

This chapter aims at analysing the Israeli domestic drivers of conflict and their evolution over time. The analysis focuses on two central issues in Israeli politics: (1) the policy of territorial expansion and (2) the so-called ‘demography’ question or the basic Zionist tenet to preserve Israel as a Jewish State. This choice rests on the fact that both territorial expansion and demography are at the core of the Israeli-Palestinian colonial conflict, which in turn is at the core of Israel conflict-ridden relations with its neighbours.

As far as territorial expansion is concerned, the international community has long condemned the acquisition of territories by force³ and recognised the unlawfulness⁴ of Israeli settlements in the Occupied Territories (OTs), as well as their being one of the major impediments to a peaceful resolution of the Israeli-Palestinian conflict. This is testified by the fact that any peace proposal has, for the past two decades, always called for an end of military occupation and a removal of settlements as the condition for establishing cohesion in the Palestinian economy and society, enabling viable Palestinian governance, and, thus, allowing normalisation of Israel’s existence in the region.

Notwithstanding the official international stand, the expansion of Israeli settlements has continued on a sustained pace since 1967, with the greatest expansion having taken place after Oslo and more so in the last decade. Today, Israeli settlers in the OTs are about 425.000 of which more than 175.000 in the area of East Jerusalem.⁵ The appropriation of land for Israeli settlements, bypass road and related infrastructures, the seizure of vital resources such as water and, more recently, the construction of a Wall through the West Bank, have had a devastating effect on the fundamental rights of local Palestinian population and have, as of today, seriously undermined the prospects for the establishment of a viable Palestinian state. West Bank settlements are not small outposts that can be easily removed as sometimes they are portrayed nor are they built and expanded at the initiative of zealot individuals and minority groups, rather they are State planned full-scale cities, that include adjacent industrial zones and are linked to a huge road and an infrastructure network. A superficial look at these vast social infrastructures and to their encroachment in the land is enough to reveal the real weight of this issue in determining the evolution of the conflict.

The second question at the centre of our analysis is the basic Zionist tenet of Jewish statehood – understood as the perceived need to maintain a permanent Jewish national control over institutions and governance within a territorial state. As underlined by Ilan Pappé in his research report for this project,⁶ the need to maintain a large Jewish majority within Israel is the thread unifying Israeli politics over time both internally, with respect to the Arab citizens of Israel, and externally, in the historical policy of annexation of as much land without people as possible and, more recently, in the ‘separation’ drive.

In this chapter we argue that the policy of territorial expansion and the ambition of maintaining Israel as a Jewish state - especially when pursued together - impede a peaceful resolution of the conflict, not least because of the existence of a fast-growing Palestinian population of 1.3 million inside Israel (almost 20% of the population), of more than 3 million and a half in the OTs and of more than 2,5 millions of Palestinian refugees registered with UNRWA outside the OTs.⁷

In the following paragraphs, after a concise overview of the Israeli institutional and political domestic scene, we will give an account of how territorial expansion and demography have been dealt with in Israeli politics, starting from Oslo and the Labour decision to embrace ‘the 2 state solution’ until the recent unilateral ‘disengagement’ plan.

Both the policy of territorial expansion and the demography question have been constant in Israeli history. The reason for that is that they are embedded in the ideology, programmes and even the design of state institutions, including the ministries, most parties, and the Jewish-national-state agencies (the Jewish Agency, the World Zionist Organisation, the Israel Lands Authority and the Jewish National Fund). A major reconfiguration of those questions in Israeli politics would imply not merely a change of government or policy, but a much deeper reconsideration of the nature of the State and of the basis of its identity. Such key reconsideration has never been seriously attempted in Israel history, nor have the international actors involved in conflict mediation seriously pursued it.

The Israeli domestic scene has been dominated up to 1967 by the Zionist Labour movement (Mapai) to such an extent that the platform and agenda of Labour could be said to be that of the State of Israel. The Labour movement embodied the *national Zionist consensus* that could be described in simple terms as the wish to create a democratic Jewish State over

Part I ISRAEL

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1. The Israeli drivers of conflict: the unremitting Policies of Territorial Expansion and Demography

1.1 The Israeli domestic scene

most of Mandatory Palestine. Mainstream Zionism was shaped ideologically from the start by the idea of restoring a Jewish national land in which Jewish people from all over the world could create a Jewish society embracing all field of work and culture. To be truly Jewish in character, such a society required a permanent and overwhelming Jewish majority, a condition that necessitated 'cleansing' the land of its majority Arab population.⁸

In 1950, soon after the foundation of the State of Israel, the 'Law of Return' granted all Jews the right to live in Israel as citizens of the new Jewish State. The principal factor in the absorption of the immigrants and the creation of a common Israeli citizenship beyond cultural and socio-economic differences was a strong identity-building effort based on the main Zionist tenets, implying also the adoption of modern Hebrew as a common language. This was done mainly through the institutions created by the first Jewish immigrants' community and elaborated by the Israeli State, in particular the educational system, the Mapai-dominated army, the Mapai-dominated trade-union (Histadrut) and the political institutions of the new republic.

Between 1948 and 1989 Israel created the most powerful state system in the Middle East. As late as 1982, 50% of the GNP went to the government in taxes and because all external assistance and financial flows - from which the country was highly dependent - passed through the government's hands and/or the various state agencies', the state had an absolute dominant position, also controlling 92 % of the land through the National Land Authority.

Despite the cultural-ideological and socio-economic efforts to create a homogeneous and equal society, the task of absorbing 1.75 million migrants between 1948 and 1989⁹ was overwhelming and inevitably produced profound socio-economic inequalities and cultural cleavages, particularly between the economically and politically dominant Ashkenazi Jews of European origin and the Oriental or Sephardic Jews from Asia and Africa,¹⁰ not to mention the second class status of the non-Jewish citizens of Israel, heirs of the Palestinians living in the territories annexed in 1948.¹¹

Domestic cleavages are reflected in the absence of a national consensus on the role that religion should play in the modern state of Israel. The tension between religious and secular influences pervades all aspects of politics and society, such as the party system, the educational system, the way ethnic groups are dealt with and so on. As a result Israel does not have a written constitution, nor it has ever defined its territorial boundaries, leaving open both questions of the founding nature of the State and of its territorial correlation with the Biblical Jewish Kingdoms (Greater Israel).

Growing internal inequalities and ethnic fragmentation coupled with the effects of two Arab-Israeli wars (1967 and 1973) contributed to the erosion of the early Zionist-Labour consensus and to the gradual rising of the Zionist-right, more effective than the Ashkenazi-dominated Labour in attracting marginalised Oriental Jews.

During the first twenty years of Israel's existence, Oriental Jews voted for the Labour Party, even though Labour's ideological blend of secular-socialist Zionism conflicted sharply with the Oriental Jews' cultural heritage, which tended to be more religious. With growing economic inequality and marginalisation, resentment of Labour's cultural, political, and economic hegemony increased as it did the Zionist-right appeal.¹²

Already in the pre-1948 period, to the right of the mainstream Zionist-Labour establishment was the Revisionist Zionist Movement, which rejected Ben Gurion's support for the 1947 UN partition plan of the Mandatory territory into two separate entities, calling for a more aggressive policy towards the Arabs and the British and claiming all of Mandatory Palestine and Transjordan as the promised land of Israel (Greater Israel).¹³

The revisionist aspirations seemed closer to achievement when after the 1967 war, Israel occupied the Gaza Strip and the West-Bank. In 1973, Ariel Sharon, who had just left the Israeli Defence Force, established a new right-wing party, the Likud, upholding the traditional revisionist focus on Jewish national security, preservation of the land of Greater Israel and rejection of Palestinian national claims. Breaking the monopoly of Labour since 1948, the Likud came to power in 1977 with Menachem Begin, then again in the eighties with Yitzhak Shamir and later with Netanyahu and Sharon.

A further element of change on the Israeli domestic scene was the increased role of the Israeli army (Israeli Defence Forces, IDF) in politics and society due to war making and ensuing territorial occupation in the late sixties and seventies. Not only, in fact, it became

3 UN resolution 242, 22 November 1967.

4 UN resolution 465, 1 March 1980.

5 Foundation for Middle East Peace, Settlements Information, Statistics, http://www.fmep.org/settlement_info/statistics.html (accessed June 2006).

6 See I. Pappé report in the Appendix.

7 The Palestinian refugees registered with the UNRWA in 2004 was 4,186,711 including the refugees inside the West Bank and Gaza Strip (1,614,201). However figures could rise up to almost 6 millions if all the descendants of refugees now residing anywhere in the world are included.

8 See I. Pappé report in the Appendix and ICG (2004), *Identity Crisis: Israel and its Arab Citizens*, Middle East Report No. 25, 4 March. 9 The population of Israel after its foundation in 1948 was only 800,000 (including 20% Arab population).

10 Oriental Jews are today about 40 % of the population, whereas Ashkenazis about 25%.

11 See I. Pappé in the Appendix.

12 Interview with Arab-Israeli scholar, Haifa, May 2006.

13 C. Shindler (2002), *The Land Beyond Promise. Israel, the Likud and the Zionist Dream*, London: I.B. Tauris.

normal for military officers to enter politics on retiring from service, but also the main business of the state grew to be the preservation of the IDF. From 1973 to 1982 nearly 50 % of the state budget went to the IDF, thus shaping all political decisions on Israel's development. The enhanced structural prevalence of the military apparatus within state institutions contributed to the securitisation and militarisation of Israeli society. In 1975 the conscript service was increased to three years for men and two for women followed by a long period of reserve service. The army gained gradually the power to shape political decision-making with respect to the conflict, contributing to the prevailing 'security' discourse over civilian concerns.

Despite their divergences, both Labour and Likud could be defined as 'traditional Zionism', which is the ideological and cultural current underpinning "the policies and plans of all Israeli governments since the creation of the state and [...] the principal prism through which the political centre and the professional elites in Israel view the Israeli-Palestinian reality".¹⁴

More recently new tendencies, both from right and left, have challenged this 'traditional' stream. Pappé calls them respectively neo-Zionism and post-Zionism. Right-wing neo-Zionism is emerging through the fanatisation of religious groups in Israel, the Zionisation of the previously anti-Zionist ultra-orthodox Jews, the growing internal ethnic fragmentation (e.g. insulation of segments of the Sephardic Jewish community) and, generally speaking, growing economic difficulties and inequalities.

This cluster of small right-wing religious parties (mainly the Shas, but also the National Religious Party-National Union or the United Torah Judaism) gained influence under the Netanyahu and Sharon governments and aim at reconfiguring Israel as an ethno-religious theocracy. They are poised to gain significant ground in Israeli popular political thoughts. Besides religious neo-Zionism, an extremist secular right is also gaining ground as the recent electoral success of the Yisrael Beitenu (Israel is Our Home) party demonstrates. Yisrael Beitenu has a constituency among the overwhelmingly secular, largely unassimilated and generally hawkish Russian-speaking population.

Post-Zionists, on an opposite stance, criticise Israel's ethno-nationalist mission from a liberal secular position and with an emphasis on democratic values, thus also rejecting what they see as the ethnocentrism of traditional Zionism. Reacting to the violence of the occupation, post-Zionists promote a vision of Israel as a secular democratic state that should serve all its citizens (Jews and non-Jews) equally. However, the post-Zionist movement is very small and fragile, its members are often accused of national treason and, as of today, very marginal to the mainstream national debate.¹⁵

After the 1967 war and throughout the 1970s and the 1980s all Israeli governments strongly rejected Palestinian national aspiration. At the beginning of the nineties, however, a number of new international and domestic factors convinced the Israeli government to reverse their position and start a negotiation process with the Palestinians.

First, the breaking out of the Palestinian uprising in the OTs in 1987-88 not only increased the cost of Israeli occupation, but also conspicuously deteriorated Israel's international image, leading to a harsh internal debate that questioned the democratic character of the Israeli state.

Second, and no less important, the end of the Cold war and the 1991 war in Iraq created the international and regional incentives for a resolution of the Middle East four decades old conflict, driving the US administration to press in that direction.

However, the most relevant factor compelling Israeli decision-makers was domestic and 'demographic', that is to say the fear of having to take full responsibility of the occupation and, in a not so distant future, annex the Palestinian population living in the OTs. As clearly explained by Rabin in 1995: "we had to choose between the Greater Land of Israel, which means a bi-national state whose populations would comprise, as of today, 4.5 million Jews and more than 3 millions Palestinians [...] and a state in a smaller area, but which would be a Jewish state."¹⁶

It seemed thus a reasonable solution to Israeli public and decision-makers to bring back from exile the PLO leadership, capable of granting security in the territories, and to give the Palestinians the chance to organise themselves as an autonomous political entity.

1.2 The Oslo process and the 2 states solution

14 I. Pappé (2003), "The square circle: The Struggle for Survival of Traditional Zionism", in E. Nimni (ed.), *The Challenge of Post-Zionism: Alternatives to the Israeli Fundamentalist Politics*, London: Zed Books, p. 46 and 54.

15 Interview with post-Zionist scholar, Haifa, May 2006.

16 *The Jerusalem Post*, International ed., 14 October 1995, quoted by V. Tilley (2005), *The One-State solution. A Breakthrough for Peace in the Israeli-Palestinian Deadlock*, Manchester: Manchester University Press, p. 80.

However, and notwithstanding the general optimism prevailing in the first half of the nineties, the reality of Israeli policies on the ground was far removed from what was publicly declared. While the Oslo process laid the basis for the Palestinian Interim Self-Government Authority (PA), thus prospecting the gradual withdrawal of the Israeli army from the OTs, the dismantlement of settlements and the final formation of a Palestinian state, the policy of territorial expansion was never effectively interrupted. On the contrary, the settlements and related infrastructures expansion continued at an accelerated pace, the settlers population nearly doubling its size in the nineties.¹⁷ The change of government never reversed that trend: Rabin, Peres, Netanyahu or Barak, all continued to expand the settlements on the very same land that, according to the interim agreements, was going to be handed over to the PA.

This is both for structural and ideological reasons. First, settlements are not the initiative of fanatic, ultra-orthodox groups against the will of the state. Instead, all the settlements' endeavour is coordinated, funded and planned by successive Israeli governments, but also by various powerful state agencies, such as the Jewish National Agency, the World Zionist Organisation and the Jewish National Fund, which are beyond democratic control. Moreover, most of the settlements are strategically placed for scarce water resources' control and for military reasons. Common analysis greatly underestimates the economic and military enterprise that settlements entail and the enormous cost of their dismantlement.¹⁸

Second, those currents of Zionism, which hold that withdrawing from the West Bank would make no political or moral sense or would even defy the will of God, are very powerful in Israeli society and state institutions. The West Bank highlands, the biblical Judaea and Samaria, are in fact at the centre of the Zionist dream of restoring the promised land of Israel. Any precise stand on this issue or any final definition of Israeli borders excluding the West Bank would open the Pandora box of internal Zionist-Israeli contradictions around the final sense and the nature of the State itself. That is not to say that Israeli public opinion unanimously sustains settlements, on the contrary it is quite divided on this issue. But the opponents of the settlements policy lack sufficient political cohesion to affect state policies seriously or even to impose a serious national debate on the question. Moreover, the way the peace process was carried out since the outset and the absence of any real international pressure further contributed to downplay the impact of settlements on the conflict in the eyes of Israeli mainstream public.¹⁹

The Oslo process was framed since the beginning in a way to postpone final status negotiations (the status of Jerusalem, the fate of Palestinian refugees, final borders of the Palestinian state, control of water resources) and in effect never tackled the heart of the problem: the continuation of territorial expansion and the role of the governments and of the unchecked state agencies in funding, planning, expanding the settlements and related infrastructures.²⁰ Nor a debate was ever started on the consequences of maintaining Israel as a Jewish state. Moreover, Oslo enabled successive Israeli governments to begin separating the two people and to start an Israeli de-responsabilisation with respect to Palestinians, without having to end the occupation and thus the control of territory.

With all these characteristics, the Oslo process further contributed to reinforce the national Zionist consensus as it set the basis for the escalation of violence on the Palestinian side and to the relegation of Israeli responsibility to a less than secondary position. All this in a situation in which, at the end of the eighties the experience of occupation on the Israeli side and the first Intifada on the Palestinian side, could have provided the historical opportunity for a radical reconsideration of Israeli policies.

1.3 The failure of Oslo and the policy of unilateral disengagement

The Oslo process collapsed in September 2000 after the failure of Camp David II²¹ and the outbreak of a new uprising in the OTs, this time highly militarised and extremely violent.

The election in 2001 brought to power the new leader of Likud, Ariel Sharon. Whether or not the new Israeli leadership was still committed to Oslo was, at this point, not an issue. Sharon immediately took the position that no negotiations would resume until violence ended and the government (which included Labour in a 'national coalition') was spared the need to further define its political stance. By endorsing the Quartet Roadmap in 2003, Sharon in theory agreed to a platform implying a freeze on settlements, the creation of a Palestinian State and a final status agreement. But the reservations posed by the Israeli Prime Minister premised any Israeli obligation on Palestinian performance on security and political reform, thus voiding the Road Map of any significance.

The escalation of violence and the Palestinian suicide bombing campaign inside Israel created the conditions for the security discourse to prevail above anything else and further reduced the chances for an effective domestic debate on territorial expansion policies. Palestinian violence reinforced the Israeli mainstream opinion that Palestinians are incapable of governing themselves, innately violent and no partner for peace. In that situation, it was straightforward to establish as a primary goal of any Israeli policy the protection of Israel from Palestinian violence and bring the separation policy to the extreme also with the construction of the 'security barrier' within the OTs, approved by Sharon in 2002.

In this way the chances for an Israeli public sensibilisation to Palestinian deteriorating conditions in the OTs were very low. Quite differently from the situation during the first Intifada, the Sharon government had a solid national consensus on the 'security' rationale of IDF policies in the territories based on a short-term strategy of reasserting control, fragmenting Palestinian entities and applying various forms of collective punishment.

Sharon's own political initiative with respect to a solution of the conflict, was first declared at the Herzliya conference in December 2003 and implied a unilateral withdrawal from the Gaza Strip and from 4 isolated settlements in the West Bank for a total of about 8.000 settlers.

The unilateral withdrawal was carried out amidst a great media campaign and settlers opposition in August 2005. Less attention was given by the media to the unremitting expansion of settlements in other areas of the West Bank.²²

While making sure that no negotiation was imposed on Israel, Sharon was in fact starting to rationalize the Israeli presence in the OTs, pulling out from highly populated Palestinian enclaves while laying the basis for effectively annexing the majority of the West Bank.

As asserted by Dov Weisglass,²³ who has been involved in the formulation and execution of Sharon's policies as the Prime Minister's Senior Advisor, the disengagement was actually intended to prevent any peace process, consign the Road Map to oblivion, and preclude the emergence of a Palestinian State of any kind. Given the condition posed by Sharon's government on the Road Map, "Palestinians would have to turn into Finns" before any negotiation could resume, "effectively this whole package called the Palestinian state, with all that it entails, has been removed indefinitely from our agenda [...] and all this with the [US] presidential blessing and the ratification of both houses of congress".²⁴

Despite Weisglass' assurances, Sharon's plan triggered a major fracture within the Likud. To part of the Likud establishment and constituency, even a very limited withdrawal was still perceived as a major blow to the Greater Israel goal.²⁵ The split inside the Likud helped to promote within Israel as well as internationally the idea of a sudden conversion of Sharon, but, as powerfully explained by Henry Siegman,²⁶ the fracture within the Israeli right was mainly 'tactical' rather than 'strategic': the strategy remaining that of enlarging the Jewish state as much as possible.

The internal Likud fracture brought the advantage to Sharon of appearing as a moderate leader, the "Israeli De Gaulle", as Siegman put it, capable of imposing to the nation the compromises necessary for a lasting peace. Moreover, the unilateral withdrawal could be, as in fact it was, successfully marketed to a compliant international community and a securitised domestic public opinion as the only possible 'peace initiative'. And, in fact, to the surprise of Sharon's detractors, Labour gave its full support to the plan, officially as a positive precedent that would lead to further withdrawals from the West Bank.

During the nineties, the distance between the Likud and Labour had in fact gradually diminished. As put forward by a Likud member in an ICG interview:

"The Israeli public has awakened from its big dreams. The left dreamt of a new Middle East and a romantic kind of peace, the right of Eretz Yisrael Hashlema [Greater Israel]. The left woke up from its dream after the breakdown of the peace process and the violence.... The right realises that the isolated settlements will not be ours. Some 70 % of the public is in the centre. They say they are the ones who will draw up the map of the future Palestinian state".²⁷

Or, as we would rather put it, while the right had shown its pragmatic side with Sharon, the Labour had understood in the Oslo years that any serious withdrawal was impossible without putting in question the ideological and institutional foundations of the State of Israel itself. With the complete failure of the Oslo process and the crisis of the left, it was then unproblematic to find a Likud-Labour alliance and actually, the Labour party formed the backbone of Sharon's support in the Knesset for the disengagement plan, joining the two Sharon governments in 2001 and 2003.

22 D. Etkes (2005), Construction in the Settlements, *Peace Now Reports*, October.

<http://www.peacenow.org.il/site/en/peace.asp?pi=61&fid=1918&docid=1518>; Foundation for Middle East Peace, Report on Israeli Settlement in the Occupied Territories, Vol. 15 No. 6, November/December 2005, <http://www.fmep.org/reports/vol15/no6/index.html>

23 "The Big Freeze", An interview with Dov Weisglass, by A. Shavit, *Haaretz*, October 1, 2004.

24 Ibid.

25 ICG (2005), *Disengagement and After: Where Next for Sharon and the Likud?*, Middle East Report No. 36, 1 March.

26 H. Siegman (2004), "Sharon and the Future of Palestine", *The New York Review of Books*, 2 May.

27 ICG interview with Gil Samsanov, head of the Likud's Ramat Aviv branch, Tel Aviv, 15 August 2004

in ICG (2005), *Disengagement and After: Where Next for Sharon and the Likud?*, Middle East Report No. 36, 1 March, p. 5.

17 Foundation for Middle East Peace, Settlements Information, Statistics, http://www.fmep.org/settlement_info/statistics.html (accessed June 2006).

18 V. Tilley, *op. cit.*, chap. 2.

19 R. HaCohen (2006), "The Ideology of Occupation Revisited", *Letter From Israel/Antiwar.com*, 26 June, <http://www.antiwar.com/hacohen/?articleid=9178>;

Interview with Israeli scholars, Tel Aviv, May 2006.

20 See for instance N. Guyatt (1998), *The Absence of Peace: Understanding the Israeli-Palestinian Conflict*, London: Zed Press.

21 See H. Agha and R. Malley (2003), "Camp David: The Tragedy of Errors", *The New York Review of Books*, 48, no. 13, 9 August.

At the end of 2005, the time was ripe for Sharon to launch a new political party in the centre of the political spectrum, which aimed at reproducing the kind of national consensus that Labour enjoyed in the early years after 1948.²⁸ The new party, Kadima (Forward) was in fact established in December 2005 and joined by many former Likud and Labour members. The sudden disappearance of Sharon from the political scene due to a serious stroke in January 2006 probably impeded in March the expected landslide victory of the party, which nevertheless came out to be the largest party on the Israeli political scene.

The new Prime Minister, Ehud Olmert, followed the path opened by his predecessor Sharon. The new word he chose for the Israeli strategy towards the OTs was in the months following elections 'convergence' (also 'realignment' or 'ingathering' from the Hebrew word 'hitkansut'), a deceiving way to describe the continuation of Sharon's policy of leaving the more densely populated Palestinian areas out of direct Israeli responsibility (but not necessarily control as recent events in Gaza demonstrate) while progressing undisturbed on the policy of annexation of large chunks of the West Bank. This policy is not only unilateral, but also very vague, as a precise map of Israel announced withdrawal in the West Bank has never been formally presented, nor has Olmert ever defined, beyond nebulous declarations to the press, where the ultimate borders of the state of Israel will be. However, what appears crystal clear looking at a map is that no viable Palestinian state will emerge from the scattered chunks of territories left in between growing settlements and their infrastructure.

After the military re-occupation and destruction of the Gaza strip and the ferocious war against Lebanon of July-August 2006, it is likely that in the next few months we will see new attempts at some forms of negotiations between Israel, PLO/PA and other regional actors. The appeal of the unilateral 'disengagement' or 'convergence' formula has received a blow in terms of Israeli public opinion support. However, this is mainly because it failed to provide security and not for a growing public awareness of the contradictions highlighted above.

The desperate situation in the OTs (see PART II of this report) and the Israeli public opinion dimmed by the security discourse do not leave much hope for the formation of an internal opposition capable of questioning the underlying logic guiding Israeli policies over time. Beyond the ups and downs of politics and the different strategic and diplomatic frameworks, the internal structural determinants of conflict remain relatively constant and undisputed. As already stated, in fact, a serious reconsideration of Israeli domestic policies and a serious withdrawal would directly question Israeli national unity, the nationalist Zionist pact or the unwritten compromise between different political currents, and would forcefully highlight the question of the identity (liberal, secular, orthodox, ultra orthodox) and of the definitive borders of the state of Israel.

At the moment, there are no domestic nor international incentives to start such a painful, however necessary, reconsideration. To this predicament is largely responsible the international community that never took, beyond declarations, a strong stance against territorial expansion or internal discriminatory policies, thus providing an external indirect acceptance to the existing Israeli policies.

In the previous paragraph we identified the main Israeli domestic drivers of conflict with the so-called 'demography' question or the main Zionist tenet to preserve Israel as a Jewish state, and with the policy of territorial expansion. We argued that both issues were never seriously reconsidered and debated in Israel, notwithstanding the apparent reversal of policies implied by the Oslo process and, more recently, by the policy of unilateral disengagement. One of the main reasons for this is the lack of serious pressures to do so coming from the international community, or at the very least the lack of an international environment generating the incentives for such a reconsideration.

Israel was recognised both by the US and by European states shortly after its declaration of independence in 1948. The country maintained throughout its history preferential relations both with the US, its main financial supporter after 1967, and the European states. This is largely due to fact that Israel is a pro-Western 'first world' country in an ideal geostrategic position for monitoring politics in the world's prime oil field. Moreover, the US and European friendship to Israel has also strong moral and cultural bases, such as fulfilling the 'historical obligation' of protecting the 'Jewish people'; standing by a 'Western' ally; or supporting the 'only democracy in the Middle East'.

Israel's close political, economic and cultural ties with the West did not impede the international official condemnation of the acquisition of territories by force and of settlements construction after 1967. UN resolution 242 was passed with the wide consensus of the international community and with the full endorsement of the US and European states. However, no political will has ever been spent on its implementation.

At the end of the eighties, a number of international and regional factors, such as the end of the Cold War, the Iraq war and the first Palestinian uprising in the OTs, convinced the US to act as the mediator of a peace process, while the EC/EU supported negotiations and provided a great amount of funding for the gradual institutionalisation of the Palestinian National Authority (see PART II of this report). Oslo was based on the famous formula 'land for peace', but no international monitoring mechanism was put in place to check the Israeli compliance with the interim agreements.

Moreover, the international actors involved in the process, namely the US and, with a mainly financial role, the EU, accepted the way Oslo was framed for 'solving' the territorial aspect of the conflict, while remaining largely silent on the Palestinian refugees issue that, together with the question of the status of the Palestinian non-Jewish citizens of Israel, directly or indirectly relate to the nature of the Israeli state and to its Jewish character.

The international acquiescence towards Israel expansionist policies and the neglect of the refugees issue, not only hampered the Oslo peace process, but also provided a strong framework for legitimising or at least acquiescing to Israeli violation of international law.

During the nineties, the gap between the policies on the ground and diplomatic rhetoric widened greatly. Despite increasing evidence that Israeli policies in the OTs were at odds with the stated aims of the peace process, international actors turned a blind eye. The EU went to the point of funding Labour NGOs for peace (such as the Peres Centre for Peace), without acknowledging that settlements expansion was also a Labour governments policy. Ironically, the international acceptance of a two states solution to the conflict grew even stronger at the end of the nineties, while settlements' expansion on the ground was seriously undermining it.²⁹

In this context of international unconditional support, all other efforts for a peaceful solution to the conflict were distorted and even counter-productive. For instance, the international and mainly EU funding of the PA was aimed at sustaining a state-building process. However, considering the lack of genuine bilateral negotiation, it contributed to a financial and moral de-responsabilisation of Israel with respect to the occupation.³⁰

With the collapse of Oslo and the eruption of violence, the international community accepted the 'security first' vision promoted by Israel, abiding to Israeli conditions for negotiations and putting the pressure mainly on the Palestinian side. No serious effort was made to halt Israeli grave violation of human rights in the OTs in the context of the 2002-2003 military operations.

In 2003, the Road Map promoted by the Quartet (USA, EU, Russia and the UN) called for a freeze of settlements' construction, but again did not provide any monitoring or enforcing system to make sure it was actually respected. Moreover, as we already mentioned, it posed all preconditions for negotiation on the PA side, leaving Israel free to pursue its policies in the meantime.

2. External Influences on Israel: the policy of unconditional support

²⁹ The EU endorsed the two states solution at the European Council in Berlin, 24-25 March 1999; the US, with the Bush speech of the 24 June 2002.

³⁰ A. Le More (2005), "Killing with Kindness: Funding the Demise of a Palestinian State", *International Affairs*, vol. 81, n° 5, October, pp.983-1001.