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Who's to blame for the continued failure of the Middle East peace process? Former President Bill Clinton said today that it is Israeli Prime Minister Benjamin Netanyahu -- whose government moved the goalposts upon taking power, and whose rise represents a key reason there has been no Israeli-Palestinian peace deal.

Clinton, in a roundtable with bloggers today on the sidelines of the Clinton Global Initiative in New York, gave an extensive recounting of the deterioration in the Middle East peace process since he pressed both parties to agree to a final settlement at Camp David in 2000. He said there are two main reasons for the lack of a comprehensive peace today: the reluctance of the Netanyahu administration to accept the terms of the Camp David deal and a demographic shift in Israel that is making the Israeli public less amenable to peace.

"The two great tragedies in modern Middle Eastern politics, which make you wonder if God wants Middle East peace or not, were [Yitzhak] Rabin's assassination and [Ariel] Sharon's stroke," Clinton said.

Sharon had decided he needed to build a new centrist coalition, so he created the Kadima party and gained the support of leaders like Tzipi Livni and Ehud Olmert. He was working toward a consensus for a peace deal before he fell ill, Clinton said. But that effort was scuttled when the Likud party returned to power.

"The Israelis always wanted two things that once it turned out they had, it didn't seem so appealing to Mr. Netanyahu. They wanted to believe they had a partner for peace in a Palestinian government, and there's no question -- and the Netanyahu government has said -- that this is the finest Palestinian government they've ever had in the West Bank," Clinton said.

"[Palestinian leaders] have explicitly said on more than one occasion that if [Netanyahu] put up the deal that was offered to them before -- my deal -- that they would take it," Clinton said, referring to the 2000 Camp David deal that Yasser Arafat rejected.

But the Israeli government has drifted a long way from the Ehud Barak-led government that came so close to peace in 2000, Clinton said, and any new negotiations with the Netanyahu government are now on starkly different terms -- terms that the Palestinians are unlikely to accept.

"For reasons that even after all these years I still don't know for sure, Arafat turned down the deal I put together that Barak accepted," he said. "But they also had an Israeli government that was willing to give them East Jerusalem as the capital of the new state of Palestine."

Israel also wants a normalization of relations with its Arab neighbors to accompany a peace deal. Clinton said that the Saudi-inspired Arab Peace Initiative put forth in 2002 represented an answer to that Israeli demand.

"The King of Saudi Arabia started lining up all the Arab countries to say to the Israelis, 'if you work it out with the Palestinians ... we will give you immediately not only recognition but a political, economic, and security partnership,'" Clinton said. "This is huge.... It's a heck of a deal."

The Netanyahu government has received all of the assurances previous Israeli governments said they wanted but now won't accept those terms to make peace, Clinton said.

"Now that they have those things, they don't seem so important to this current Israeli government, partly because it's a different country," said Clinton. "In the interim, you've had all these immigrants coming in from the former Soviet Union, and they have no history in Israel proper, so the traditional claims of the Palestinians have less weight with them."

Clinton then repeated his assertions made at last year's conference that Israeli society can be divided into demographic groups that have various levels of enthusiasm for making peace.

"The most pro-peace Israelis are the Arabs; second the Sabras, the Jewish Israelis that were born there; third, the Ashkenazi of long-standing, the European Jews who came there around the time of Israel's founding," Clinton said. "The most anti-peace are the ultra-religious, who believe they're supposed to keep Judea and Samaria, and the settler groups, and what you might call the territorialists, the people who just showed up lately and they're not encumbered by the historical record."

Clinton affirmed that the United States should veto the Palestinian resolution at the U.N. Security Council for member-state status, because the Israelis need security guarantees before agreeing to the creation of a Palestinian state. But the Netanyahu government has moved away from the consensus for peace, making a final status agreement more difficult, Clinton said.

"That's what happened. Every American needs to know this. That's how we got to where we are," Clinton said. "The real cynics believe that the Netanyahu's government's continued call for negotiations over borders and such means that he's just not going to give up the West Bank."