

# The “Deal of the Century” The First viable Peace Plan

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An Occasional Paper for the  
Center for Security Policy



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February 18, 2020

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Lost among all the news about impeachment was the initial leaking of the “Deal of the Century,” the U.S. plan for resolving the Arab–Israeli dispute once and for all. The plan was formally unveiled on January 28 by the Trump administration.

Here is what we know about the peace plan’s contents. The plan will include approval of Israeli annexation of the Jordan Valley and major settlement blocks. The Israelis must freeze settlement construction beyond those blocks and commit to serious discussions about establishing an eventual Palestinian state if — and only if — the Palestinians, in turn, accept four key demands:

- 1) recognize Israel as a legitimate, Jewish nation;
- 2) accept Jerusalem as the capital of Israel;
- 3) disarm Hamas; and
- 4) establish a completely demilitarized zone in all of Gaza. If the terms are accepted, the United States will organize a major economic plan to establish a viable and well-capitalized Palestinian economy.

If on the other hand, the Palestinian Authority (PA) does not accept, and Hamas fails to disarm, and Gaza remains militarized, then the United States punts to Israel to allow further settlement and recognition of additional Israeli annexations.

The exact geographic parameters of the first wave of recognition of annexation expands the areas currently under direct Palestinian control (Area C under the Oslo agreements). Some parts of the eastern half of Jerusalem are also left to the Palestinians in the proposal, but it appears the old city (including the Temple Mount) will be recognized as part of Israel at the outset. Some portion of the Palestinian neighborhoods currently within Jerusalem’s municipal boundaries will be held in limbo for the Palestinians pending their approval or rejection of the plan. As such, if the

PA rejects the plan and Hamas does not disarm, then it is to be assumed that the Israelis have a free hand, and the entirety of Jerusalem will be recognized as their territory in the second wave of annexation.

The Israelis will clearly accept this plan, although there will be some right-wing and left-wing opposition, each for different reasons. Israel was represented in Washington for the unveiling not only by Israeli Prime Minister Benjamin Netanyahu, but also by the opposition leader of the Blue-White party, Benjamin Gantz, although Gantz opted out of jointly meeting the President with Netanyahu to avoid being seen as second-fiddle only weeks before Israel's upcoming election.

From Israeli reports, it appears that it was actually Netanyahu himself who suggested Gantz be invited to the White House. This shrewdly served two purposes. Gantz's party is ideologically torn, unified only by a shared desire to oust Netanyahu. Half the party has strong right-leaning elements pushing to seize the moment and display national unity (and Gantz' leadership), while the left-leaning part of the party is falling in with European demands that the 1967 lines cannot be altered without its being in the framework of a negotiated settlement enjoying Palestinian approval.

In the end, Gantz had to come to Washington because failure to accept the U.S. plan would almost certainly lead to the fracturing of his party and an electoral collapse, while approval may cause him to lose some electoral support but still maintain a healthy amount. Gantz now looks statesmanlike and has dispelled any significant national dissent over the annexations — making them essentially the new consensus position. Nonetheless, the emergence of a national consensus surrounding this plan, as represented by its approval by the two major parties on the center-right and center-left, will certainly be seen in Israel as a crowning achievement of Netanyahu's premiership. Thus, in bringing Gantz, Netanyahu has both achieved a new national consensus and exposed the split in Blue-White.

Internationally, the reactions will be multi-tiered. For example, Egypt will protest some provisions publicly but quietly accept that the plan will move forward. Some parties, especially elements that oppose the Egyptian government, may instigate some protests and attempt to use the moment to score points, but it is committed at this point to keeping its guard up and preventing any gathering of people. The Saudis, from the point of view of Islamic legitimacy and theological purity, cannot be expected openly to embrace all the plan's provisions, but they will likely accept the plan and its more difficult provisions through their silence.

In the end, the plan was vetted and ultimately tactically accepted by both the Egyptians and Saudis, who have bigger fish to fry than Israel. This is a departure from the past. The Saudis and Jordanians previously maintained that they would accept any plan that the Palestinians accepted — thus giving the Palestinians the power to block any plan not to their liking. The Saudis now seem to suggest they are no longer willing to grant the Palestinians a veto over a Middle East peace plan.

The main role the Saudis and other Gulf States will play concerns the financial offerings attached to this deal, namely the rumored \$50 billion aid program offered to the Palestinians and Jordanians to tempt them into approving the arrangement. The aid clearly would not be given without buy-in, since that is the only real incentive offered to Jordan and the Palestinians to approve the plan other than a vague Israeli commitment to negotiate in good faith about a possible Palestinian state. To note, if the bulk of the money offered to the Palestinians and Jordanians is from other Arab states, then neither Jordan nor the PA will be all that eager to leap at it, since there is a history of grandiose financial promises by Arab states to both of these parties with either little follow-through or strings-attached delivery. If it is from other international donors, such as the European Union, then there will be more confidence in actually receiving the money

among Palestinians and Jordanians.

In the end, the purpose of this plan, including its major financial incentives package, is not only to solve the Palestinian problem. In fact, reaching an Israeli-Palestinian agreement ironically may not even be its primary purpose. The plan's main objective is to provide a bridge for Saudi Arabia and other Gulf States (and possibly Egypt) to wash their hands of the Palestinian issue and move on to address the major strategic issues plaguing them: primarily Turkey and Iran. In essence, it is about removing the five-decade focus on the Palestinian issue from the U.S. (and Saudi, Indian and east Asian) agenda — whether it solves the problem or not.

The Saudi component is a huge element of this plan, not because the Saudis themselves are worth much to Israel, and increasingly less even to the United States, but because a Saudi stamp “Kosher-ing” Israel gives east Asian countries like Japan cover to move full tilt into the Israeli economy — including the energy sector. It signifies the formal end of the boycott. For the Saudis, it opens the door to much more overt and stronger cooperation with Israel against common regional adversaries. If the Palestinians reject the plan, then the message this plan sends is that the U.S., the Israelis, and key Arab states are moving on, as are many other nations in the world (mostly in Asia, not Europe).

One caveat: The Saudis will have a theological problem recognizing Jewish sovereignty over land once conquered by Muslim armies, not only about Jerusalem. There is no real legal provision in Islam for surrendering territory which once fell under Islamic ownership (namely, a part of what had become Dar al-Islam) other than in temporary arrangements. While

Saudi silence and more open cooperation with Israel will likely emerge, full-tilt Saudi recognition and legalization of Israel, let alone of Jerusalem, as a permanent and irreversible commitment will remain problematic to reach. As such, the Saudis must find (and will likely succeed in finding) some sort of formula to paper over their strategic interaction and relations with Israel.

All factions of the Palestinians will certainly reject the plan. The Palestinians' leadership (PA and PLO) are quick to note the history of what happens when you sign treaties with Israel; Egypt's Anwar Sadat paid for it with his life. PLO leader Yasser Arafat told President Clinton and Israeli Prime Minister Ehud Barak in 2000 that "he didn't want to have tea with (the assassinated) Sadat." He could not sign a deal and hope to survive.

Moreover, the PA will see any validation of Israel as both legitimate and Jewish as establishing the historic Jewish right — the Jewish deed — to the land. This would dilute their absolutist claims, which have for decades been backed up by a false historical and archaeological narrative carefully invented and crafted by the Palestinians and their sympathizers. It would also return the issue back to its origins in the League of Nations' mandate, which was based on the Jewish historical right to the land.

Lest one think that the PLO is truly secular and devoid of Islamic sentiments, the concession of the Land of Israel, and Jerusalem in particular, as no longer part of the Dar al-Islam will be rejected, since it will be seen as tantamount to conceding the failure of Islamic supersession tendencies over Judaism. In the West, it is widely said that Jerusalem is holy to Islam, akin to the way Christians and Jews hold Jerusalem as holy. Yet so much of the Islamic polemic about Jerusalem over the last 1,400 years has not been a result of its importance to Islam, but precisely because of its importance to Judaism and Christianity — the loss of it signified divine rejection of the two older religions and validation of the newer third one.

Hamas and the Palestinian terrorist group Islamic Jihad Movement in Palestine (PIJ) will reject the plan not only for the same reasons as the

PA/PLO, but because the additional two demands of them — their disarmament and demilitarization — are suicide. Violence is the adrenaline upon which they thrive, and its removal will bring withering. Yet, despite their rejection, the internal impulse for both the PA and Hamas to launch a material reaction will be limited and mostly demonstrative. The PA, for all the bluster it will certainly express, knows that its survival is a function of Israel's indulgence. It understands that its very existence is a function of the status quo in the areas over which it reigns, namely area A and, to a lesser extent, area B, and that status quo is sustained by Israeli power and punctuated interventions.

The PA/PLO understand that they lack the power or support internally to withstand the forces at work that will fill any power vacuum arising from an orphaned PA/PLO. In many ways, it is precisely this vacuum and the threat of the forces that could fill it that are the basis of its survival. The constant threat of collapse entraps Israel into supporting it. As such, despite a rhetorical tempest, the PA will continue in the aftermath as it has before.

Hamas and the PIJ are a bit more complex. The domestic Hamas leadership is now constantly trying to navigate its survival, not only in terms of managing the caldera of explosive forces atop which it sits in Gaza and rising popular discontent, which has reduced its reign to a function of repression rather than support, but also between itself domestically and the external leadership and forces that operate at the behest of foreign actors.

As such, while Hamas may express its anger with a few days of projectiles, even it will keep its eyes on the big forces at work far beyond the deal of the century. On the one hand, there is the strategic instability surrounding Iran's attempt to survive and the rising anxiety of its agents in Hamas. On the other hand, there is the Turkish/Ottoman-Qatari revival and the inter-Sunni cold war brewing between Egypt/Saudi Arabia and Turkey. Hamas, as a movement torn between the Iranians and the Turks, must very carefully keep its powder dry as it seeks to gauge how it fits into the larger dynamic changes affecting both Turkey and Iran.

Iran and Turkey both will use the unveiling of the Deal of the Century to instigate violence. Both have an interest in doing so. For the Hamas factions aligned with Iran, this is the dreaded moment when they will be asked to fall on their swords to deliver an increasingly desperate Iran a pyrrhic victory. Yet they know that Israel is poised to devastate them, led by a Chief of Staff with a history of focusing on decisive victories over prolonged deterrence. While their proclivity will be to hunker down, protest and misbehave but acquiesce, some of the factions most tied to Iran (and the PIJ) may yet be forced to act self-destructively while the bulk of the Hamas forces stand down. Those Hamas elements tied to Turkey and Qatar mostly may also face demands from Erdogan to act violently and align more blatantly and aggressively with the politics of anger and resistance Erdogan will surely instigate.

And yet, they find themselves in a similar situation as the Iranian factions. At the moment, what stands between all the factions of Hamas and destruction at the hands of Israel is Egypt. Egypt so fears the power vacuum that would emerge in Gaza were Hamas destroyed that Cairo has successfully implored the Israelis for several years to hurt Hamas to keep it weak, but not enough to kill it off. In other words, Hamas, like the PA/PLO, survives at this point at Israel's indulgence conducted at Egypt's behest. In the context of the intense Egyptian-Turkish cold war — with which both Egypt's al-Sisi and Turkey's Erdogan are obsessed — Hamas cannot afford to align too closely with Turkey and assert itself, lest it be seen by Egypt as the agent of Erdogan's designs, at which point Egypt would again see the Hamas entity in Gaza as more of a threat than chaos and a vacuum, which would lead to an Egyptian green light to an Israeli operation to destroy Hamas.

Given these dynamics, one might see some pro-Iranian factions seek to make a last stand. Pro-Turkish/Qatari factions may also assert themselves, but the domestic Hamas leadership has an interest in keeping the lid on matters right now, so some inter-Hamas fighting may ensue. Overall, the Egyptians hold the key to Hamas's ongoing survival at this point, so any actions on behalf of Iran or precipitous drift to the Turks would bring the



Egyptian hammer (or the Israeli hammer wielded by the Egyptians) down on their heads.

With all that going on among the Palestinians, there will be a lot of theatrics surrounding the declarations, but they have their eyes on much bigger and more dangerous developments regionally.

Jordan is a different story. Recognition of Israeli annexation of parts of the West Bank will be met with official anger, and it will not just be for show. Recently, there were demonstrations against the deal with Noble Energy to import Israeli natural gas into the country, so momentum against the continuation of the peace treaty is building slowly. Jordanian King Abdullah's political opponents understand that opposition to peace with Israel is a way to express opposition to the government without threatening the government directly. It has become the "safe" language to oppose the monarch. In response, the King has in recent years tried to get out in front of his people by being even more vocal than they in expressing anguish and anger.

Over the last half-decade, there has been a pattern: King Abdullah takes the lead in expressing anger at Israel to stay ahead of the anticipated Palestinian tsunami — actions that have resonated to create bigger waves rather than calm the waters. This dynamic has not been lost on Israelis, who express increasing frustration with the King.

Moreover, the strategic importance of Jordan has shifted, but the King operates on a past understanding. The Hashemite pillar is the only true foundation, bar none, of the regime. Until recently, the strategic importance of the regime and the pillar upon which it was anchored was to help contain the threat of Palestinian extremism. The monarchy leveraged its strong tribal base to do so. While Jordan's ability to positively affect Palestinian politics has declined greatly over the last two decades, the potential importance of the monarchy and its tribal foundations has grown as an insurance policy to keep the tribal politics of the Hejaz in check if the Saudi royal court in Riyadh (which is ultimately not Hejazi) lost control of the politics of the Hejazi tribes, or even power. The

importance of the tribal base has thus made Jordan even more strategically important.

And yet, King Abdullah has drifted in the opposite direction, ever more trying to appease the Palestinian street while abandoning the Hejazi tribal core. King Abdullah has made some very serious mistakes recently, including by hosting a conference which essentially amounted to a Holocaust-denial convention — which angered both Israelis and Americans greatly. There is growing talk in Israel (especially but not exclusively on the right) about lost patience with the monarch. The peace treaty will survive the immediate aftermath of the unveiling of the Deal of the Century, but the King's reactions to "out-Palestinian" the Palestinians will weaken him even further. The deal will be another milestone in the process of continued Hashemite erosion of control. It may be that if the King rejects the deal and joins with the PA/PLO, it will be the first step toward a catastrophic chain of events for his kingdom and reign.

Then there are the Turks. They will not take this lightly — given that they are entering a neo-Ottoman imperial era in which they continue to look at the land of Israel as a zone of their interest. Their quest to become the leader of the Sunni world will push them further into an aggressive response. Since Egypt is their primary nemesis right now, they relish the opportunity to seize the Islamic and Arab standard and leverage it against the Egyptians by accusing them of being handmaidens to an American yard sale to Israel. Turkey can be counted on to find some way to escalate against Israel. Look in coming months for rising Turkish–Israeli tensions, which will be designed to assert Turkish leadership over the Palestine movement and Hamas as the Iranian factions begin to collapse and run for new patrons.

Finally, there is the European Union. While the E.U. as an institution may not go along, it is important to remember that the E.U. is fraying. The U.K. is on its way out, and Eastern European nations are ever more cutting their own deals — and may reach out to Israel and buy into the U.S.–Israeli attempt to move on.

That leaves only a core cluster of E.U. states that may not buy in. This

aligns with part of the Trump agenda: putting wedges between E.U. states and replacing the union with a U.S.–UK. trade bloc.

The Deal of the Century is revolutionary and historic. Fascinatingly, the deal builds and codifies the tectonic dynamics already at play in the region rather than trying to radically change them. Its provisions are easily absorbed into the architecture, stresses and forces already at work in the region. As simple as this is, it is the deal's most revolutionary change in terms of Middle East peacemaking, though it perfectly matches the way peace and treaties are handled elsewhere and were handled before the 20th century. While it will not bring about a negotiated resolution of the Palestinian issue, it will ironically be the most successful U.S. regional initiative ever launched, and the first with any chance of long-term survival.