Diplomatic Relations

Since its founding in 1945, the Arab League has maintained a hostile stance toward Israel and an official economic boycott. After the 1967 War, the league passed the Khartoum resolution calling for no peace, no recognition, and no negotiations with Israel. Currently, only Egypt, Jordan, and Mauritania have diplomatic relations with Israel (following the 1979 Egypt-Israel peace treaty, the league suspended Egypt’s membership for a decade).

In March 2002, the Arab League proposed and endorsed the Arab Peace Initiative, a plan including full recognition of Israel by all Arab League states. The proposal offered Israel peace in return for Israeli withdrawal from all territories captured in the 1967 War, recognition of an independent Palestine, with East Jerusalem as its capital, and a “just solution” for Palestinian refugees. The proposal is viewed by some as a major breakthrough given the stance of Arab nations since the Khartoum Resolution in 1967. Israel welcomed the proposal, but does not accept all of its demands, particularly that it withdraw to the pre-1967 borders as a precondition to negotiations.

Even though there is no official recognition between other Arab states and Israel, there have recently been news reports of cooperation between Israel and other nations in the region, including Saudi Arabia and some of the Gulf States. In 2015, Israel opened its first diplomatic mission in the United Arab Emirates.
Final Borders

In the 1967 Six-Day War, Israel gained control of Gaza and the Sinai Peninsula from Egypt, the West Bank and East Jerusalem from Jordan, and the Golan Heights from Syria. Following the war, Israel stated that it would return most of the land in exchange for peace and recognition of its right to exist as an independent state. Israel completely withdrew from the Sinai Peninsula after Egypt and Israel signed a peace treaty in 1979 and it completely withdrew from Gaza in 2005.

The government of Israel, however, says that it must retain control of some post-1967 areas to ensure the country’s security arguing that Israel: 1) has been attacked and threatened by its neighbors since its founding; 2) gained the territory in a war of self-defense; and 3) that binding UN resolutions recognize its right to secure borders.

Arab leaders state that Israel must completely withdraw to pre-1967 borders. They argue that Israel cannot keep any land gained by war, no matter the circumstances. Disagreements about final borders affect negotiations between Israel and the Palestinians over the future of the West Bank (Jordan relinquished its claim to the West Bank in 1988) and negotiations between Israel and Syria over the Golan Heights.

Practically speaking, all negotiations between Israel and the Palestinians have included the principle of land swaps, with Israel retaining large settlement blocks near the green line*(the Armistice demarcation lines from 1949) in exchange for giving the Palestinians comparable amounts of land from Israel.

*green line: refers to the military demarcation lines established in the 1949 Armistice Agreements between Israel its neighbors (Egypt, Jordan, Lebanon and Syria) after the 1948 Arab–Israeli War. The green line became significant in Israel after the Six-Day War in 1967, when, as a result of the war, Israel gained territories beyond the green line.
Jerusalem

Jerusalem is a holy city for Jews, Christians, and Muslims. The majority of the holy sites for all three religions are in a section of East Jerusalem called the Old City. Israeli law ensures that all religious groups have access to and control over their own holy sites.

Palestinians demand that Israel recognize an Independent Palestinian state with East Jerusalem as its capital. Israel has endorsed the idea of an independent Palestinian state, but most Israelis feel that Jerusalem should remain Israel’s undivided capital. They argue that Judaism’s most important holy sites are in East Jerusalem, that Jerusalem was the undivided capital of previous Jewish states, that Jews everywhere have expressed deep connections to Jerusalem for millennia, and that Jews lived in the Old City of Jerusalem (a section of East Jerusalem) from antiquity until 1948. In 1948, the Jewish community in East Jerusalem was evicted by the Jordanian army. From that time until June 1967, Jews were not allowed to enter East Jerusalem where the Jewish holy sites are located. As a result, most Israeli Jews are reluctant to give up control.

Palestinians argue that some of the most holy Islamic sites are in East Jerusalem and must be part of a Palestinian state. Palestinians say that they will maintain free access to the religious sites of all religious groups. They also highlight the facts that Jerusalem is an important cultural center for Palestinians and that most of the residents of East Jerusalem are Palestinian.

Figure 1: Image from Rodgers Digital Media-Radio Vancouver
Refugees

Another major unresolved issue is the status of the approximately 700,000 Palestinian refugees who fled their homes in 1948. Today, the number of refugees and their descendants approaches 4 million individuals who live in Lebanon, Jordan, Syria, other Arab countries, the West Bank, Gaza, and elsewhere (including the U.S. and Europe). They claim a "right of return" to Israel that Israel rejects.

Many Israelis argue that there would be no refugees if Arabs had accepted the UN Partition Plan and had not attacked the fledgling State of Israel causing the 1948 war. They note that the Israeli Declaration of Independence guaranteed full equality for non-Jews and that approximately 20% of Israel’s citizens are Arabs who chose to remain in Israel during the war and their descendants. Most Arabs counter that Israeli forces played a role in creating the refugee population and the cause of the conflict should not affect the right of refugees.

Two populations of refugees—Palestinian Arabs as well as Jews from Arab countries—emerged as a result of the Arab-Israeli conflict. The vast majority of the nearly 700,000 Jewish refugees from the Middle East and North Africa do not seek to return to their former homelands where they were persecuted. As with most other displaced populations in modern times they have integrated fully in their new homes. Israel argues that other groups in similar situations have not had the right to return. It also says that binding UN Resolutions do not speak of a “right of return,” but rather reference a “just settlement of the refugee problem.” Israelis point out that this vague wording equally applies to the comparable number of Jewish refugees who fled from Arab countries due to persecution. Many Israelis feel that since they absorbed Jewish refugees from Arab states, the West Bank, Gaza, and neighboring Arab states should have absorbed Palestinian Arab refugees.

Many Palestinians argue that there is a "right to return" to Israel proper and that the refugees and their descendants should be compensated. Some Palestinians support this in the hopes of changing the demographics in such a way that Israel would no longer have a Jewish majority. Recognizing this, many Israelis reject this demand which they see as tantamount to the destruction of Israel and Jewish self-determination. Some Palestinians focus on securing a right of return for all refugees and displaced Palestinians to an independent state in the West Bank and Gaza. Israel supports a Palestinian return to a future independent Palestinian state, but not to Israel. Some Palestinians and Israelis have suggested that recognizing the plight of the Palestinian refugees and giving them some form of monetary compensation might be a solution, while other Israelis feel this is too much of a concession and other Palestinians feel this is insufficient.

A refugee is defined as a person who “owing to a well-founded fear of being persecuted for reasons of race, religion, nationality, membership of a particular social group or political opinion, is outside the country of his nationality, and is unable to or, owing to such fear, is unwilling to avail himself of the protection of that country or return there because there is a fear of persecution...”

The 1951 Convention Relating to the Status of Refugees
Security Needs

The sides disagree about how to balance Israel’s security needs with Palestinian aspirations for independence. Israel argues that it is prepared to give up territory for the promise of peace, asserting that its citizens need to feel confident that they will be safe in their country. For example, Israelis insist that the West Bank must be demilitarized with no heavy weapons such as tanks. They point out that after Israel withdrew from the Gaza Strip in 2005, Hamas took power and has launched thousands of rockets and mortars into Israel causing death, injury, property destruction, and trauma. They note that if Israel ceded control of the West Bank, which is much closer to major Israeli population centers, the damage done by rockets could be devastating. For their part, Palestinians insist that their state should not be different from other states, so there should not be any restrictions or bans on heavy weapons.

The situation is further complicated by measures such as the security barrier which Israel constructed in 2002 to protect its citizens from Palestinian suicide bombings. The barrier is similar to the one that Israel had built in 1996 between Israel and the Gaza Strip. The barriers have been effective, dramatically reducing the number of suicide bombings in Israel coming from the Gaza Strip and West Bank. The West Bank barrier, composed mainly of chain link fence, has been criticized for dividing some Palestinians from their land and places of work or study and requiring these individuals to wait in lines to pass through security checkpoints. The government of Israel argues that the barrier is a necessary precaution given the ongoing threat of Palestinian terror, noting that it is temporary and can be removed in the context of true peace. In response to petitions by some Palestinians, Israel’s Supreme Court has required modifications to the barrier’s route.
Settlements

The issue of borders is complicated by the existence of Israeli communities in the West Bank known as settlements. Israel originally established settlements to serve as security outposts for Israel’s main population areas and to restore Jewish communities that were destroyed when Arab states invaded in 1948. However, beginning in the 1970s, the number of settlements grew. Israelis move to settlements for a variety of reasons. Some are motivated by ideology, which holds that Jews should have the right to live anywhere in the historical Jewish homeland where important Jewish history took place. Many other Israelis are motivated by cost of living considerations and the availability of more affordable housing close to Israel’s major cities. Israeli opinion on the settlements is not monolithic. However, most Israelis see a difference between building in parts of Jerusalem or in the communities just over the green line and between the more remote/isolated settlements in the West Bank.

Most Arabs feel that settlements are illegal and that Israelis cannot live on land gained in the 1967 War. The Palestinian Authority has gone so far as to make selling land to Jews a capital offense, punishable by death. Palestinians view all building beyond the green line as a provocation and say that it is a sign of Israel’s lack of commitment to the two-state solution. They also criticize Israel for its security measures to protect Israelis in the West Bank. For example, Palestinians argue that checkpoints designed to stop attackers make travel more difficult for Palestinians.

While Israel insists on the legality of the settlements, it is willing to discuss removing them and negotiations have included discussion on this topic. Israel notes that it proved its willingness to dismantle settlements for peace as it withdrew completely from the Sinai Peninsula following its peace treaty with Egypt and from Gaza in 2005.

Israeli and Palestinian peace negotiators have accepted the principle of a land-swap in which Israel would give up land elsewhere in exchange for keeping large settlements. However, the two sides have not been able to agree on precisely which land would be swapped.

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Water Resources

The right to use water resources is a major political issue that impacts the Arab-Israeli conflict and peace process. For example, in 1964, Syria, Jordan, and Lebanon attempted to divert rivers that supplied Israel with water. After issuing warnings, Israel launched military strikes to prevent the plan. Agreements over how to share water resources were important parts of the 1994 peace treaty between Israel and Jordan and of the 1995 agreement between Israel and the Palestinians known as Oslo II. In 1967, Israel expressed willingness to withdraw from the Golan Heights in exchange for peace, but this offer was rebuffed with the Khartoum Resolution by the Arab states. Syria insists that Israel withdraw completely to the pre-1967 lines which would give Syria partial control over the Sea of Galilee, one of Israel’s major water resources. Given the water shortages in the region, this is a critical matter.

The distribution of water resources also impacts negotiations between Israel and the Palestinian Authority. Underground aquifers cross the borders between Israel and the West Bank and between Israel and Gaza.

Though the Palestinian Authority and Israel agreed to share this water in the 1995 Oslo II agreement, many Palestinians feel the agreement should be changed because it gives Israel a larger share of the water. Palestinians note that Oslo II was an interim agreement and that the final agreement should give them rights to more of the water. Many Israelis feel the issue was already the subject of negotiations that reached a mutually agreed upon decision and should not be renegotiated.

This is a sensitive subject due to the scarcity of water in the region but one which has shown promising examples of regional cooperation among Israel, Jordan, and the Palestinian Authority primarily through the work of grass-roots, non-governmental organizations.
Unresolved Issues in the Arab-Israeli Conflict

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