CONTENTS

FOREWORD  1
BY THE RT HON SIR HUGO SWIRE KCMG MP

THE CASE FOR RECOGNITION OF THE PALESTINIAN STATE  2
BY SIR VINCENT FEAN KCVO

EYES WIDE SHUT: ISRAEL’S COUNTERPRODUCTIVE
SETTLEMENT ENTERPRISE  8
BY DAN ROTHEM

JERUSALEM AND THE VIABILITY OF THE TWO-STATE SOLUTION  12
BY DANIEL SEIDEMANN

THE BALFOUR DECLARATION  17
FOREWORD

In this centenary year of the Balfour Declaration, and as part of the ongoing CMEC Palestine programme, I am pleased to present our latest publication, *Palestine in 2017 – settlements, Jerusalem and the case for recognition*.

The Balfour Declaration and Britain’s role in shaping the Middle East continue to provoke great debate today. The Declaration like so much foreign policy was a product of its age. It was written in a world of competing imperial powers during the First World War and in the twilight of the Ottoman Empire.

Crucially though, what must be remembered is that the second element of the Declaration called for the protection of the “civil and religious rights of existing non-Jewish communities in Palestine”. This was neglected in the years after 1917. The political rights of Palestinians should have been protected too, most especially their right to self-determination: a right that underpins the British commitment to a two-state solution to the Israeli-Palestinian conflict today.

While we cannot change the past, we can strive to influence the future. 2017 as the centenary year of Balfour, should remind us of the urgent need for a settlement in Palestine and the important role the British Government must play.

It is also why the CMEC Palestine Programme is more important than ever before. While conflicts in Syria, Iraq and Yemen dominate the headlines, we should not let these overshadow the plight of Palestinians. It remains a central injustice in the region.

I am very grateful to the authors of this publication who have, over the following pages, explained with great skill and clarity the issues at stake.

The Rt Hon Sir Hugo Swire KCMG MP  
Chairman  
Conservative Middle East Council
THE CASE FOR RECOGNITION OF THE PALESTINIAN STATE

Sir Vincent Fean KCVO

Sir Vincent Fean spent 38 years in the British Diplomatic Service, latterly as Ambassador to Libya (2006-10) and Consul-General, Jerusalem (2010-14). Now retired from the Diplomatic Service, he focuses on the Middle East and North Africa region, particularly the Israel/Palestine conflict. He is a trustee of Medical Aid for Palestinians and patron of the Britain Palestine Friendship and Twinning Network.

Britain knows the Israeli/Palestinian conflict at first hand. From 1917 until 1948, our police and army struggled to keep the peace between Arabs and Jews. Some of our men and women lie in the Protestant Cemetery on Mount Zion, victims of the terrorist bombing of the King David Hotel. We were the mandate power, and were glad to hand the problem to the UN. The problem is now yet more acute. Hope of peace with justice is fading. That is bad for Israelis, for Palestinians, for us.

Today, our government has influence, but not power. We retain the responsibility to exercise that influence for a just peace. The decisive power is Israel's. The low-intensity Israeli/Palestinian war continues. We have values to uphold, interests to defend, and hope to renew. There is an urgent need for change on the ground: the solution of two states, Israel and Palestine, our consistently advanced policy for 30 years and more, is in danger. Without change, the one state reality which neither most Israelis nor most Palestinians seek becomes the only reality. We can engender change. In our national interest, and for the sake of Israelis and Palestinians not yet born, Britain should recognise the state of Palestine now alongside Israel on 1967 lines, and act accordingly. I hope that the Commons Foreign Affairs Committee’s current inquiry into the UK’s policy towards the Middle East peace process will so conclude.

British values and interests
This deep-rooted problem is often addressed from the perspective of the two parties – Israelis and Palestinians. They can speak for themselves, and do. The Israeli voice is louder and stronger than the Palestinian. The Israeli military occupation of Gaza, the West Bank and East Jerusalem (the Occupied Palestinian Territories – the OPTs) since 1967 means that the Palestinians suffer more. Israelis yearn for security, but do not feel safe. Only ending the Occupation of 1967 peacefully offers the prospect of coexistence in two states, as equals. That requires negotiation, within an internationally agreed framework.

What of British values and interests? We identify with democracy, free speech, equal rights and the rule of law, in this case International Humanitarian Law. We expect our friends and allies to do the same. Britain drafted and signed the 4th Geneva Convention after World War 2. It prescribes what the occupying power should and should not do. Israel and the Palestinians are both signatories. The Convention says, “The occupying power shall not deport or transfer parts of its own civilian population into the territory it occupies.” The Israeli settler enterprise does just that – now there are more than 600,000 Israelis living in the OPTs. The declared settler policy of successive Israeli governments is a war crime. This Israeli Government is accelerating the settler enterprise and systematically creating facts on the ground, which make the two-state solution less and less viable. Israel is a robust democracy
and home of free speech, but not across the Green Line in the OPTs. There, Israeli military law applies to the occupied Palestinian people, who have no influence on Israeli government policy, unlike the settlers. Prime Minister Netanyahu’s support for a settler-sponsored bill in the Knesset to “regularise” outposts, illegal hitherto under Israeli law, was the final straw for John Kerry. It led the US to permit the adoption of UN Security Council Resolution 2334 reaffirming the international consensus condemning settlements in December 2016. Our government was right to vote in favour. The bill which Mr Netanyahu supported is a pretext for stealing private Palestinian land to which the Palestinian owners can prove title. The bill has now been enacted.

Our values lead us to stand up for equal rights for all who live between the Mediterranean Sea and the Jordan River, including guaranteed security for both peoples and the right of self-determination for the Palestinian people, our policy and the EU’s since 1999. How do we translate our consistent advocacy into effective, constructive action?

British interests lie in a strong friendship with Israel, the state Britain foreshadowed in the 1917 Balfour Declaration and recognised in 1950 (though we have never recognised Israel’s borders or her capital). Good friends tell each other the truth, even when that truth is unpalatable, as it is here. Israel is well on the way to becoming the South Africa of the 21st Century. John Kerry warned of a one state reality, “separate and unequal” – a reality of apartheid, in other words. It is strongly in our interest to work to avert that outcome by using all means at our disposal. British recognition of the second state in the two-state solution would signal our intent. It is no panacea, but it is the right thing to do.

It is in Britain’s interest to create the best possible relationship with the Palestinian people and with the wider Arab world. There we have our work cut out. The Balfour Declaration is far better known today on the Arab street than here. Known, but not loved. Whatever the motivation of the government of the day (for objective analysis I commend the Balfour Project website, www.balfourproject.org), our present government will do well to regard Balfour as unfinished business. There is need of a homeland for the Palestinians. Contrary to the wishful thinking of some in Israel’s Likud party, it is not called the Kingdom of Jordan.

The third British interest is national security. Ever since the Balfour Declaration, we have faced the accusation that we promoted the creation of the Jewish homeland in Palestine, and conveniently ignored the part of the Declaration about preserving the “civil and religious rights of existing non-Jewish communities in Palestine”. As Middle East Minister Tobias Ellwood MP stated in Parliament in November 2016: “The Declaration has its flaws... It should have protected those communities’ political rights, too, especially their right to self-determination – a right that underpins the British commitment to a two-state solution.” Well, it didn’t protect the Palestinians at all – hence the original charge of double standards, renewed today when our government condemns illegal Israeli settlement growth with depressing regularity, to no avail. The perception here – widely held among our British Muslim community – is that there is one law for the Arabs, but that we keep Israel above the law. This damages our social cohesion. It contributes to a sense of alienation among some young Muslims, who may start down the wrong road, towards radicalisation. British recognition of two states with equal rights serves to counter that perception, though more is needed.
The criteria for British Government recognition of a state
As Foreign Secretary William Hague defined our government’s policy in Parliament on 9 November 2011: “We reserve the right to recognise a Palestinian state bilaterally at a time of our choosing and when it can best help bring about peace”.

The decision to recognise a state is political. There is no legal impediment to recognising the state of Palestine and thus upholding the right of the Palestinian people to self-determination. There are four established criteria to consider. Palestine meets all four:

1. Permanent population
The current population of the OPTs is permanent and growing – close to 5 million.

2. Territory
While the OPTs do not have clearly defined borders, nor does Israel until her borders with Palestine are agreed by negotiation. Britain recognised Israel without recognising her pre-1967 borders or the capital (Jerusalem) she sought. The Palestinian state should be based on those same pre-1967 borders, with Jerusalem as the shared capital of both states.

3. Government
The international community regards the Palestinian Authority as the legitimate authority in Gaza, where our government has no contact with Hamas. Where – in the West Bank – the Palestinian Authority has control, it governs adequately, despite all the obstacles created by the occupation.

4. Ability to conduct relations with other states
More than 130 states, representing over two thirds of the UN membership, have recognised Palestine. There is no doubt about the Palestinians’ competence here.

Impact of U.K. recognition on Palestine
Recognition of Palestine on 1967 lines strengthens the hand of the Palestinian moderates – those committed to a negotiated, peaceful two state solution – particularly if Britain’s decision persuades others in Europe to follow suit, as is likely. Recognition of Palestine does not reduce the Palestinian leadership’s will to end the occupation by negotiation, in accordance with UN Security Council Resolutions and the Quartet Roadmap endorsed by Britain. The PLO is well aware that only negotiation will end the occupation. Recognition helps by equating better the two parties to that future negotiation. It should not be merely a reward for successful negotiations, for at that point recognition happens anyway and our action loses any persuasive force.

Statehood brings with it responsibilities as well as rights. Already we ask of Palestinian President Abbas that he maintain the current close security cooperation with Israel, condemn Palestinian violence not just in principle but in specific cases, and do all he can to ensure that resistance to the occupation is non-violent. Britain can exert greater influence over Palestinian policies after recognising the Palestinian state. We can press for the political reunification of Gaza and the West Bank in line with PLO policy and for national elections. Recognition does not mean that the Palestinian government will always do what we want. Our government recognises states, not other governments – an important distinction, particularly when we take exception to a particular government policy.
Tobias Ellwood has urged Abbas to do more to quell Palestinian incitement to violence, even suggesting that the President’s response will help or hinder when our government considers the question of recognition. Two thoughts come to mind. First, since we recognise states, not governments, recognition is not a lever to pull to change some aspect of Palestinian government policy. The state merits recognition in its own right. We rightly recognised Israel, without condoning every policy of her government. Second, how to define incitement? Is it the abuse of Palestinian Authority controlled media to demonise the occupying power? Or is it how the occupying power routinely “makes its presence felt”, deliberately intimidating Palestinian families across the West Bank in the middle of the night by random selection of homes to enter and search, traumatising young children?

Both actions constitute incitement. The Wye River Memorandum of 1998, signed by Arafat and Netanyahu, included creating a US chaired committee to hear complaints of incitement and determine the truth. The committee lasted a year, then fell by the wayside. Abbas wanted Obama to recreate it; the US was willing, but Netanyahu demurred.

**Impact of U.K. recognition on Israel**

The impact of a permanent member of the UN Security Council recognising Palestine is real – especially if Britain and France act together. Then, four of the five permanent members will have recognised both states in the Holy Land, changing the political balance in the Council. The Israeli government reaction might be a mixture of anger and determination to play down the significance of the change. Such a response would lack consistency. Israel consolidated her international status through bilateral recognition of the state of Israel. The USA was the first to recognise, within minutes of Israel’s Declaration of Independence. Recognition mattered then. It matters now. Recognition of Palestine alongside Israel in no way delegitimises Israel. It takes nothing from Israel.

Recognition is likely to encourage Palestinian pursuit of their acknowledged right to self-determination by political means, rather than by violence. Recognition boosts the PLO, still the sole legitimate representative of the Palestinians, at the expense of extremists. It serves as a wake-up call to Israelis and their present and future leaders: a message that the occupation which began in 1967 must have an end date, peacefully negotiated between two states, Israel and Palestine. The British government hold that occupation to be “unacceptable and unsustainable”, to quote Tobias Ellwood once more. Recognition, together with a renewed British commitment to uphold international law without fear or favour, and with consequences – penalties – for whoever breaches that law, is the way to sustain the two-state solution in the long-term interest of all Israelis and all Palestinians. Several Parliaments elsewhere in Europe – France, Spain, Ireland and others – emulated the House of Commons after it voted by 276 to 14 in favour of recognising Palestine in October 2014. Sweden recognised Palestine soon after. British recognition will be all the more influential for being implemented in coordination with like-minded partners. Such joint action can discourage breaches of the law in the OPTs more effectively than ministerial statements.

Some may argue that recognition of Palestine gives the Palestinians “something for nothing”, something they have yet to earn. But they earned the right to self-determination in the last century – Britain should acknowledge their claim to statehood now, 100 years after Balfour. Recognition of that Palestinian right encourages Palestinian moderation precisely because it restores hope of progress by non-violent political means to the Palestinian people. The status quo – the perpetuation of the occupation - leads to extremism, because it extinguishes hope of peaceful change.
Will Britain lose influence with Israel by this step? What influence have we to lose in relation to the conflict? Our repeated, correct condemnations of settlement expansion are laughed off. British quiet diplomacy is practised assiduously, and ignored. Experience shows that condemnation without consequences does not work. Britain will want a mutually beneficial trade deal with Israel inside the Green Line in our post-EU world. Israeli enlightened self-interest will make it happen, whatever policy we pursue on Palestinian rights. While this conflict is not the only one in the Middle East region, it matters greatly to people here, in the Holy Land, everywhere. The occupation is unique. It holds down the occupied and demeans the occupier. It challenges our values and harms our interests.

**British foreign policy – with the like-minded, seeking peace with justice**

We cannot rely on either the EU or the USA to deliver peace, security and justice for Israel and Palestine. The EU Foreign Affairs Council is governed by the lowest common denominator, and is a good deal less than the sum of its parts. There is no evidence leading us to expect something both new and good from President Trump, who is equivocal about the two state solution. We cannot leave it to the parties to the conflict to resolve it; pitching the strong against the weak simply makes the weak, weaker. The Arab League needs to refresh the Arab Peace Initiative – no easy task, given the divisions and strife in the Arab world – but it will only do so if convinced of Israeli good faith concerning the Palestinians.

That leaves the onus on us, and partners of the same mind: first among them, France, for three reasons. Britain and France are the two European states with global foreign policy reach, members of the P5 in the UN Security Council and with “form” in the Middle East region. France commands respect for her diplomatic efforts to sustain the solution of two states over the last two years. As Britain seeks her own way after the EU Referendum, it is vital to work hand in glove with France on key foreign policy issues. Working for peace with justice for Israel and Palestine is a shared priority.

The first step is to keep alive the solution of two states side by side where their peoples enjoy equal rights, including the right to security under the rule of law. Now is the time to revisit William Hague’s perceptive policy statement of 2011. If we are serious about the aim, as we are, we have to will the means. Bilateral recognition of the Palestinian state alongside the state of Israel is that first step, and the best step we can take now to help bring about a just peace. If we keep repeating what we have always done until now, the chance will be lost.
EYES WIDE SHUT: ISRAEL’S COUNTERPRODUCTIVE SETTLEMENT ENTERPRISE

Dan Rothem

Dan Rothem is a Senior Research Consultant for The S. Daniel Abraham Center for Middle East Peace. Based in Tel Aviv, Israel, his main work deals with the peace process and U.S.-Israeli relations. Dan’s work on the Israeli-Palestinian conflict focuses on the core issues (borders, Jerusalem, refugees, and security) and their prospective solutions.

The construction and expansion of Israeli settlements in the West Bank and East Jerusalem has become the primary point of contention between the international community and Israel. Aside from the international consensus regarding the illegality of the settlement enterprise, it is, together with Israel’s military dominance of the West Bank and Gaza Strip, the starkest manifestation of Israel’s 50-year-old occupation of lands it seized in the 1967 war from Jordan and Egypt. In the eyes of the world, continued settlement expansion on Palestinian lands symbolizes Israel’s insincerity about achieving a two-state solution, undermines the ability to establish a territorially-contiguous Palestinian state, and further discredits the peace process at large.

There are close to 600,000 Israeli settlers in 143 localities in the West Bank and East Jerusalem. Of them, 385,900 settlers live in 131 West Bank settlements and 203,300 live in 12 Jewish settlement-neighborhoods in East Jerusalem. A couple of thousands more reside in 97 small settlement ‘outposts’ throughout the West Bank that were established largely in violation of Israeli law, as well as in 13 residential complexes inside Palestinian neighborhoods in East Jerusalem.

Israeli settlements are spread throughout the West Bank in a manner that undermines Palestinian territorial integrity. Israel’s civil and political systems distinguish between various criteria of settlements. Primarily, between settlements in East Jerusalem, where Israeli law applies, and settlements in the rest of the West Bank, which Israel controls militarily; and between settlements which were built by the pragmatic political Zionism that sought to consolidate Israel’s hold on areas that in the 1960s and 1970s were not yet designated as the basis for a Palestinian state, and settlements that came out of religious Zionism, which to this day sees redemption of the land as a central part of Jewish salvation. Understandably, the international community is tone-deaf to the various historical, political, and statutory dynamics that support the settlement project. In its view, all settlements are illegal and illegitimate and are a central barrier to progress toward peace.

Notably, the first decade of the settlement project focused on consolidating Israeli control over areas it identified as beneficial for its security. But such territory-based security strategy is dated, and according to the analysis of hundreds of former Israeli generals and security officials, today the majority of settlements are a burden on Israeli security, encumbering Israel’s ability to respond both strategically and tactically. Put simply, the presence of Israeli civilians amidst potentially-hostile Palestinian population requires the allocation of military resources to protect that population on an ongoing basis and limits the military’s ability to respond effectively in times of emergency.


**Israeli Settlements and Settlement ‘Blocs’**

- 1967 Lines
- Israeli-defined
- Jerusalem municipal boundary
- Israel’s settlements in the West Bank and East Jerusalem
- Palestinian definition of ‘blocs’ to be annexed by Israel
- Israeli definition of ‘blocs’ to be annexed by Israel
To be sure, there are real and legitimate Israeli security needs. And in the context of a two-state solution, they can be met by the de facto demilitarization of the Palestinian state together with the multi-layering of Israel’s security capabilities. In other words, the need to answer settlements - and settler-related needs - is political in nature and is at odds with professional appraisals of Israeli security needs.

The international community has stood united, but helpless, against settlement construction. Two items dominated the settlement agenda in the context of the peace process: the demand that Israel freeze all settlement activity and the implications that such ‘realities on the ground’ would have on permanent borders between Israel and Palestine in a two-state solution.

Regarding a settlement freeze, aside from the illegality of settlements, the international community has demanded that Israel cease building on land designated for Palestinian statehood or, at the very least, that the sides are supposed to be negotiating over. But the consistent call for such a comprehensive settlement freeze has failed. Partly, the international community never deployed its full political or financial powers to obtain a freeze. But not less important, a complete settlement freeze contradicts the assumption, shared across the entire Jewish-Israeli political spectrum, that large settlements located close to the 1967 lines will come under Israel’s sovereignty in any peace agreement, and therefore is domestically unjustifiable.

In the public domain, Israelis over-prioritize to a remarkable extent support of, and opposition to, settlement construction. Popular discourse defines states, organizations, and leaders as ‘pro’ or ‘anti’ Israel according to their positions on settlements. By and large, Israelis also fail to recognize the difference between boycott, divestment, or sanction efforts that target the entire state of Israel and a differentiation policy that aims to distinguish between Israel-proper and the settlements, legitimizing the former while targeting the latter.

Regarding permanent borders, the international position has remained consistent: the 1967 lines – the 1949 armistice lines that separated Israel-proper from the Jordanian-held West Bank until the break of the 1967 war – would serve as the basis for Israeli-Palestinian borders. The Palestinian state should be contiguous and viable. Practically, Israel should not control the borders between Palestine and Jordan, and Palestine and Egypt, and the West Bank should not be divided into several isolated cantons.

For the most part, the international community accepted Israel’s position that large concentrations of Israeli settlers, loosely referred to as settlement ‘blocs,’ represent a major development that mandates changes to the 1967 lines. A most helpful reality is that while the settlements are spread throughout the West Bank, the majority of settlers, close to 75 percent of them, reside in close proximity to the 1967 lines, lending themselves to rather simple exchange of territories.

In practice, land swaps would serve as a bridging mechanism between the needs of the two parties. Israel would annex areas close to the 1967 lines where most of the settlers live, so as to minimize to the extent possible the number of settlers that would need politically-sensitive evacuation once a two-state agreement is implemented. In return, Israel would swap to Palestine unpopulated areas from Israel-proper.

However, there is not an agreed definition, nor a delineation, of the settlement ‘blocs’ that would serve as the basis for land swaps. The difference between the Israeli and Palestinian interpretation of such ‘blocs’ is stark. The Palestinians focus on the most concentrated and densely built-up areas that are
adjacent to the 1967 lines. These areas constitute just short of 2 percent of the Palestinian territories, and are home to roughly 60 percent of the 600,000 Israeli settlers. According to the Palestinian position, in the context of a two-state solution, the remaining 40 percent of the settlers – those 240,000 settlers that essentially reside in the emerging Palestinian state – would need to evacuate, rapidly. Undoubtedly, all Israeli leaders view such a number as falling way above what Israel can politically withstand.

For its part, Israeli leaders, in an attempt to significantly reduce the number of settlers slated for evacuation, envision ‘blocs’ that stretch deep into the West Bank engulfing roughly 6-10 percent of the Palestinian territories. In demographic terms, this vision of ‘blocs,’ while varying according to different leaders, includes 82-91 percent of the total settler population within them, leaving 52,000-102,000 for prospective evacuation. Understandably, Palestinians view Israel’s definition of ‘blocs’ as too intrusive, undermining the territorial contiguity of their prospective state. Separately, the prospects of Israeli settlers remaining under Palestinian sovereignty in the new Palestinian state has been raised by various observers as an option. As expected, this idea has not gained traction in Palestinian circles and therefore falls outside the scope of an agreed-upon two-state solution.

It would be wise of the international community to keep in mind the two ways in which settlement construction can destroy the two-state solution.

One way, understood almost intuitively, is to increase the number of settlers that would need evacuation beyond what would be politically feasible. But not less important, the second way to kill the two-state solution is to create geographic realities that threaten the integrity and viability of the Palestinian state. Specifically, the vital organs of Palestine lie inside the ‘blocs’ as Israel defines them. This is especially true of the few empty areas in and around East Jerusalem, the Arab parts of which would necessarily become the future Palestinian capital. If Israel consolidates its hold on the surrounding areas of the future Palestinian capital, it will essentially cut it off from its Palestinian environment, tearing out the beating heart of Palestine from the body that is the West Bank.

For many decades now, successive Israeli governments have acted against the interests of the Israeli people. Israel needs to retain a solid Jewish majority that underpins both its Jewish and democratic characters. Barring a partition of the land into two nation states, demographic realities west of the Jordan river point to an imminent loss of the Jewish majority. In turn, the metastasizing occupation of the Palestinian people will take care of what remains of Israel’s democracy.

It is imperative that Israel’s friends in the international community look beyond the politicking and ideological intransigence of Israel’s current leadership as they re-assesses their view of the two-state solution and its applicability, the orchestration of the peace process, and their policies vis-a-vis Israel and its settlement project.
JERUSALEM AND THE VIABILITY OF THE TWO-STATE SOLUTION

Daniel Seidemann

Daniel Seidemann is an Israeli attorney specialising in Israeli-Palestinian relations in Jerusalem. He is the founder of Terrestrial Jerusalem, an NGO that works towards a resolution to the question of Jerusalem that is consistent with the two-state solution.

In June of this year, one may anticipate an almost deafening dissonance between the messaging of official Israel and that of the international community, including the staunch allies of Israel. Israel will be celebrating the 50th anniversary of its decisive victory in the 6-day war, while much of the rest of the world will be commemorating 50 years of Israeli occupation of the West Bank. This contrast between the two will be nowhere more stark than in relation to Jerusalem, where the Israeli military success gave rise to a wide-held belief in Israel, often with Biblical overtones, that henceforth a “united” Jerusalem, East and West, would be Israel’s eternal capital. However, neither the Palestinians nor much of the rest of the world share that view, and for them Israeli rule over East Jerusalem can best be described in one word: occupation.

However one may view the 1967 war, its semi-centennial creates an opportunity to take stock of the developments that have taken place in Jerusalem during the past fifty years, their impact on the current trajectory of the conflict, and on the prospects of a permanent status agreement between Israelis and Palestinians.

In 1967, Israel annexed approximately 70 km² of what was until then Jordanian held territory, 6.5 km² of which was Jordanian East Jerusalem. In June 1967, immediately after Israel’s annexation of East Jerusalem, approximately 198,000 Israelis and 69,000 Palestinians resided within the newly designated and expanded boundaries of the city.

In the ensuing years, Israel’s policies in East Jerusalem have been driven by the calculus of national struggle. Virtually all of Israeli policies in the city have had three goals, and which fifty years later remain largely unchanged: a) to create and maintain a robust Israeli majority in the city b) to create geographical “facts on the ground” that will make a political division of the city impossible, and c) to secure and consolidate the legitimacy of a united Jerusalem as the capital of Israel.

Since 1967, the Israeli government expropriated 33% of privately owned land in East Jerusalem, creating ten large settlement neighborhoods on these expropriated lands, on which more than 55,000 residential units for Israelis were built. Less than six hundred homes for Palestinians were built with any kind of government support, the last of which was in the 1970s. The construction allowed under the zoning in the Palestinian sector was and remains very restricted. With these policies, successive Israeli governments sought to accelerate the development of the Israeli sector, while putting an artificial cap on the development of the Palestinian sector, a policy euphemistically called “maintaining the demographic balance in the city”. In addition, by means of these large settlement neighborhoods, Israel sought to create a critical mass of facts on the ground that would preclude any political division of the city.
Contemporary Jerusalem

![Map of Jerusalem and surrounding areas](image-url)

- **Green Line**
- **Municipal Boundary**
- **Old City**
- **Separation Barrier:**
  - **Completed**
  - **Planned**

**Legends**:
- **Palestinian Built-up Area**
- **East Jerusalem Settlement**
- **West Bank Settlement**
- **Industrial Park**
- **Israel Location**
The Settlement Enclaves and Settler Houses
In addition to these large settlement neighborhoods, there are today approximately 2,600 settlers living in ideologically motivated settlement enclaves in and around the Old City, in places like the Muslim Quarter, Silwan, Sheikh Jarrah etc. Enjoying massive government support, these settlements aspire to recreate a biblically informed Jewish presence in areas that resonate with ancient Jewish history, but which also have a large Palestinian majority.

In 1967, Israel annexed the lands of East Jerusalem, but not its population. Consequently, the Palestinian residents of East Jerusalem are not citizens of Israel, but rather are permanent residents. They do not bear Israeli passports, nor do they have the right to vote in Israeli national elections. They may vote in municipal elections, but almost invariably elect not to do so: in 2013, there were more than 157,000 eligible Palestinian voters in East Jerusalem, of whom 1,101 exercised their right – a 0.7% voter turnout. The urban legend is that the East Jerusalem Palestinians are entitled to Israeli citizenship. They are not. They may apply for citizenship, and Israel may say yes or no, at its sole discretion – not that the Palestinians are clamoring for citizenship. Since 1970, approximately 14,000 Palestinians have applied, and 6,000 were granted citizenship, out of a total population in excess of 300,000.

At a distance of fifty years, it is appropriate to ask: have these Israeli policies achieved their declared and implicit goals? The answers are far from unequivocal.

On the face of things, and from the perspective of official Israel, this enterprise would appear to have succeeded. Today, more than 207,000 persons – 40% of East Jerusalem’s population - are Israelis residing in the settlement neighborhoods and enclaves. 36% of Jerusalem’s Israeli population resides in East Jerusalem.

Geographically, contemporary East Jerusalem resembles an archipelago of Israeli and Palestinian built-up areas, cohabiting “cheek and jowl” and often separated by no more than a secondary road a few meters wide. It is hard to imagine any future agreement that will not in some way accommodate the geographical and demographic changes that have transpired since 1967.

Has Jerusalem become Israel’s capital? The Israeli national institutions – the Knesset, the Prime Minister’s Office, the Supreme Court, the Office of the President – are not only located in Jerusalem but frequented by foreign dignitaries.

However, there are countervailing indications. In 1967, the Palestinian population of Jerusalem was 69,000, 25.5% of the population in Israel’s new and unilaterally defined municipal boundaries. After 50 years, and in spite of concerted governmental policies detailed above, the Palestinians have risen to 316,000, 38% of the population. After a massive governmental effort in which hundreds of millions of dollars were invested in settlement enclaves, and in which virtually all governmental authorities were harnessed to serve the settlers, less than 3,000 settlers reside in the settlement enclaves in and around the Old City. The late Faisal Husseini once quipped to this author: “You Israelis are creating facts on the ground, but we, the Palestinians are the facts”.

Since 1967, Israelis and Palestinians have continued to live parallel lives in different living spaces. Israelis rarely visit the Palestinian areas of East Jerusalem, and Palestinians go to Israeli Jerusalem only for very compelling reasons. Israelis and Palestinians shop in different stores, walk different streets, and study in different schools. And if, since 1967, there has been a “glass wall” separating the Israeli and Palestinian built-up areas of Jerusalem – a cognitive border with no physical embodiment, but obeyed as if it exists
in nature – the degrees of separation have become more, rather than less stark in recent years. Since July 2014, East Jerusalem has been gripped by a popular uprising of Palestinians in a scope and intensity not witnessed since 1967. The cognitive border has hardened in many ways into a virtual “electrified fence”.

In and around the Old City, the settler enclaves remain isolated, with clashes between settlers and the police on the one hand, and the Palestinian residents on the other, not uncommon. These enclaves could not be sustained without a large-scale Israeli security presence, whether the para-military border patrol or government-funded private security guards. Increasingly, the skirmishing in this area bears the manifestations of a bitter, but resolvable political conflict that is morphing into a zero-sum and unsolvable religious war.

As of this writing, there are no foreign embassies in Jerusalem, East or West, and no country recognizes the legitimacy of Israel’s annexation of East Jerusalem, or the legality of the settlements. Foreign officials indeed visit government offices in West Jerusalem, but systematically refuse to visit the government ministries located in the East. Currently, it is not clear if President Trump will fulfill his campaign promise to move the United States embassy to Jerusalem. However, even if he does so, it appears that this move would contribute little to the “unification” of Jerusalem, and the United States would remain largely isolated in its recognition of the city as Israel’s capital.

It is indeed possible that the developments of the past 50 years preclude the possibility of ever politically re-dividing the city. We think otherwise. However, while it is indeed possible that even if East Jerusalem’s settlements prevent a two-state agreement, it is clear that they have not achieved their declared goal of creating a viable and sustainable Israeli capital. After fifty years of Israeli rule, Jerusalem is more binational, more divided and more contested than at any time since 1967. It is not merely a binational city, but one that is located at the epicenter of a bitter national conflict with regional and global ramifications, and in which one national collective is politically empowered and the other permanently disempowered.

In a variation on a Lincolnian theme, one may say of contemporary Jerusalem: “A city divided against itself cannot stand. This city cannot endure permanently half occupied, and half free.” The current realities cannot be sustained over time, and Israeli rule of East Jerusalem is making this city less, rather than more viable as time goes on.

It is impossible to conclude this analysis without a stern warning concerning the existing geo-political state of play as it relates to Jerusalem. Even if the map of East Jerusalem does not yet preclude the possibility of creating a viable contiguous Palestinian state – as we indeed believe – that may no longer be true in the near future. Within a very short period of time, the map of Jerusalem may be so balkanized that any political agreement regarding the city will become impossible. Along with these territorial threats, the intensification of the biblically driven settlement and settlement-related activities in and around the Old City, against the backdrop of intense skirmishing of Haram al Sharif/the Temple Mount, is accelerating the religious radicalization of the conflict.

Entering the 50th year of the Israeli rule over East Jerusalem, Jerusalem has choreographed the kind of theatre it has periodically produced throughout the millennia: in contemporary Jerusalem, the stage has been set for a drama of biblical proportions.
THE BALFOUR DECLARATION OF 1917

The Balfour Declaration was a November 2, 1917 letter from British Foreign Secretary Arthur James Balfour to Lord Rothschild.

Foreign Office, 
November 2nd, 1917.

Dear Lord Rothschild,

I have much pleasure in conveying to you, on behalf of His Majesty’s Government, the following declaration of sympathy with Jewish Zionist aspirations which has been submitted to, and approved by, the Cabinet.

His Majesty’s Government view with favour the establishment in Palestine of a national home for the Jewish people, and will use their best endeavours to facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine, or the rights and political status enjoyed by Jews in any other country.

I should be grateful if you would bring this declaration to the knowledge of the Zionist Federation.

Yours sincerely,

[Signature]

Arthur James Balfour