intention of annexing parts of the West Bank, and thus as a means of preserving the two-state vision. However, it is hard to identify any political involvement by these countries in the Palestinian issue since the Accords were signed (prior to the swearing-in of the Netanyahu-Smotrich government on Dec. 29, 2022).

3) The Palestinians: The third and decisive set of considerations has to do with the party that has been excluded from the process – the Palestinians. The signing of the agreements took both the Palestinian Authority leadership and Hamas by complete surprise. The response ranged from paralysis and embarrassment to outright hostility

toward the architects of the agreements, whom they accused of "treason". In the days following the signing, the challenge posed by the Abraham Accords rallied the rival Palestinian factions. This was reflected in a rare joint conference attended (online) by Mahmoud Abbas and Ismail Haniyeh that unequivocally rejected normalization and described cooperation with the initiative as "surrender." However, unlike previous crises, the PA and Hamas failed to draw broad public interest in the anti-normalization campaign in the form of large-scale demonstrations or political mobilization.

For the Palestinian Authority, the normalization agreements were a slap in the face by longtime financial and political benefactors, further reinforcing the disregard for its positions as demonstrated in President Trump's 2020 peace initiative. Thus, two and a-half years on, the strategy of the Palestinian Authority vis-à-vis the agreements remains unclear. In practice, the Palestinians deliberately avoid cooperation with initiatives stemming from the agreements³, with senior officials coming to view any cooperation with the process as voluntary <u>surrender</u>.

As noted above, a significant factor limiting Palestinian participation in initiatives related to the normalization process stems from the interpersonal political rivalry between Mahmoud Abbas and Mohammed Dahlan, former head of Preventive Security and PA interior minister. Dahlan was accused of seeking to topple Abbas in 2010 and sentenced to prison. Following his departure/expulsion from the West Bank, Dahlan built up a power base in the UAE, where he enjoys close ties with the leadership and serves as a special advisor to EU President Mohammed bin Zayed. Dahlan was perceived as being involved in promoting the Abraham Accords, and his supporters issued a statement of support for the agreements after they were signed. The involvement of Mahmoud Abbas' political nemesis in the agreements underscores the narrative promoted by Fatah's leadership of "betrayal" by the UAE of the Palestinian cause. This perception was reflected in cooling relations between the sides. In March 2021, the PA vetoed the UAE's application for observer status in the Eastern Mediterranean Gas Forum, of which the PA is a founding member. A measure of calm has been restored to the UAE-PA relationship, facilitated in part by American involvement. PA General Intelligence head Majed Faraj headed a Palestinian delegation to the EXPO exhibition in Dubai (October 2021) and his meeting with the Emirati ruler signaled the start of a thaw. Increased Emirati economic aid, which was reduced during the post-Abraham Accords crisis, also signals some improvement in relations. However, it should be noted that these actions are not part of an orderly Palestinian strategy, reflecting instead the economic weakness and political fluctuations of the PA leadership.

Implications of disconnect: 'glass ceiling and floor' for development of normalization as political game changer

³ In this context, the Palestinian Authority <u>has reportedly refrained</u> from participating in the tripartite Israeli-Jordanian-Emirati initiative to exchange Israeli desalinated water in return for solar energy from Jordan.

Impressive progress was recorded in the first two and a-half years of normalization, including multidimensional development of diplomatic, inter-ministerial, economic-business, scientific-technological and civil relations between the countries. The normalization countries have become leading Israeli trade partners with record trade of 3.5 billion dollar in 2022 (and the signing of a <u>free trade agreement</u> with the UAE). However, the foremost measure of the agreements' initial success lies in their organic development, which is not necessarily dependent on support of the intergovernmental system. With the establishment of the Negev Forum, ⁴ inter-regional frameworks have enabled Israel to operate not only on the bilateral level vis-à-vis these countries, but also as part of a multilateral political framework on various issues.

However, expectations that the Abraham Accords would launch a fundamental change in Israel's integration in the region have not yet been met, and the agreements' game-changing potential in Israel's relations with the Arab world has yet to be realized. An in-depth look at the normalization process since the signing of the Accords highlights two structural obstacles that confine the process and prevent its widespread and in-depth development beyond its original configuration. They can be referred to as a political "glass ceiling" and a public "glass floor" created, to a large extent, by the exclusion of the Palestinian issue from the process.

The "glass ceiling" of the normalization process. Many in Israel and beyond expected the Abraham Accords to create a "domino effect" motivating other Arab countries (which are not in direct conflict with Israel) to join the process, especially Saudi Arabia. This has not happened and to this day, Israelis <u>feverishly speculate</u> about the identity of the next Arab/Muslim state that will normalize its relations with Israel. Not only has the domino effect not materialized, the normalization achievements, while significant in themselves, have all occurred between the agreements' original signatories. The official normalization framework has not expanded beyond the original quartet (the United Arab Emirates, Bahrain, Sudan, and Morocco). Moreover, prospects of developing relations with Sudan have been in doubt since the military coup that took place there in October 2021. Either way, the external momentum of the normalization process has ground to a halt.

Expansion of the process has failed so far despite considerable efforts by the Israeli government, with Biden Administration support. Saudi Arabia was and remains the main target of these efforts as a pivotal strategic asset due to its regional standing, religious centrality, and energy sources. Some experts describe it as a "turning point" for Israel's regional status. Although clandestine relations with Saudi Arabia have been under way for years, official normalization would be of importance both strategically and symbolically.

⁴ The <u>Negev Forum</u> was convened in March 2022 in the presence of the foreign ministers of Israel, the normalization countries, Egypt, and the US Secretary of State. It serves as a permanent supra-professional framework, discussing regional strategic issues such as tourism, education, security, and energy, and identifying cooperation opportunities. The Forum's second meeting was held in Manama in June 2022.

⁵ Saudi Arabia and Oman have since approved steps in the "spirit" of the Abraham Accords, such as opening their airspace to Israeli flights, but have explicitly stressed that these are not normalization measures.

Normalization with the state that launched the Arab Peace Initiative would be final confirmation of the transition from the logic of "land in return for normalization" to "peace in return for peace,". It would serve as another component in neutralizing Palestinian influence on relations between Israel and the Arab world. Therefore, normalization with Saudi Arabia has become a key goal for Israeli decision-makers, whether the Netanyahu, Bennett or Lapid governments of recent years. President Biden's July 2022 visit to Israel and Saudi Arabia clearly manifested the tremendous efforts invested by the Lapid government, with the Biden Administration's backing, to promote normalization measures with Riyadh, even if only partial ones. However, the efforts vis-à-vis the Saudis and other countries in the Arab and Muslim world have failed to yield significant achievements. At least at this stage, the Saudis remain steadfast in their insistence that any progress in normalization with Israel is contingent on progress in the political axis between Israel and the Palestinians. Saudi leaders insisted on clarifying the matter during Biden's visit when they categorically denied Israel's claim that approving Israeli overflights of their territory by passenger planes was an act of normalization. The relative warming of Israeli-Saudi relations due to the Abraham Accords has also enabled the expansion of indirect security cooperation between the two countries, as well as the regulation of tangential matters.⁶. But at this stage, it does not signal Saudi willingness to establish official diplomatic relations with Israel.

Saudi Arabia's approach to normalization with Israel demonstrates that the Palestinian issue still carries weight in defining the framework of relations between Israel and the region. The Israeli assumption that the concept of "peace for peace" would expand into a broad regional policy has so far been disproven. In this context, the consistent Saudi policy is also signaling the way for other countries being courted by Israel. Nevertheless, it should be noted that Saudi Arabia's policy linking the Palestinian issue with normalization does not appear to stem from a rigid ideological principle, but rather serves as a tool for maximizing national interests. This is evidenced by reports that the Saudis recently (March 2023) suggested to the Biden Administration that normalization with Israel could be achieved in exchange for a series of strategic benefits - including access to the development of nuclear energy sources. The Palestinian issue fits into a much broader Saudi set of considerations, which examines the issue of promoting normalization vis-a-vis alternative political considerations. However, the Saudi need to maintain its status and image in the Arab world vis-à-vis local and regional audiences still appears to require that the Palestinian issue be given basic attention, at the very least, within the framework of a future agreement with Israel.

The Palestinian issue also appears to be prominent in the decisions of other "candidates" for normalization such as Oman, Tunisia, and Indonesia. The first, for example, recently (February 2023) approved the passage of Israeli planes over its territory, but at the same

⁶ See, for example, the <u>transfer of the Tiran and Sanafir Islands</u> from Egypt to Saudi Arabia, with Israeli approval.

time clarified that it would not promote normalization with Israel without compensation for the Palestinians. Indonesia's rulers have also presented a clear position linking relations with Israel to the establishment of a Palestinian state within the '67 borders, while repelling pressure on the issue from the Biden Administration. The equation of "normalization in return for political progress with the Palestinians" is still valid, and is shaping the attitude of Arab countries toward normalization with Israel. At this stage, the Palestinian issue remains a precondition for realizing benefits offered by establishing relations with Israel.

The "glass floor" of the normalization process - refers to the failure of the normalization process to change the hostile attitude of the Arab public towards the idea of establishing diplomatic relations with Israel. Two and a-half years after its launch, the normalization process suffers from a marked negative branding in the Arab world – both in the signatory countries and in the veteran peace countries (Egypt and Jordan), let alone in Arab countries that have no ties with Israel. Public opinion polls paint a clear exacerbation of this trend over time. While public attitudes in the normalization countries after the signing was divided more or less equally between supporters and opponents of the move. today a clear majority opposes the move. Regular surveys analyzing public attitudes in the Arab world toward normalization conducted by the Washington Institute for Near East Policy clearly illustrate this trend: as of August 2022, only 26% of UAE residents and 23% of Bahrainis see the Abraham Accords as a positive, or somewhat positive development, with 69% of Emiratis and 73% of Bahrainis regard them as somewhat negative or very negative. Only about one-fifth of UAE citizens see the Abraham Accords as having a positive impact on the region. The situation is only slightly better in Morocco. Despite the longstanding relations and cultural ties between the two countries, less than one third of Moroccans expressed support for Israeli-Arab normalization (as of October 2022), compared to 64% who opposed it. This trend is also reflected in the leading "candidate" to join the agreement – Saudi Arabia. As of August 2022, 76% of the public there sees the agreements as somewhat negative (42%) or very negative (34%). No less important is the consistent hostility to the agreement in Egypt and Jordan - where some 85% of respondents expressed opposition throughout 2022.

The normalization process essentially goes against the grain of the narrative shaped in the Arab world for decades that sees Israel as a foreign element in the region and the establishment of relations with it as treason. It is hard to expect a change in these perceptions to occur overnight. However, stagnation in support for the agreements since they were signed, and in some cases a distinct setback, demonstrates that the vector on the normalization concept points to a regression rather than progress. These data indicate the absence of a trickle-down effect of the normalization process to the level of societies and the general public in the Arab world. They demonstrate that the process is still widely considered as serving governmental, diplomatic, business and scientific elites, and its value is only recognized within limited frameworks. Hostility to the process, on the other hand, is widespread on a societal and popular level. In Morocco, for example, a clear

<u>correlation</u> was found between opposition to the agreements and low levels of education and earning.

The Arab world's negative perception of normalization with Israel is based on two common narratives about the process. The first, which is prevalent mainly among liberal opinion leaders of the younger generation (in the progressive spirit of the "Arab Spring 2.0") and mentioned mainly in the Sudanese context, is critical of the normalization for ignoring the domestic democratic struggles in these countries.⁷ The second, and more prominent, is the perception that normalization with Israel comes at the expense of the national rights of the Palestinians, constituting a humiliating renunciation of the Arab world's support for the Palestinian people. A clear visual manifestation of the importance attributed to the Palestinian issue by the Arab public even in the post-Abraham Accords era emerged during the 2022 World Cup tournament in Qatar. During the tournament waving Palestinian flags became a popular trend expressing solidarity with the Palestinian people among the Arab teams, from Morocco to Qatar. The continued centrality of the issue in the eyes of the Arab public is particularly striking given the fact that since 2021, until recently, there has been no significant escalation in the Israeli-Palestinian conflict. Violent escalation and its extensive coverage in the Arab media are expected to exacerbate the negative public perception of normalization with Israel.

C. Smotrich-Netanyahu government: catalyst to political involvement of normalization countries in Palestinian issue

"The direction the government is taking is in complete opposition to the Abraham Accords. The actions of the Israeli government endanger any further progress with the UAE and other Arab countries." *Khaldoon Al Mubarak*, senior adviser to UAE President, during March 2023 Israel visit.

Over the two and a-half years since the signing of the Abraham Accords, the countries involved have implemented a policy of minimal intervention in matters relating to the Israeli-Palestinian conflict. Their response to escalation of violence was usually limited to diplomatic protests, cautious media statements, and limited activity in the international arena. Most notable within this time frame is the relative resilience of the Abraham Accords in face of the large-scale Israeli-Palestinian clash known as Operation Guardian of the Walls (May 2021). Despite the widespread violence, the extensive coverage of events in the Arab world that took place during the month of Ramadan, and Jerusalem's centrality in the escalation, diplomatic ties established only six months prior to the incident held firm. Moreover, the response of the normalization countries ranged from restrained criticism to calls for restraint between the sides, as indicated in Abu Dhabi's official statement urging "all sides" to cease fire. Opinion leaders in the UAE and Bahrain issued

⁷ In Sudan, Israel is affiliated with the military junta that seized power in the 2021 coup, and has been criticized for its ties to the junta's leaders by civilian activists.

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harsh criticism of Hamas for its role in the violence, which had more to do with hostility towards Hamas than support for Israel's position.

The normalization countries have slightly increased aid for the Palestinian Authority over the past year, including through American mediation and assistance. During Biden's visit to Israel (July 2022), American officials congratulated Morocco for its assistance in achieving the 24/7 opening of the Allenby crossing between the West Bank and Jordan. At the same time, the UAE pledged a donation of 25 million dollar to a Palestinian hospital in Jerusalem. At that stage, however, the change was limited to tactical measures. Until recent months, it was not expressed in intervention in the conflict zones or in concrete diplomatic activity.

However, the policy of the Netanyahu-Smotrich government has challenged the voluntary disengagement of normalization countries from the Palestinian issue. The government's measures in recent months exacerbate the gap in Arab public and political perception between the ongoing normalization with Israel on the one hand, and the worsening Israeli-Palestinian conflict and violation of Palestinian rights, on the other.

Concern among these countries about a far-right government emerged even before it was sworn in. Emirati Foreign Minister Abdullah bin Zayed, for example, met with Netanyahu even before the Nov. 1 elections (September 2022) and expressed concern about his intention to integrate extreme right-wing elements into a future government. This concern has solidified in recent months in light of blatant attempts by far-right government representatives to violate the status quo in the West Bank. The concern has been expressed both in strong language of condemnation, and in critical actions, some of which deviate from the hitherto recognized line of normalization countries regarding Israel's policy in the OPT. The friction between the normalization countries and Israel centers on three issues - institutionalization of annexation, intentions to change the status quo at Jerusalem's Holy Basin, and, consequently, increasing risk of escalation.

The annexation issue is a major source of friction between Israel, the UAE, and Bahrain. The claim that by signing the Abraham Accords they stopped Israeli annexation of the West Bank was the only "fig leaf" that enabled UAE to present the agreements as serving the Palestinian cause and reject accusations of "betrayal". Although settlement expansion policy continued after the agreements were signed, the Lapid and Lapid-Bennett governments adopted a low-key approach to this activity, and were able to largely avoid friction with the Palestinians (a policy of "shrinking the conflict"). However, the Netanyahu-Smotrich government is leading significantly different measures, best described as **institutionalizing the annexation process** – building an administrative, structural and legal infrastructure for applying Israeli sovereignty and law to the West Bank. This policy is clearly stated in the current government's guidelines, which claim that "the Jewish people have an exclusive and inalienable right to all parts of the Land of Israel". They also determine that "the prime minister will formulate and promote policies

within whose framework sovereignty will be applied to Judea and Samaria." Although the annexation intentions have yet to become a concrete action plan implementing official policy, they constitute the political logic (raison d'état) of the current government. This new logic is reflected both in the change of the official tone and measures on the ground. The most prominent expression of these intentions is the appointment of Finance Minister Bezalel Smotrich, one of the leading proponents of annexation, as a special minister in the Ministry of Defense and the subordination of administrative powers, planning and monitoring of settlement activity in the West Bank to his authority. Knesset approval (March 2023) of a law reversing Israel's 2005 disengagement from northern Samaria effectively enables continued settlement of illegal outposts in this area and constitutes another step toward institutional and practical annexation.

Thus, curbing Israel's annexation intentions and its settlement expansion has become an essential element in the UAE's foreign policy vis-à-vis Israel in recent months. Initially, most of the Emirati criticism was directed at extreme right-wing members of the government, but in recent weeks has also been directed against the government policy. Along with public condemnation, the UAE used its special status as a rotating member of the UN Security Council to endorse Palestinian efforts to condemn Israeli measures. In February 2023, the UAE supported a resolution proposal condemning Israel's settlement activity and calling on Israel to cease "unilateral measures" on the ground. The proposed resolution followed the Israeli cabinet's decision to approve the legalization of nine illegal outposts. It was later blocked under American pressure and replaced by a UNSC "presidential declaration" in the same spirit but with lesser significance. Addressing the forum, the UAE Ambassador to the UN stated: "It is especially important that the Council is united and unequivocal in affirming that continued Israeli settlement activity dangerously imperils the two-State solution.... The Council's reiteration of its "unwavering commitment" to the vision of an independent Palestine living side by side with Israel, in peace, is absolutely necessary."

A central and largely predictable point of friction between Israel and the normalization countries concerns the declared intentions by government officials to seek a change in the status quo at Jerusalem's holy sites. The statements by extreme right-wing elements within the government relate to new procedures for Jewish prayer on the Temple Mount/Al-Haram al-Sharif, and restrictions on the authority of the Muslim Waqf and the entry of Muslim worshippers. Such measures, and even more so their potential for escalation of violence in Jerusalem, raise significant concern in the normalization countries given the symbolism of Jerusalem as a public unifying factor in the Muslim world. They exacerbate the gap in public visibility between the continued strengthening of ties with Israel and public rage over an alleged Israeli attack on one of Islam's holiest sites. Thus, the Temple Mount visit by National Security Minister Itamar Ben-Gvir (January 2023) led to the UAE's postponement of Netanyahu's visit to the country and its call to urgently convene the UN Security Council to discuss Ben-Gvir's provocative step. The Security Council session allowed the UAE to emphasize its commitment to the Muslim world and

"the need to provide full protection for the Al-Aqsa Mosque and halt all violations there, which provoke millions of believers around the world."

The concern over widespread escalation in recent months has prompted the normalization countries to re-examine their interest in continued advancement of the normalization agreements. The possibility of imminent escalation – whether a deliberate provocation leading to a violent outbreak or as part of a continuing deterioration dynamic poses a direct threat to these countries' key political and economic interests. It holds implications both for the value that can be derived from cooperation with Israel, and for the increasing cost of continuing to engage with it. The lead partner in the Abraham Accords, the UAE, recently provided an indication that it was engaging in a price-benefit calculation. During an unusual visit to Israel (March 2023), the CEO of Abu Dhabi's Wealth Fund, Khaldoon Al Mubarak, a close associate of President Mohammed bin Zaved met with the prime minister and the president of Israel, and expressed deep concern about a possible escalation with the Palestinians. He emphasized his concern over a possible outbreak of violence on the Temple Mount during Ramadan. The choice of a key economic-political figure to convey such a message may indicate a combined concern of UAE leaders that a broad escalation could pose a risk both for political interests as well as the Emirates' growing economic investments in Israel. US administration officials have also warned of deep concern on the part of UAE rulers about a possible escalation that could greatly embarrass them in the Arab world. Morocco, too, reportedly was concerned about escalation during Ramadan, which appears to be one of the factors in its decision to postpone indefinitely the Negev Forum meeting it was scheduled to host in March.

Concern over escalation is reflected in exceptional reactions, both in the tone and nature of the UAE and Bahrain's response to events on the ground. Whereas the UAE and Bahrain previously issued non-committal declarations calling for an end to violence, they are now emphasizing their aversion to Israeli government measures. Moreover, the Emirati response touches for the first time on the actual hotspots of the conflict. Such was the case following widespread settler violence in the Palestinian village of Huwara, encouraged by extreme right members of government, chief among them Finance Minister Smotrich, who spoke of the need to "wipe out Huwara" (February 2023). Beyond the strong condemnation (the Bahraini embassy in Israel referred to the incident as "the storming of the city of Nablus by Israeli forces"), this event prompted an Emirati decision to invest 3 million dollar in rehabilitating the village. Although modest, this step signals an extraordinary and direct intervention in the heart of the raging conflict. It signals a reversal of the non-intervention approach and its replacement by proactive action that responds directly to events on the ground. Reportedly, the violence in Huwara may have also resulted in an Emirati decision to suspend a signed deal for the purchase of advanced weapons systems from Israel. The Emiratis also responded angrily to Finance Minister Smotrich's statement in Paris that "there is no such thing as a Palestinian people," describing it as "racist" and "hate speech." As previously noted, UAE envoy Al Mubarak noted during his visit to Israel that Smotrich's statements "contradict the spirit of the Abraham Accords and endanger regional stability."8

Dissatisfaction with the government's policy and its practical implications also emanates from Morocco – albeit in more moderate fashion. On a declarative level, the Moroccans are focusing mainly on criticism of the government's extreme right-wing elements. Moroccan Foreign Minister Bourita, for example, strongly condemned "inflammatory statements" by senior Israeli officials after Smotrich's remarks on Huwara. Along with such declarations, several Moroccan decisions indicate caution over advancing relations. Postponement of the Negev Forum meeting, scheduled to convene in Morocco in March 2023, has already been mentioned in this context, and visits by senior Israeli officials to the kingdom have also been postponed. Public pressure seems to grow in Morocco to respond to Israeli government policy and the rising level of violence in the territories. Over the past month, the King's office has been forced to issue several statements defending relations with Israel after attacks by the opposition, while stressing Morocco's commitment to a two-state solution.

It is important to note that at this stage, close cooperation between Israel and the normalization countries continues in various spheres. However, we detect the first signs of fissure - initial indications that the normalization countries are re-examining their course of action towards Israel due to the government's conduct in the Palestinian sphere. Beyond the intensification of the critical tone, the change is reflected in two previously unseen methods of action by the UAE – intervention in the conflict zone, and use of international status. Since the UAE joined the Security Council as a rotating member in January 2022, it has used its position three times to support resolutions condemning Israel's actions, all three of them during the term of the Netanyahu-Smotrich government. As noted, the Emiratis used this tool in direct response to current events and Israeli government decisions. Second, as noted above, the decision to support the rehabilitation of the village of Huwara may indicate a change in trend – instead of lip service to the Palestinian cause and a focus on "soft" goals of economic development, Emirati recognition of the need to respond to events in the conflict zone itself.

D. Scenarios for the future of normalization

The normalization countries' strategy regarding the future of relations with Israel clearly depends on a range of regional and global interests, many of which are unrelated to Israeli policy or developments in the Israeli-Palestinian conflict. These include Iran's regional strengthening, and the decline of the United States as an exclusive international partner for the political ambitions of the UAE and Saudi Arabia. However, the combination of

⁸ In addressing concerns over potential escalation, the UAE and Bahrain used the same harsh language to condemn terrorism against Israeli civilians, as well.

⁹ For example, Israel and the UAE signed a customs agreement (March 2023) in accordance with the free trade agreement they signed last year.

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escalation on the ground, the gradual collapse of the PA's ability to exert control, and a deliberate Israeli policy of violating the status quo in the West Bank creates an independent negative incentive system liable to affect the stability, momentum, and pace of the normalization process.

Moreover, the negative incentives for continued development of relations may be magnified by the potential decline in Israel's value as a close ally of the United States. Over the past month, the Israeli government's campaign to weaken Israel's judiciary, as well as its measures in the Palestinian sphere, have generated a visible crisis in the special relationship between Israel and the United States. The perception that Israel can "pave the way to Washington" was one of the main incentives for the normalization countries to enter the process in the first place. A possible erosion of the special connection could reduce Israel's equity from a regional perspective, as well as the benefits arising from such a relationship.

Four main scenarios can be drawn up for the future of the normalization process. The fulfilment of these scenarios depends on the Israeli government's future policies and its ability to prevent a violent escalation. For now, the worsening escalation in the OPT limits the ability of normalization countries to maintain their course of action in the normalization process, let alone to advance the process into new levels of cooperation.

1) Revoking/freezing the Abraham Accords and severing diplomatic ties with Israel: Arab countries have severed diplomatic relations with Israel in the past in response to an escalation in the Israeli-Palestinian conflict. Morocco, for example, cut ties with Israel following the outbreak of the second intifada (as did Oman and Tunisia). Qatar shut down the Israeli mission in its territory due to Operation Cast Lead (2009).

Prospects of such a move by some or all the countries participating in the normalization process remain valid. Even after two years of multidimensional developments on the bilateral and multilateral levels, the normalization process is reversible. Nonetheless, as evidenced in recent years, the normalization countries perceive their involvement in the process as part of long-term strategic planning which is not only intended to serve immediate interests. The UAE's partnership with Israel, for example, seems to serve as one element in its overall regional strategy designed to promote stability and deterrence. The normalization countries are therefore unlikely to dismantle the entire framework of relations in the immediate term. However, three developments in the Israeli-Palestinian conflict could function as tipping points jeopardizing the basic resilience of the framework of these relations:

- Israeli annexation "from the podium" –official annexation of parts of the West Bank as demanded by the extreme right in the current Israeli government.
- A large-scale escalation, focused around the holy Muslim sites in Jerusalem, could threaten regional stability as a whole and confront normalization countries with a

- difficult choice between continued ties with Israel and a significant loss of prestige and status at home and in the region.
- In a related or separate context, a declared shift in Israel's position regarding the continued existence of the Palestinian Authority. In this regard, Finance Minister Smotrich has already <u>publicly questioned</u> the Israeli interest in the PA's existence.
- **2) Downgrading relations**: Reducing the scope and level of the relationship, whether explicitly or by cutting back activity without giving the issue public expression.

A downgrading of relations could be expressed in reducing the level of diplomatic representation between the countries, reversing the gradual upgrading of the relationships to the level of ambassadors over the past two and a-half years. 10 As was the case with Israel-Jordan relations during the previous Netanyahu government, the UAE could also downgrade economic activity with Israel and cancel/freeze joint projects. For example, it could freeze the Emirati-funded tripartite project to provide Jordan with Israeli desalinated water in return for Jordanian solar energy, as per a signed May 2022 memorandum of understanding between the sides. In a more extreme case, the UAE may even suspend/curtail one of last year's biggest economic breakthroughs – the <u>free trade agreement with the UAE</u> signed in May 2022.

The long-term result of a formal or informal downgrade in the scope and depth of relations between the countries **could result in a "cold peace" – the transformation of normalization agreements into an empty legal shell of no practical significance.** In this context, the ongoing escalation in the West Bank is liable to create the same "cooling effect" that the First Lebanon War (1982) had on the development of relations with Egypt after the signing of the Israeli-Egyptian peace treaty (1979).

3) Conditioning the relations' development on easing friction with the Palestinians: The normalization countries could avail themselves of an interim option by conditioning the further development of normalization on Israel's de-escalation/policy change on the Palestinian issue. This option would balance the interests of normalization countries in preserving the framework of relations with Israel while maintaining their status in the regional and domestic arenas. This scenario would see the normalization countries (separately or together) reformulating the understandings that shaped the Arab Peace Initiative (2002) in an updated and softened version. Continued normalization would be contingent on Israel's compliance with basic red lines and/or a change of its policy on the Palestinian issue. First and foremost, this stipulation would address the preservation of the status quo on the three most pressing issues for normalization countries: de-escalation,

¹⁰ In this context, according to an <u>unverified report</u> in the online Saudi newspaper *Elaph* (March 22, 2023), the UAE has decided to lower the level of its diplomatic representation in Israel in response to Smotrich's statements on the Palestinians and the events in Huwara. According to the report, it also decided to refrain from meetings with senior Israeli officials and participation in official Israeli government events until further notice The report claims that Morocco (along with Egypt) is also considering similar steps at Jordan's request.

removal of annexation from the government agenda, and preservation of the status quo at Islam's holy sites in Jerusalem.

4) Maintaining the status quo and containing occasional escalation: This scenario assumes a scale of violence between Israel and the Palestinians that does not escalate beyond periodic local clashes. It would mean continued development of the normalization process, while allowing the normalization countries to "let off steam" from time to time by issuing condemnations, diplomatic protests or recalling their diplomats from Israel for consultations. Such a scenario would also continue to marginalize the Palestinian issue as an element in the relationship with Israel. However, given the current political situation, and after the UAE has already used its political standing (at the UN) in coordination with the Palestinians, chances of restoring the situation to the way it was before the new government are less than likely. Moreover, the gap between the basic positions of the current Israeli government on the Palestinian issue and the fallback positions of the normalization countries centers, as noted above, on fundamental issues. Therefore, maintaining the status quo in case the Netanyahu-Smotrich government continues its policy of escalation is unlikely.

E. Recommendations

A blessing in disguise? Leveraging the downturn to bolster normalization countries' involvement in the Palestinian issue

Since the signing of the Abraham Accords, Israel's governments have sought to separate the normalization process from the ongoing Israeli-Palestinian conflict in order to enable the unconditional development of Israel's relations with the Arab world. This effort was successful, in part. The tracks have indeed been separated, and the normalization process has indeed developed a momentum of its own, albeit limited in no small way by its separation from the Palestinian issue. However, the current government (installed on December 29, 2022), which includes extremists clearly uninterested in peacemaking or Israel's integration in the region, has compelled normalization countries to step up their involvement in the Israeli-Palestinian conflict.

The normalization countries have significant leverage over the current Israeli government, precisely because of its right-wing composition. The Abraham Accords are one of the most prominent declared achievements of Israel's political right. For the Netanyahu government, they are proof that the ideological right can lead the State of Israel to groundbreaking political, economic, and diplomatic achievements without compromising on its principles. For Netanyahu himself, they are a vindication of his repeated attempts to portray himself as a world-class statesman (a leader "in a league of his own" as touted in his election slogans).

Support for the Abraham Accords and for the importance of their development cuts across wide swathes of the Israeli public, especially among moderate right-wing voters and the

important electorate that defines itself as politically center-right. A Mitvim Institute survey conducted in August 2022 among a representative sampling of voters found that 53% of respondents, including 58% of those defining themselves as center-right voters, see the Abraham Accords as a turning point in Israel's acceptance into the Middle East, compared to only 27% who do not see the agreements as a significant event. Therefore, the threat of a public downgrade of relations holds significant sway given its potential damage to what many perceive as Netanyahu's crowning foreign policy success during his long years in power. The Israeli public, including many right-wing voters, has come to view the normalization agreements as a successful fait accompli, perceiving the direct flights to normalization countries and the commercial opportunities offered by the agreements as a real asset. Therefore, the normalization countries' public withdrawal from the process carries a significant political price tag for the current government. It could serve as a clear indication to Israeli voters of the diplomatic deterioration wrought by the policies of this government and result in an electoral blow.

Normalization countries, separately or as a unified front, could utilize their influence and play a constructive conciliatory role on two levels of the Israeli-Palestinian conflict. In the immediate term, they could provide a system of disincentives for the Israeli government to perpetuate its policies of occupation and escalation. These countries could serve as a factor in defining and enforcing red lines on key issues, such as institutionalizing annexation and settlement expansion, changing the status quo at Jerusalem's Holy Basin, and settler violence against Palestinians. On the broader level, the situation opens the way for these countries to condition the continued normalization of relations on Israeli government's adherence to the existing status quo, thus to help preventing escalation.

From a strategic perspective, the involvement of normalization countries in the **immediate** task of halting escalation and annexation could serve as a future catalyst for increasing their broader political involvement in the Palestinian issue. In this aspect, the Huwara precedent stands out as a possible model for regional intervention in conflict areas of political significance, such as construction and development in Area C or at points of dispute in East Jerusalem. The normalization countries, with their political influence and economic capacity, can serve as a foundation for promoting "creeping peace" in the West Bank, Jerusalem, and the Gaza Strip. They can generate or support a series of practical steps that, beyond their immediate value in preventing conflict/improving the quality of life of Palestinians, also have potential to affect political reality. In this context, the idea of integrating normalization countries in promoting Israeli-Palestinian peace is surprisingly met with public support in Israel, especially compared to the public's deep skepticism towards promoting peace. Thus, in the most recent Mitvim survey (August 2022) among a representative sample of the Israeli population, 57% of all respondents (including almost

¹¹ Two examples of such steps that normalization countries can help promote are involvement <u>in building energy independence</u> in the Palestinian Authority territories, and active participation in the establishment of a <u>joint Israeli-regional-Palestinian conflict management mechanism in Jerusalem's Holy Basin.</u>

60% of center-right voters) supported leveraging the Abraham Accords to promote peace with the Palestinians.

Normalization component countries can also serve as central a international-regional peacemaking coalitions. The combination of regional and international factors is likely to increase the effectiveness of such coalitions as incentive providers, as well as mechanisms of pressure on the Israeli government. Regional-international coalitions could initially serve as an effective mechanism to dissuade Israeli government intentions to challenge the status-quo in the OPT. Subsequently, these coalitions can serve as a platform for floating political initiatives to promote Israeli-Palestinian peace. One example of an incentive package for regional-international peace is the recent EU initiative (March 2023), together with the Saudi foreign minister, to reaffirm the Arab Peace Initiative and combine it with the EU's Special Privileged Partnership (SPP) proposal ¹². International-regional integration can also build on Israel's aspirations to expand the circle of normalizing countries by encouraging other countries, especially Saudi Arabia, to join the normalization process in return for an Israeli policy change on the Palestinian issue.

The normalization countries can serve as a **pivot in a combined coalition with the 'veteran peace countries'** of Egypt and Jordan, aimed at preventing conflict and Israel's violation of the status quo. Egypt and Jordan have already been involved (at Israel's request) in recent months in a joint move with the United States to ease tensions during Ramadan. In this context, two multilateral meetings (in Aqaba and Sharm el-Sheikh) yielded far-reaching commitments by Israel to prevent escalation. The integration of normalization countries in this effort will improve its effectiveness and at the same time encourage their continued involvement in the Palestinian sphere. In this context, Jordan is of unique importance both in terms of leading de-escalation attempts on the ground and its close ties with normalization countries.

Finally, the emerging crisis between the government and the normalization countries provides an opportunity for Israel's political opposition to deepen its involvement in the normalization process, and help reshape it as a tool for Israeli-Palestinian peacemaking. The political left in Israel has been largely absent from efforts to advance normalization, reflecting the frustration among proponents of the two-state solution at the exploitation of the agreements to marginalize the Israeli-Palestinian issue. Increased involvement of normalization countries in the Palestinian issue is an opportunity for Israel's political left and left-center to forge cooperation, relationships and joint action with these countries, at the levels of both the political opposition and civil society.

¹² In 2013, the EU <u>proposed</u> an upgrade in the status of Israel and the Palestinians to Special Privileged Partnership (SPP) status if they signed a permanent status agreement. The EU has since ratified the proposal several times.

¹³ Among other things, Israel undertook to refrain from discussing the construction of new housing units for four months, and to refrain from legalizing outposts for six months.

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This opportunity is highly relevant for peace supporters in Israeli civil society. Forging Israeli-regional partnerships based on civil society to promote peace is of dual value – both for the peace process and for maintaining and deepening the normalization process. First, such partnerships could serve as a substitute for ties at the governmental level. They could provide an independent cooperation channel that bypasses political restrictions or deterioration of government-level ties, thereby helping maintain the resilience of the normalization process. Moreover, at a time when the messages emanating from Israel to the Arab world are mostly shaped according to the extremist line of the Israeli government, these organizations' ability to present alternative voices to Arab audiences is important to preserving Israel's regional image. Second, such civil-society-based dialogue could also serve as a platform for political planning for integrating normalization countries in an effort to preserve and promote the two-state solution.