

## **25 Years of Israel-Jordan Peace: Time to Restart the Relationship**

**Yitzhak Gal & Ksenia Svetlova\***

### ***Analysis and Recommendations Following the 2019 Israel-Jordan Policy Dialogue of the Mitvim Institute***

Towards the 25th anniversary of the peace treaty with Jordan, Mitvim experts visited Amman for a series of meetings with political, security, media and civil society figures in Jordan. The purpose of the visit was to assess the current status and challenges of Israeli-Jordanian relations, better understand how these challenges are impacted by the situation in Jordan and developments in the region, and identify opportunities for improving relations between the two countries.

Despite the feelings of frustration, anger and disappointment on the Jordanian side, we returned from Amman with a distinct feeling that the relations could be recharged and saved. After all, both countries have a clear interest in cooperation, and the relationship has survived for 25 years despite all odds, regional challenges and crises, such as the stalemate in the Israeli-Palestinian peace process, the terror attack at Naharayim, the second Palestinian intifada, military operations in Gaza, several crises over the issue of Jerusalem (including the relocation of the American embassy) and hostile public opinion in Amman.

However, the extraordinary potential of relations is yet to be fulfilled. Not only can Israel successfully advance bilateral cooperation with Jordan in tourism, water and high-tech, there are also many prospects of wider, regional cooperation that will allow for increased trade and regional stability. Jordan can also play an important role in the political arena: leveraging its position in relation to Jerusalem's holy places, supporting advancement in the Israeli-Palestinian peace process, and as a stabilizing force in the region at large.

In order to achieve these goals, a restart of the Israeli-Jordanian relationship is required. It is necessary to rebuild communication channels, put the relations with Jordan high on the Israeli agenda, pay attention to Jordan's needs and grievances, and rethink joint projects accordingly. Politicians and decision makers on both sides must fully understand that the cost of non-action and neglecting the relations is extremely high.

This report starts with a snapshot of Israeli-Jordanian relations after 25 years of peace, followed by a discussion of challenges and key issues that were presented by our Jordanian counterparts during the policy dialogue, and ending with recommendations and suggested actions for the immediate term.

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\* Yitzhak Gal is a Researcher at the Mitvim Institute and an advisor specializing in the Arab markets Ksenia Svetlova is a Policy Fellow at the Mitvim Institute and a former Member of Knesset. Both participated in the 2019 Israel-Jordan Policy Dialogue of the Mitvim Institute, which took place in Amman, Jordan, on 13-14 October 2019, in cooperation with the Friedrich-Ebert-Stiftung.

## A. A Snapshot of Israel-Jordan Relations after 25 Years of Peace

The formal peace agreement, signed in 1994, has become one of the pillars of the political-strategic stability of both Israel and Jordan, and the two countries have succeeded in developing extensive security cooperation. Initially, there were also significant positive developments in the political and economic arenas. The signing of the peace agreement was followed by a surge in US economic assistance to Jordan, along with substantial military aid. Another very important “fruit of peace” was the 1998 Jordanian-Israeli-American Qualifying Industrial Zone (QIZ) agreement that led to a series of international trade agreements, which placed Jordan on a path of accelerated economic growth driven by rapid growth in exports, and positioned it as a leading force in the integration of the region into the global economy. In the bilateral sphere, significant cooperation developed in tourism and industry, especially in the textile and clothing industry.

Alas, economic, political and civil relations have subsequently been neglected for the most part. The Israeli-Palestinian conflict is the most severe obstacle. It hinders Israel-Jordan relations, and leads to alienation and hostility of Jordanian public opinion. Disputes relating to al-Haram al-Sharif (the Temple Mount) are of especially explosive potential. Other disturbing political issues include: recurrent Israeli references to the “Jordan is Palestine” idea, recent Israeli announcements of a plan to annex the Palestinian part of the Jordan Valley, and recurrent events that irritate Jordanian public opinion, such as arrests of Jordanian citizens. Over and above all these issues, the Jordanian leadership and public share a pervasive sense that Israel disrespects Jordan; ignores its interests and sensitivities; and repeatedly places its leadership in uncomfortable, not to say destabilizing, situations.

The level of diplomatic cooperation is relatively limited, and is constantly eroding in recent years. In the past, political ties were at a sufficiently high level to withstand serious crises, such as the 1997 attempted assassination of Khaled Mashal. In recent years, even relatively minor difficulties are hard to overcome. Additionally, dozens of economic and civil issues and grievances hinder, and in certain cases even poison, Israel-Jordan relations, the most severe of which are discussed below.<sup>1</sup>

## B. Challenges and Issues

Twenty-five years ago, Prime Minister Yitzhak Rabin and King Hussein launched a new chapter in Israel-Jordan relations. Their vision included full normalization of relations, based on cooperation and simultaneous progress on the Palestinian track.

Today, in the absence of any progress on the Palestinian track, and given the lack of progress in joint projects that were expected to bear significant economic fruits for Jordan, public opinion in the Hashemite Kingdom is quite hostile to any sign of warming relations between the two countries. As one ex-military official put it during a conversation in Amman, while there were always hostile fringes, the majority, which used to be neutral on the question of relations with Israel, became increasingly hostile towards the Jewish state and those in Jordan who still support and defend cooperation. This negative climate is one of the reasons for King Abdullah’s recent refusal, according to the media, to take phone calls from Prime Minister Benjamin Netanyahu or to meet him publicly. While Netanyahu often

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<sup>1</sup> For a broader review of Israel-Jordan relations and their potential, see: Yitzhak Gal, “[Israel-Jordan Cooperation: A Potential That Can Still Be Fulfilled](#),” *The Mitvim Institute*, May 2018.

refers to the Palestinian issue as a non-issue, the view from Jordan is entirely different. The tensions are especially high regarding the situation on al-Haram al-Sharif/ the Temple Mount.

The problematic climate allows for little flexibility in dealing with charged issues, such as the Tzofar and Naharayim dilemma. While the peace treaty was signed with the clear intention of maintaining the special agreements in these two enclaves for many years to come, their extension generated unnecessary trouble for the Jordanian government and the King, resulting in the rejection of Israel's request to extend the land lease agreement.

The Kingdom's political and business elites feel that Israel chooses to sideline Jordan and promote partnership with the Gulf States, ignoring its bid to become a regional hub and a go-between. The ruling classes' public rage and personal disappointment in the relations with Israel negatively affect the development of relations between the parties. While security cooperation is close and relations between Israeli and Jordanian defense officials are solid, every other sphere of cooperation – diplomacy, trade, tourism and high-tech – is now either stalled or non-existent. Notable exceptions are the Jordanian workers employed by hotels in Eilat, and the joint participation of Israel and Jordan in the Cairo-based Eastern Mediterranean Gas Forum.

### ***Jerusalem and the Holy Places***

Article 9 of the peace treaty between Israel and Jordan links it directly to the Israeli-Palestinian peace process, with Israel recognizing Jordan's special role in Jerusalem's Muslim shrines and committing itself to prioritizing Jordan's historic role there in final-status negotiations. However, Israeli cooperation with the Jordanian Waqf has grown weaker in recent years. Every statement by Israeli officials on changing the status quo on the Temple Mount has infuriated the Jordanian public and was echoed by Jordan's traditional and new media. Our counterparts suggested that better communication over the Temple Mount issue, as well as more precise coordination and avoidance of charged statements that imply Israeli will to change the status quo, could improve the situation drastically. Also, by ignoring the Jordanian role at the site and hinting that Saudi Arabia could replace the Hashemites as custodians of Jerusalem's shrines, Israel adds unnecessary fuel to the fire.

### ***The Stalemate on the Palestinian Track***

Just as Egypt did in its 1979 peace treaty with Israel, Jordan always made clear that progress on the Palestinian track would affect the barometer of relations between Jerusalem and Amman. However, the peace process stopped entirely in 2014, with no prospects in sight of renewing negotiations. The shaky situation in the West Bank, and particularly the Israeli statements on possible annexation of the West Bank, also influence stability in Jordan. Israeli behavior is viewed in Jordan as risky and dangerous to regional stability, our counterparts in Amman repeatedly said. It is becoming increasingly difficult for the King to explain the necessity of maintaining the peace treaty with Israel given the dissatisfaction on the Jordanian street. The Jordanians understand Israel's security dilemmas more than perhaps many other regional and international actors, due to its own rather complicated history of relations with the Palestinians. Yet, the absence of any positive dynamics on the Palestinian track is a major obstacle for Israel-Jordan relations.

### ***Broken Promises and Mistrust***

Besides the obviously charged issues of Jerusalem and the stalemate in peace talks with the Palestinians, it seems that the Jordanians are particularly frustrated by the ambiguity in Israeli attitudes towards Jordan. Netanyahu always stresses the importance of regional relations, in particular with Sunni states – Egypt, Jordan and in the Gulf. Yet, despite the strong relations in defense and security, one crisis follows another. Netanyahu's widely publicized embrace of the Israeli security guard who was involved in the shooting incident at the Israeli embassy in Amman in July 2017, the stalled projects that were supposed to alleviate Jordan's water scarcity – such as the Red Sea-Dead Sea project designed to include a large desalination plant in Aqaba, and Israel's recent administrative detention of two Jordanian citizens, further strained relations. The Jordanians feel that Israel makes no effort to avoid these crises, disrespects the King and overlooks Jordan's desire to serve as a broker between Israel and the Gulf.

### ***The Economic Fruits that Never Ripened***

A significant reason for the Jordanian sense of suspicion and sourness towards Israel (alongside the Palestinian issue) is a deep sense of disappointment over failure to realize the economic benefits of the peace agreement. It started in the 1990s, with failure to implement a series of major projects that were ceremonially promised by Israeli leaders, suggesting strong Israeli commitment to their rapid implementation. However, with the "fruit of peace" failing to materialize, Jordanians assessed that Israel had no real intention of fulfilling its promises and could not be trusted.

Water scarcity is probably the most pressing economic issue from the Jordanian perspective. The most important component of the Red Sea-Dead Sea project is a large desalination plant to be built in Aqaba, serving as one of Jordan's most important water sources. Israel is blamed for delaying this project, ignoring Jordan's vital need for its fast implementation.

The Qualifying Industrial Zones (QIZ) agreement, once a flagship of Israeli-Jordanian economic cooperation, has become in Jordanian eyes another example of unfulfilled promises. Expectations of significant Israeli investments in joint manufacturing plants in Jordan have not materialized. By the end of the 2000s, almost all of the few Israeli companies that had invested in joint manufacturing plants in the QIZ ceased their direct investment in Jordan.

The trade route through the Haifa port, which could have greatly enhanced Jordanian agricultural exports to European markets, operates at a fraction of its potential, while bilateral Israeli-Jordanian trade has declined to insignificant levels. The only aspect of trade that has developed over the past decade, quite impressively, are imports from Gulf states via Jordan (registered as imports from Jordan). However, that trade is of minor benefit for the Jordanian economy. Another major Jordanian grievance relates to Israel's refusal to allow enhanced Jordanian exports to the Palestinian territories, which Jordan views as a potentially major market.

On top of all these grievances, Jordanian business people who try to engage with Israel despite all the above mentioned obstacles face great difficulties. A striking example is the cumbersome process that Jordanians (including businessmen who maintain regular contact

with Israel) face when applying for entry visas to Israel. These difficulties are reflected, among other things, in prolonged and unexplained delays in processing visa applications, inconsistencies in decisions to reject or approve such requests, and reluctance to grant multi-entry visas. These difficulties distance a significant number of Jordanian business people who have an interest in developing business relations with Israel.

### **C. Recommendations**

A quarter century since the signing of the landmark peace treaty between Israel and Jordan, the time has come to restart the strategic relationship and to pour real substance into the written text.

Israel is planned to have a new government during the first half of 2020, or perhaps even earlier. This moment might provide a historic opportunity for real change in perspective and attitude towards Israeli-Jordanian relations. This change could begin with positive Israeli statements and avoidance of negative or damaging ones. Most importantly, it must immediately proceed to concrete actions, such as revival of previous commitments and creation of new opportunities. The strategic restart of relations will need careful planning and a change of attitude.

The following are key “Do’s and Don’ts” recommendations, as well as suggested actions, that the Israeli government can take in order to restart the relationship with Jordan:

#### ***Do’s:***

Positive statements recognizing the importance of relations between Israel and Jordan, as well resumption of talks between Israel and the Palestinian Authority, would enable a positive climate and will start rebuild an atmosphere of trust and cooperation between the two countries. Since the Jordanian side feels sidelined and taken for granted, it is important that Israeli leaders publicly relate to the positive dynamics of relations between Amman and Jerusalem, and stress the necessity of promoting and further advancing these strategic relations. A special channel of communications must be opened between the Prime Minister’s Office in Jerusalem and King Abdullah’s court to allow direct and uninterrupted high-level contact at critical times.

#### ***Don’ts:***

One of the major obstacles to restarting the bilateral relationship is the question of the possible annexation by Israel of the Jordan Valley and/or other parts of the West Bank. Netanyahu’s election promise to annex the Jordan Valley was translated in Amman as a real action plan, rather than campaign propaganda. A change of the status quo on the al-Haram al-Sharif/the Temple Mount is also a key issue for the Jordanians, whose role in Jerusalem is stipulated by its peace treaty with Israel. Israel’s new government will have a short window of opportunity to underline the difference between the new and old approach toward Jordan. Therefore, such and other damaging and negative statements should be avoided, even if they are made solely for propaganda purposes.



**Actions:**

Beyond the expression of good will and general support for boosting relations, Israel and Jordan need a real “glue” – substantial projects tying them together and focusing their energy toward growth and development. Several projects and issues were discussed or even signed by both parties in the past. Relaunching existing water and infrastructure projects, enhancing imports of Jordanian goods to the Palestinian Authority, and the advancement of cooperation in the fields of tourism, high-tech and medical tourism, must all be placed on the agenda as a high priority for Israeli decision makers.

Discussion of water issues should be expanded to include broader solutions in which Israel could support Jordan. Such support should start with the fast advancement of the desalination project in Aqaba (if needed, disconnecting it from the Red Sea-Dead Sea project), and expediting an expanded water supply agreement from the Lake of Galilee. In parallel, we recommend advancing a comprehensive program for cooperation in other fields of water and energy. That would include, inter alia, supply of desalinated water from the Mediterranean, electricity supply from large solar fields in Jordan (against Israeli gas supplied to Jordan), as well as other water and wastewater treatment projects. That would also include cooperation in the rehabilitation of the Jordan River and the Dead Sea.

Transportation is another top priority. A new network of railroads has been developed across the region over the past two decades, which is reshaping regional land transportation. It enables the development of a new east-west regional railway land-bridge for rapid and economically competitive movement of goods between Gulf states and the Mediterranean Sea. Jordan is strategically located on the crossroads of this regional railway system. Israeli-Jordanian cooperation is critical for the implementation of this project, which has the potential to become a game-changer for the Jordanian economy.

Other high-priority issues (pending and new) include the Jordan Gateway joint industrial park, facilitation of trade through the trade corridor via the Haifa port, development of a new version of the QIZ agreement focusing on cooperation in the export of advanced industrial products and services to other markets, and tourism. It is imperative for long-stalled programs and projects to receive necessary attention, breaking with the previous policies, which frustrated many on the Jordanian side. We suggest creating an intra-ministerial taskforce under the auspices of the Israeli Prime Minister’s Office that would include the Ministry of Foreign Affairs and ministries of regional cooperation, economic affairs and defense.

We are convinced that despite the unfulfilled promises and the different reading of the peace treaty by both parties, a boost of Israeli energy and attention in restarting relations with Jordan could transform the dynamics, producing healthy cooperation and injecting real substance into the peace treaty. In turn, these could create multiple economic and political opportunities that might eventually expand bilateral relations. The stability and prosperity of the Hashemite Kingdom must be a priority for Israel, since it will provide stability on its longest border and cooperation from which both parties will benefit.