

THE FATAH-HAMAS RECONCILIATION: THREATENING PEACE PROSPECTS

HEARING BEFORE THE SUBCOMMITTEE ON THE MIDDLE EAST AND NORTH AFRICA OF THE COMMITTEE ON FOREIGN AFFAIRS HOUSE OF REPRESENTATIVES ONE HUNDRED THIRTEENTH CONGRESS

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TUESDAY, FEBRUARY 5, 2013

HOUSE OF REPRESENTATIVES,
SUBCOMMITTEE ON THE MIDDLE EAST AND NORTH AFRICA,
COMMITTEE ON FOREIGN AFFAIRS,
Washington, DC.

The subcommittee met, pursuant to notice, at 10 o'clock a.m., in room 2172 Rayburn House Office Building, Hon. Ileana Ros-Lehtinen (chairman of the subcommittee) presiding.

Ms. ROS-LEHTINEN. The committee will come to order. I would like to welcome everyone to our first hearing on the Subcommittee on Middle East and North Africa on the 113th Congress. I want to congratulate my good friend, my fellow Floridian colleague, Mr. Deutch, for earning the spot of ranking member. I look forward to working with Ted and with his staff throughout our Congress and our congressional session. Thank you, Ted.

Mr. DEUTCH. Thank you.

Ms. ROS-LEHTINEN. It is a pleasure to be with you.

After recognizing myself and the ranking member, Mr. Deutch, for 5 minutes each for an opening statement, I will then recognize other members seeking recognition for a 1-minute opening statement. We will then hear from our witnesses. And, without objection, the witnesses' prepared statements will be made a part of the record. Members may have 5 days in which to insert statements and questions for the record subject to the length limitation in the rules. The Chair now recognizes herself for 5 minutes.

With so much instability and turmoil surrounding the Middle East, Israel is in a more precarious situation than ever now, as it is surrounded by rogue regimes and terrorist organizations that wish to wipe her off the map. To Israel's northeast, the prospects of Assad falling to Syria seems to be a matter of when and not if as fears grow that Assad's chemical weapons arsenal might fall into the wrong hands. Yet, that isn't the only concern for Israel as she looks to her neighbors across the Sinai and sees Egypt once again engulfed in turmoil.

Just 2 years after demonstrators took to the streets demanding freedom and an end to the regime of Mubarak, it appears that Egyptians are no better off now than they were back then. A continued threat to the Israeli people stems from smugglers and extremists bringing everything from drugs and weapons through the Sinai. The Egyptian Government continues to let the Sinai be used as a sanctuary for illicit activities and provides Iran the pathway

to provide weapons to rearm Hamas. The threat is more apparent by Ahmadinejad arriving in Cairo today, making it the first time that an Iranian leader has visited Egypt since 1979.

The existential threat that a nuclear Iran poses to Israel, to our U.S. allies, and our national security interests seeks to destabilize the entire region as recent reports suggest that Iran has told U.N. nuclear officials that it plans to add hundreds more centrifuges to further its nuclear enrichment program.

Vice President Biden's recent comments about the administration's willingness to talk to the supreme leader will only embolden the Iranian regime. Instead, we must concentrate on enforcing and expanding our sanctions and cooperate with responsible nations to compel Iran to abandon its nuclear weapons ambition. And if all of that were not enough, we are witnessing Abu Mazen and Hamas seeking to unify their mutual hatred toward the democratic Jewish State of Israel.

These overtures can leave the future of a peace process in serious jeopardy. The Palestinian Authority is corrupt and has not prevented Hamas and other Palestinian extremist groups from allowing violence to turn against the Jewish state. Congress needs to exert our oversight responsibility and urge the Obama administration to hold the Palestinian Authority accountable for its aggressive actions against our ally Israel.

The destructive actions by the Palestinian Authority at the U.N., negotiating with Hamas, and undermining the peace process with Israel cannot continue without any repercussions. As a former chair of our Foreign Affairs Committee, I exercised due diligence at holding funds from reaching the Palestinian Authority.

We should also leverage our contributions to the United Nations, specifically entities like UNESCO, to prevent the P.A. from pushing its anti-Israel agenda.

I am disappointed that the administration continues to advocate for millions of taxpayer dollars to Palestinian programs and ignores existing U.S. law, which already prohibits funds to entities that recognize Palestine at the U.N. Should the U.S. be sending millions in hard-earned U.S. taxpayer dollars to the Palestinian Authority when it continues to embrace extremist violence against the Israeli people?

It has become clear that Abu Mazen is more interested in joining forces with Hamas, a U.S.-designated foreign terrorist organization, than he is with brokering peace with Israel. This is the same entity that was visually attacking Israel with a persistent and ongoing barrage of rocket attacks from Gaza. They have all been clear signals that Israel cannot count on Abu Mazen as a true partner for peace. While he actively seeks to reconcile with Hamas, he shows where his true priorities lie, undermining the peace process.

I agree with Prime Minister Netanyahu that Israel cannot negotiate with a partner who openly embraces a foreign terrorist organization that wishes to see the destruction of the Jewish State of Israel. Israel cannot find a true partner in peace with any government that is comprised of members of Hamas. If these efforts of unification are real, it gives us all a great deal of reason for concern for both the future of the peace process and, indeed, Israel's safety in the rapidly changing Middle East.

And, with that, I am pleased to turn to my friend, the ranking member, Mr. Deutch, for his opening remarks.

Mr. DEUTCH. Thank you, Madam Chairman. I'll first say how pleased I am to serve the subcommittee with you. We have had a chance to work together for years on our mutual efforts to thwart Iran's nuclear program, to ensure the safety and security of the State of Israel, and to advocate on behalf of the thousands of Holocaust survivors in south Florida and around the country.

I would also like to welcome members of the subcommittee, especially those who are new to the Foreign Affairs Committee. This committee tackles one of the most volatile, yet vitally important regions of the world. And I thank you for your dedication to these issues.

Today's hearing comes at a crucial time for both Israel and the Palestinians. Just 2 weeks ago, Israeli elections saw the highest turnout in a decade with a last minute surge by centrist parties. And once again we are reminded that Israel's vibrant democracy is a model in a region where many still struggle for free and fair elections.

This weekend, President Perez officially tasked Prime Minister Netanyahu with forming a coalition government. The new government will grapple with precisely the question before us this morning. And it will grapple with broader issues surrounding Israel's quest for peace with its neighbors and the very possibility of a two-state solution.

In 2010, Prime Minister Netanyahu began an unprecedented halt to construction for 10 months in the West Bank. And while this moratorium was demanded by President Abbas as a condition for negotiations, only in the last 3 weeks of the moratorium did he even agree to talks. And since September 2010, they have been frozen. Instead, Abbas abandoned direct talks and pursued the unilateral creation of a Palestinian state. In doing so, they violated U.N. resolutions 242, 338, and the Oslo, of course, all of which lay out the framework for a negotiated settlement between the two parties. He then internationalized the process by seeking statehood through the Security Council at the U.N. and pushing for upgraded status for the Palestinians at the U.N. this fall, again contrary to the established framework for peace talks.

Alongside these unilateral actions, Fatah began negotiating reconciliation with Hamas, a terrorist organization that continues to call for Israel's destruction. To be sure, Hamas' rejection of the quartet principles precludes it from being a legitimate partner for peace.

In May 2011, I was in Ramallah the day after Hamas and Fatah first announced reconciliation. We sit here today, nearly 2 years later, after witnessing Hamas rain rockets down on Israel and continue to defy international conditions. Just weeks ago, Hamas leader Khaled Meshaal and President Abbas met in Cairo to further their supposed reconciliation. Talks will resume in Cairo again next week, and it remains unclear whether either side really intends to move forward.

Let me be clear. The United States will not accept a Palestinian Government that includes Hamas. In fact, our laws dictate that aid to the P.A. will cease should Hamas play any significant role in the

government without first adhering to the quartet principles. I made this very point to Prime Minister Fayyad 2 years ago.

So the question remains, will President Abbas demand Hamas-renounced violence? We know Abbas' supposed request that Hamas dismantle militias to disarm is a major divide in these talks. And for Hamas, the answer appears to be an unwavering no.

Today, Israeli and Palestinian security forces work together each day to secure the region and to enhance Israel's security with U.S. support. This assistance actually advances peace. So while I share my colleagues' frustration with Abbas' unilateral actions and pursuit of reconciliation with Hamas, U.S. law remains clear. Reconciliation with a terrorist group will mean no United States aid. But if we are to advance the prospect of peace and ensure lasting security for Israel, we have to assess the implications of our actions. Our goal must be to prevent reconciliation so that there continues to be a viable partner for peace with Israel operating in the West Bank.

I don't want this to become a self-fulfilling prophecy. We have got to ensure that our discussions regarding reconciliation, our policy regarding reconciliation, do not leave the P.A. without any other option but reconciliation.

Prime Minister Fayyad has worked tirelessly to build institutions capable of supporting a Palestinian state. These institutions are essential to the creation of an economically viable, stable Palestinian state and to the long-term lasting security of Israel. But the P.A. is facing massive budget shortfalls.

And while the U.S. has been withholding funds for nearly a year, Israel recently agreed to resume the transfer of revenue to the P.A. after a 4-month suspension following Abbas' efforts at the U.N. And while I acknowledge the natural reaction to Abbas' efforts is to withhold funds, the longer salaries go underpaid, the more likely Fatah supporters will look elsewhere for support.

I have grave concerns that the collapse of the Palestinian Authority would pose the gravest of threats to security in the West Bank and to our ally Israel and destroy any prospect for negotiations. This critical juncture demands that we examine all opportunities. Will a new Israeli Government renew prospects for the resumption of direct negotiations? And are direct negotiations even possible? Will Fatah drive to unify with a group that seeks Israel's destruction or will it take the only road to peace: Negotiations with the State of Israel?

I would like our witnesses this morning to address the prospects for peace, how we will talk of reconciliation and U.S. policy about not just reconciliation but those very discussions affect the prospect for peace.

Madam Chairman, as always, it is a pleasure to examine these issues with you. And I yield back.

Ms. ROS-LEHTINEN. Thank you very much to my friend.

And now I would like to recognize the members for a 1-minute opening statement, starting with Mr. Chabot, who is the chairman of the Subcommittee on Asia and the Pacific.

Mr. CHABOT. Thank you, Madam Chair. Thank you for holding this important hearing this morning. I certainly enjoyed chairing this committee for 2 years, which happened to correspond to the 2

years of the so-called “Arab Spring.” So it was very interesting times, and I look forward to working with you on this committee again.

As I said, it is a very timely hearing. While President Obama has reiterated a number of times his belief that the resolution of the Israeli-Palestinian conflict is one of America’s core interests in the Middle East, there has been a disconnect, I believe, between stated administration policy objectives and our aid policy.

Palestinian leadership has, let’s face it, thumbed its nose at Israel and its allies, including the United States, by unilaterally seeking non-member state status at the United Nations, and it now seeks a merger or a reconciliation agreement, as they call it, between Abu Mazen, its PLO faction in the West Bank and the terrorist-led Hamas in Gaza. Yet, over the last 3 years, as the Palestinian leadership has repeatedly retreated from a peace process, American assistance to the Palestinians has remained unchanged. I would certainly like to see that addressed this morning.

Again, thank you very much for holding this hearing.

Ms. ROS-LEHTINEN. Thank you, sir.

Mr. Kennedy of Massachusetts is recognized.

Mr. KENNEDY. Madam Chair, thank you very much. Mr. Ranking Member. Thank you for holding the hearing.

To our witnesses, I want to thank each of you for being here today and my colleagues as well.

The potential of a consensus government in Palestine and the effect that that would have on Israel and the broader peace process is of particular importance to my district back home in Massachusetts as well as to this country’s foreign policy at a critical region and a critical time.

Last year, I had the privilege of visiting our great friend Israel. I was deeply humbled by the incredible courage and dignity of Israelis who live, work, and raise families in the face of a daily existential threat. I saw firsthand in communities like Sderot, where kindergartens are reinforced by reinforced concrete and gas filtration systems. We saw it across the country where bus stops double as bomb shelters and enhanced security is a way of life, protecting innocent civilians from the threat of terror.

Despite the complexities of an entrenched and painful conflict, I hold out hope, as so many others do. But for that to happen, Israel needs a credible partner and a negotiating table. I look forward to hearing your thoughts today about how we can move that process forward.

Thank you.

Ms. ROS-LEHTINEN. Thank you, sir.

Mr. Cotton is recognized.

Mr. COTTON. Thank you, Madam Chair.

I served in the Army in Iraq and Afghanistan. And I learned when someone says they are going to try to kill you or they try to kill you, you should take them seriously.

Hamas still has that posture toward Israel. They don’t recognize Israel’s right to exist. They reject a two-state solution. They continue to use violence to undermine Israel’s Government and to attack and kill Israelis. Mahmoud Abbas I am not sure appreciates that principle given his increasing sincerity on reconciliation with

Hamas in trying to create a unity government. I know that Prime Minister Netanyahu still does.

I would be curious to hear the panelists' views a little bit later on the results of the election last week, specifically the Yesh Atid party and what that would mean going forward and, as the madam chair and ranking member have said also, the implications for U.S. foreign aid toward Palestine.

Thank you.

Ms. ROS-LEHTINEN. Thank you, sir.

Congresswoman Meng of New York is recognized.

Ms. MENG. Thank you, Madam Chair, Mr. Ranking Member, for holding this hearing.

At the outset, as a New Yorker, I'd like to note the passing of a great New Yorker: Mayor Ed Koch. He cared deeply about the right of the Jewish people to live freely and peacefully in their own state. He taught us all a great deal, and we will all miss him.

The prospect of a Fatah-Hamas reconciliation is particularly disturbing for me because it will render peace and security almost impossible. Let's be clear. Hamas is not a partner for peace. Hamas is not close to being a partner for peace. It is not even close to being a partner for peace. So, of course, reconciliation will be bad for Israel and bad for the prospects of peace. It has failed to even recognize Israel's right to exist.

I look forward to hearing from the panelists about how we can weaken Hamas. I am particularly concerned about the role of the Gulf States in financing terror in Gaza and Syria. I also hope to learn more about Hamas's development of its political and terrorist infrastructure in the West Bank as well as about how any reconciliation might affect West Bank women, who in recent years have had more freedom and opportunity than ever.

Thank you.

Ms. ROS-LEHTINEN. Thank you.

I am so proud to have so many Floridians serving on our subcommittee. DeSantis of Florida.

Mr. DESANTIS. Thank you, Madam Chairwoman.

A reconciliation between Fatah and Hamas represents the death now of the peace process such that such a process exists. Hamas is intent on destroying the State of Israel and is dedicated to using terrorism to accomplish its ideological ends.

Now, I am grateful, Madam Chairwoman, for you holding this hearing, but I am also mindful that Israel faces unprecedented security challenges from a nuclear Iran to the ongoing strife in Syria to the rise of Islamist militants in Egypt and throughout North Africa. Israel is our most trusted ally in the region. And our foreign policy must clearly project our support for Israel. Her security depends on it.

Thank you, Madam Chairwoman.

Ms. ROS-LEHTINEN. Thank you, sir.

My husband and I had the honor of serving with our next speaker in the Florida legislature. It seems like 1,000 years ago. Ms. Frankel is recognized.

Ms. FRANKEL. Thank you so much, Madam Chairman. And it really is an honor to join both you and Mr. Deutch from Florida and the rest of this esteemed panel.

You know, I served as a mayor of an urban city in Florida. And, you know, we dealt with gang violence and hurricanes and never the threat of our neighbor wanting to destroy us, which is a threat that Israelis families live with every single day. So I want to say that I share with our chairwoman and ranking member any support for the security of Israel, who is our closest and most important ally in the Middle East.

And I look forward to hearing the views of this panel today and with a view toward how we can maintain and advance Israeli security.

Ms. ROS-LEHTINEN. Thank you very much.

Another Florida colleague, Mr. Radel of Florida, is recognized.

Mr. RADEL. Thank you, Madam Chair.

I actually spent some time traveling Israel in the late 1990s and did go to the West Bank. As with most of the areas of the world that I traveled to, there were great people there when you talked to individuals one on one: Kind, gracious, hospitable. And then following the passing of Yasser Arafat, we did think for a time maybe there was a glimmer of hope when it came to some sort of path to peace. And as recently as 2010, we saw direct negotiations between Israel and the Palestinian Authority providing hope for a two-state solution. But here we are today seeing overt signs that Mahmoud Abbas is willing to work with and partner with Hamas, a U.S.-designated foreign terrorist organization.

Now, this growing relationship and partnership is a serious and grave threat to the possibility of any Israeli-Palestinian peace process. It is a serious and grave threat to the security of Israel. And it is a serious and grave threat to the security of the United States as well.

I hope today that we can determine with your testimony the best use of taxpayer money. At a time when we have challenges at home with the economy, we need to demand accountability. And, finally, we must, must ensure that we have and keep our unwavering commitment to Israel.

Thank you, Madam Chair.

Ms. ROS-LEHTINEN. Thank you, sir.

Mr. VARGAS of California is recognized.

Mr. VARGAS. Thank you very much, Madam Chairman and Ranking Member, for allowing me to have a moment. I stand strongly behind our country's commitment to our stalwart ally Israel and to sustainable peace with her neighbors. I also am a very strong supporter of Israel because of my religious background and believe that it should be our strongest ally.

I am very concerned about what has happened recently, especially this merger of, really, a terrorist organization. We saw this as early as last years. And so Hamas is I think a great problem and one that I hope we hear extensive testimony today how we can help as Americans and how we can help on this committee. And I look forward to that.

Thank you, Madam Chairwoman.

Ms. ROS-LEHTINEN. Thank you, sir.

Mr. Meadows of North Carolina is recognized.

Mr. MEADOWS. Thank you, Madam Chairman.

As we hear your testimony today, we look carefully at the situation in the Middle East. And obviously, as the conditions deteriorate, we have to certainly stand by our closest and strongest ally in the Middle East: Israel.

What is problematic for me is that over many years, we have talked a number of times about negotiation. And, yet, here we have the aggressor always being Israel. You know, we have got a 10,000 square foot country surrounded by 5.2 square miles, million square miles, of oil-rich land. And, yet, Israel is the aggressor.

And so what I would like to hear today is how as a nation we can stand up by our ally and certainly stand unflinchingly beside Israel.

Thank you.

Ms. ROS-LEHTINEN. Thank you, sir.

Mr. Higgins of New York is recognized.

Mr. HIGGINS. Thank you, Madam Chair.

I just want to say at the outset that before Hamas and Fatah can seek reconciliation with themselves, they need to seek reconciliation with the outside world. And the only way that they can do that is to denounce, to reject violence.

In the Anglo-Irish history, many thought that that was never a problem that could be resolved. It was only resolved when two sides rejected violence and move toward a path toward a peaceful reconciliation, which you now have peace in northern Ireland.

The fact of the matter is the Gaza Strip, which I have visited many, many times, could be and was once a beautiful place under the sun, you know, 27 miles long, 7 miles wide along the Mediterranean, what was once a destination for Gazans and for everybody from the Middle East. It has become destroyed because of war.

So the death and destruction that exist there cannot be predicated on the continued destruction of Israel as a political goal. They have to reject violence, denounce violence. Then and only then can they be recognized credibly from the outside world.

I will yield back.

Ms. ROS-LEHTINEN. Thank you, sir.

Dr. Yoho of Florida.

Mr. YOHO. Thank you, Madam Chairwoman.

I look forward to hearing you guys speak today on your expert testimony. And I mimic what everybody here has said. And I just want to say I look forward to the testimony today to see what role the United States can achieve, help you achieve, in this process.

Thank you.

Ms. ROS-LEHTINEN. Thank you, sir.

And our last opening statement will be by Mr. Rohrabacher of California. Thank you, Dana.

Mr. ROHRABACHER. Thank you very much, Madam Chairman. And thank you for again your leadership in having hearings like this, as you have done as chairman of the full committee.

Just one observation. And, look, I have been around in this town for about 30 years. And Israel during that time period has taken step after step trying to find a way to live in peace with its neighbors. And now they so much as move a shovelful of dirt and it is claimed that they are breaking down the peace, et cetera,

et cetera, even while the other side shoots rockets into their territory.

I think it is about time that we make sure that we put some demands and insist let's have some action out of the Palestinian side. Israelis have gone out of their way. They have given up territory. What have the Palestinians given up in these last 10 and 20 years? Let's see some progress from their side. And certainly let's pay attention if it looks like it is going to get worse.

Thank you very much.

Ms. ROS-LEHTINEN. Thank you.

Mr. Deutch and I are so impressed with the opening statements of our colleagues. It is going to be a delight for us to co-chair this subcommittee. Thank you.

I am so pleased to welcome our witnesses. Many of them are—well, you all are old friends of our committee. First, Dr. Matthew Levitt, who is a senior fellow and director of the Washington Institute's Stein Program on Counterterrorism and Intelligence. From 2005 to early 2007, Dr. Levitt served as Deputy Assistant Secretary for Intelligence and Analysis at the U.S. Department of Treasury. And from 2008 to 2009, he served as a State Department Adviser to the Special Envoy for Middle East Regional Security, General James Jones.

Next, we would like to welcome Dr. Michael Rubin, an old friend of our committee, a resident scholar at the American Enterprise Institute, a senior lecturer at the Naval Postgraduate School's Center for Civil-Military Relations, and a senior editor of the Middle East Quarterly. From 2002 to 2004, Dr. Rubin served as a staff adviser for Iran and Iraq in the Office of the Secretary of Defense.

And, finally, we welcome Dr. David Makovsky, who is the distinguished fellow and director of the Project of the Middle East Peace Process at the Washington Institute. He is also an adjunct professor in Middle East studies at Johns Hopkins University School of Advanced International Studies.

Thank you, gentlemen, for appearing before us this morning. I would like to remind you that your entire written testimony has been made a part of the hearing. If you could limit your testimony to no more than 5 minutes? And, without objection, your entire written statements will be inserted into the hearing record.

We will begin with you, Dr. Levitt. Welcome.

STATEMENT OF MATTHEW LEVITT, PH.D., DIRECTOR, STEIN PROGRAM ON COUNTERTERRORISM AND INTELLIGENCE, THE WASHINGTON INSTITUTE FOR NEAR EAST POLICY

Mr. LEVITT. Thank you very much, Madam Chairwoman, Mr. Ranking Member, members of the committee.

It is a pleasure to be here. It is an important subject because, in the eyes of many still today, reconciliation between Fatah and Hamas is a prerequisite for advancing peace between Israelis and Palestinians. And nothing could be further from the truth. The idea is that Palestinians cannot negotiate with Israel in any serious way when divided between the West Bank rule of Fatah and the Gaza rule of Hamas. And, to be sure, P.A. officials in the West Bank can make neither demands nor concessions when it comes to the Gaza Strip, but the same cannot be said for their position of strength in

the West Bank. And there is much that could be done. And I think we, the United States, should focus our efforts on improving things in the West Bank. But I will leave that line of reasoning to my colleague David Makovsky, who has done tremendous work on that issue.

The other flaw behind the reasoning that a reconciliation between Fatah and Hamas is some kind of panacea is that Hamas has not changed. Hamas remains committed to violence aimed at destroying Israel, refuses to acknowledge Israel's right to exist, and rejects a two-state solution. So a reconciliation with Hamas is the equivalent of inviting the fox into the henhouse. The preconditions for reconciliation from their position are things like controlling key ministries, like the Ministry of Interior, so that there can be no security cooperation with Israel or preconditions like insisting that no changes be made to the security services in the Gaza Strip so that they remain under Hamas' control and mixed between Hamas' security services, as such, and the Hamas terrorist wing: The Qassam Brigades.

Recently, by the way, Hamas has also talked about trying to re-enter the PLO as another form of reconciliation. This would be no less of a problem. So, for example, Hamas insists on "liberation first and then a state." We will fight first. And then we will negotiate over what is left. Why? Because Khaled Mashal, the head of Hamas, explains, a state based on, and I quote, "compromise or settlement is not a real state." If that were not clear enough, he explains that "Hamas will always be with the resistance. Resistance is not a hotel that we can check into and out of." Indeed, it is at the core of Hamas's identity.

So if we look at Hamas over the past period of time, most people focus on the Gaza Strip and with good reason. The conflict in November made very clear Hamas has spent its time procuring weapons, including long-range Chinese-made rockets and other things that they are more than willing to fire at Israel. Less people are aware of Hamas' efforts to build up a domestic production capability in the Gaza Strip so that it can produce its own long-range rockets. Those are not yet fully capable, but, according to the Israelis, they were also building unmanned aerial vehicles to be able to conduct attacks into Israel proper. But it is not just the Gaza Strip. And I don't think enough people pay attention to this.

As I go into in my written report, there has been a tremendous amount of activity in the West Bank. And in the event that we cease providing funding for the Palestinian security services, their ability to help Israel contain and control that threat in the West Bank would be severely curtailed. And that would be something that would risk Israeli security, Palestinian security, and U.S. national security interests.

Just at the end of January, a week or so ago, the Israeli Defense Forces and the Israel Security Agency, the Shin Bet, arrested 20 known Hamas members who were plotting just the most recent attack.

The other thing I don't think people pay attention to is that while Hamas has an immediate interest in fighting Israel, its ideology is shared not only with the Muslim Brotherhood extremists that are arising in Egypt and Tunisia and elsewhere,—indeed, that

is one of the reasons it felt so emboldened as to carry out the violence in November, which it started with two different attacks that preceded the Israeli counterattack—but also because its ideology is consistent with other Jihadist groups. And so we have the case of Abu Ghazala, an active Hamas member who went off and was fighting with al-Qaeda in Iraq. We have examples of Mamoun Qafisha and others, who are running Hamas' operations, not fundraising, not politics, operations, from Saudi Arabia. We have Hamas operatives procuring weapons in the Ukraine, in Turkey, in China. So Hamas is very, very active in these fronts, and it hasn't changed.

One of the reasons, one of the other reasons, that Hamas did what it did in the Gaza Strip is because the most hard-lined members of Hamas in the Gaza Strip have risen to political prominence. So Ahmed Jabari, until he was killed, and his successor now are both senior political leaders in Hamas. And they are moving the organization further to the right, pushing for ongoing "resistance" as they term it, terrorist attacks against Israel, in an effort to deal with the threat that they get from the more al-Qaeda-affiliated groups in the Gaza Strip, who challenge them with not being sufficiently Islamic or sufficiently tough on Israel.

At the end of the day, while I do think that U.S. funding for the Palestinian Authority needs to continue, it need not be unconditional. For years, Congress required that PLO Commitments Compliance Act, the PLOCCA, which required the State Department to tell us exactly what then the PLO—we could do it now with the P.A.—was doing to further its commitments. But the fact is that, to its credit, the State Department has been doing some great things, including trying to get Europeans and others to crack down on Hamas financing in their countries.

I do think, finally,—and with this, I will conclude—that we need to have a very serious focus on Egypt because Hamas, as I said, has not changed. And a cease-fire will last only as long as it takes Hamas to rebuild its stockpile of weapons. Those come west to east from Libya and south to north Iran through Sudan. And unless Egypt does what it has to do on its sovereign territory and not only at the last five yard line before the Gaza Strip, then those weapons will arrive.

Thank you very much.

[The prepared statement of Mr. Levitt follows:]



The Fatah-Hamas Reconciliation: Threatening Peace Prospects

Testimony by Dr. Matthew Levitt
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 Washington Institute for Near East Policy

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Hearing of the U.S. House of Representatives Committee on Foreign Relations
 Subcommittee on the Middle East and North Africa

Chairman Ros-Lehtinen, Ranking Member Deutch, distinguished members of the committee, it is an honor to appear before you this morning to discuss the potential impact of a Fatah-Hamas reconciliation on prospects for peace between Israelis and Palestinians.

In the eyes of many, reconciliation between Fatah and Hamas is a prerequisite for advancing peace between Israelis and Palestinians. The idea is that Palestinians cannot negotiate with Israel in any serious way when divided between the West Bank under the rule of the Fatah-dominated Palestinian Authority (PA) and the Gaza Strip under the rule of Hamas. To be sure, PA officials in the West Bank can make neither demands nor concessions when it comes to the Gaza Strip, which they do not control. But the same cannot be said for the West Bank, where the PA is firmly in control. There, in the West Bank, there is much that could be done that would improve the daily lives of Palestinians and Israelis both. But I will leave that line of reasoning to my colleague David Makovsky, with whom I am honored to appear before you today.

The other flaw behind the reasoning that sees Fatah-Hamas reconciliation as some kind of panacea is that Hamas has not changed. It remains committed to violence aimed at destroying Israel; refuses to acknowledge Israel's right to exist; and rejects the idea of a two-state solution. Indeed, Hamas's terms for reconciliation include a cessation of PA security cooperation with Israel, as well as demands that Hamas get control of key ministries like the Ministry of Interior (which oversees security services) and that no changes are made to Hamas's security services in the Gaza Strip.¹ This, of course, would be the equivalent of inviting the fox into the henhouse. Absent reform and concessions on the part of Hamas, reconciliation between Fatah and Hamas would be the death knell of the peace process.

More recently, Hamas revived talk about the possibility it might seek to join the Palestine Liberation Organization (PLO) and assume a leadership position in the organization alongside Fatah. In Hamas's eyes, this would enable the group to follow in the footsteps of fellow Muslim Brotherhood Islamist parties that have come to power over the course of the Arab Awakening. But even here, Hamas leader Khaled Mashal made clear that joining the PLO would not mark a shift in Hamas's ideological or

¹ "Hamas Sets New Terms for Reconciliation with Fatah," Reuters, February 23, 2012, www.reuters.com/article/2012/02/23/us-palestinians-unity-idUSTRE81M0TR20120223.

political positions. Hamas insisted on "liberation first, then a state," Mashal explained, because a state based on "compromise or settlement is not a real state." If that were not clear enough, he added that "Hamas will always be with the resistance. Resistance is not a hotel that we can check into and out of." Indeed, it is at the core of Hamas's identity as a militant Islamist group committed to jihad. Responding to critics of Hamas's decision to agree to a ceasefire with Israel after the November 2012 conflict, Mashal was equally blunt: "To those who view the cease-fire with suspicion, we will be committed to the path of resistance until we liberate Palestine. But escalation and calm, this is a management decision."² In other words, nobody should mistake Hamas's tactical flexibility for strategic change.

To be sure, on the other side of the Fatah-Hamas divide, Fatah remains notoriously corrupt, continues to tolerate and engage in anti-Israel incitement and propaganda, and appears more interested in pursuing international recognition through acts of unilateralism than in pursuing substantive talks with Israel. And yet, continued funding for the PA remains smart policy in the best interests of U.S. foreign policy objectives, not to mention Palestinian and Israeli interests.

Hamas Is the Problem

Hamas's continued terrorist activity targeting Israel from the Gaza Strip was underscored most recently by the November 2012 conflict, which was initiated by Hamas provocations such as firing an antitank missile at an Israel Defense Forces (IDF) jeep on the Israeli side of the border; filling a border tunnel with explosives to capture an Israeli soldier; and placing an explosive at the border fence.

For its part, Israel responded as severely as it did to these Hamas provocations because it could not tolerate a situation in which Hamas and other terrorist groups in Gaza continued to stockpile long-range rockets -- including Iranian- and Chinese-made Fajr-3 and Fajr-5 missiles -- and other strategic weapons that could threaten large swaths of the Israeli population at once. These weapons are smuggled into Gaza via ratlines that run the length of Egypt, north to south and east to west. Iran ships weapons to Sudan and, as the recent Israeli attack on a weapons factory in Khartoum revealed, manufactures weapons there as well. These are then trucked north through Egypt, across the Sinai, and into Gaza -- a distance of over 1,500 kilometers. Other weapons, including small arms and man-portable air-defense systems (MANPADs, or shoulder-fired missiles), have been flowing east out of Libya, across northern Egypt, and into Gaza.

Not only had Hamas and other groups amassed arsenals of some 10,000 rockets, Hamas also built weapons labs where it was producing its own long-range rockets (albeit with much smaller payloads) and developing a domestic capability to produce unmanned aerial vehicles (UAVs). Recently, Hamas made significant improvements that increased the range, accuracy, and payloads of its domestically manufactured rockets. Over the course of the November 2012 conflict, Israel destroyed many of these weapons systems, as well as launchpads, production labs, and command-and-control facilities. And Hamas fired off around a thousand of its rockets, further depleting its arsenal. Today, Hamas is working overtime to try to replace these weapons.

² Anne Barnard, "Hamas Chief Revives Talk of Reuniting with PLO," *New York Times*, November 28, 2012, http://www.nytimes.com/2012/11/29/world/middleeast/leader-of-hamas-calls-for-palestinian-unity.html?_r=0.

Meanwhile, even as it pressed ahead with plans to accumulate as many rockets and other weapons as possible in the Gaza Strip, Hamas has worked hard over the past couple of years to rebuild its West Bank networks.

In 2011, Israeli security forces arrested dozens of Hamas operatives spread throughout a network of some thirteen militant cells located in the southern West Bank and the Jerusalem area.³ The network carried out one attack, setting off a small improvised explosive device near the International Convention Center in downtown Jerusalem on March 23, killing a British citizen and wounding forty-seven Israelis.⁴ In another case, the network successfully infiltrated an intended suicide bomber into Jerusalem from Hebron, but authorities thwarted the plot and arrested the would-be bomber on August 22.

Members of the network included more than twenty criminals recruited by jailed Hamas operatives in Israel's Ketzio Prison. Most of them were near the end of their terms at the time of recruitment and were soon released, whereupon they focused their efforts on recruiting more members and plotting kidnapping operations aimed at securing the release of Hamas leaders in Israeli prisons.⁵ Hamas leaders from Gaza helped direct the operations of these new West Bank cells and sought to provide weapons by smuggling them through Sinai and the Negev desert into the southern West Bank.

Among the plots foiled by the Israeli arrests were shootings, kidnappings targeting Israelis near Hebron or the Gush Etzion bloc in the West Bank, and a Jerusalem suicide bombing planned for August 21.⁶ News of the arrests came as a surprise to many given the relative quiet the West Bank has enjoyed recently, which is largely a result of Israeli-Palestinian cooperation targeting Hamas activities there. Yet over the past six months, Israeli security officials have recorded a 25 percent increase in the number of threat warnings regarding potential Hamas attacks in the West Bank, especially in the Hebron, Nablus, and Ramallah areas.

Hamas activity in the West Bank continues. At the end of January, the IDF and Israel Security Agency (ISA, or Shin Bet) arrested twenty known Hamas members in Hebron (West Bank). They are known as Hamas members because they had served prison sentences in Israel previously for terrorist activity. They were planning on carrying out kidnapping plots and had more than ten guns of various types. The investigation revealed that the terror cell maintained contact with high-ranking Hamas officials to receive assistance, directions, and funding. The cell's primary contact was Husam Badran, a former prisoner who was part of the exchange for captured Israeli soldier Gilad Shalit. Badran was released from prison in October 2011 and exiled to Qatar. The terrorist cell has been indicted on charges of weapons possession, contacting a hostile organization, and conspiracy to kidnap an IDF soldier.⁷ The IDF also noted that the "terrorists' primary goal was to execute a kidnapping attack in order to bargain for the release of prisoners."⁸

³ Meir Amit Intelligence and Terrorism Information Center, September 12, 2011, http://www.terrorism-info.org.il/data/pdf/PDF_11_199_2.pdf, 2.

⁴ Ibid., 4.

⁵ Ibid., 2-5.

⁶ Ibid., 4.

⁷ "Hamas Terror Infrastructure Uncovered," Israel Defense Forces, January 31, 2013, <http://www.idf.il/1283-18192-en/Dover.aspx>.

⁸ "IDF & ISA Uncover Hamas Terrorist Assets in Hebron," Israel Defense Forces blog, January 31, 2013, <http://www.idfblog.com/2013/01/31/idf-isa-uncover-hamas-terrorist-assets-in-hebron/>.

In December, it was reported that Hamas leader Khaled Mashal had instructed Hamas cells in the West Bank to prepare for an armed takeover of the territory.⁹ Earlier that month, Hamas had been allowed to hold its first rally in five years in the West Bank.¹⁰ In October 2012, the Shin Bet arrested thirty members of Hamas near Ramallah.¹¹ On October 27, 2012, Hamas MP Mahmud al-Ramahi was arrested at a military roadblock in the West Bank.¹² In September, a secret Hamas prison was reportedly found in the West Bank, although Hamas denied its existence.¹³

A September 2011 report produced by the Shin Bet indicated "Hamas intensive efforts to restore the organization's military infrastructures" in the West Bank.¹⁴ The report listed three sources contributing to these efforts: Hamas headquarters abroad, imprisoned Hamas activists, and Gaza Strip-based Hamas members who attempt to transfer weapons to the West Bank.

Hamas Beyond the West Bank and Gaza

Historically, Hamas has limited its operational focus to Israel, with almost all of its attacks occurring within the West Bank, Gaza, and Israel proper. Although many non-Israelis have been killed in such attacks, most of them were unintended victims of inherently indiscriminate terrorist tactics. In 2011, however, Hamas expanded its area of operations. Information released by Israeli and American authorities suggests that the group has now extended its logistical efforts and even certain planning and operational activities as far afield as Iraq, Saudi Arabia, Turkey, Syria, Egypt, and China.¹⁵

Most startling was the news regarding Muhammad Hisham Muhammad Ismail Abu Ghazala (aka Mansur/Khadim al-Hussein), a Hamas explosives expert targeted by both Washington and Baghdad for his ties to al-Qaeda, Iran, former Saddam regime elements, networks responsible for proliferating improvised explosive devices in northern Iraq, and various terrorist organizations throughout the country. The United States recently listed him as a Specially Designated Global Terrorist under Executive Order 13224, which targets those who carry out or support terrorism. According to the State Department press release announcing the designation, he has worked with rockets and unmanned aerial vehicles and disseminated remote detonation designs to former regime elements and other terrorists in Iraq. The department also highlighted his links with Tehran -- "the world's leading state sponsor of terrorism" -- and al-Qaeda.¹⁶

⁹ "Hamas Preparing for West Bank Takeover," *Jerusalem Post*, December 23, 2012, <http://www.jpost.com/MiddleEast/Article.aspx?id=297014>.

¹⁰ "After 5-Year Ban, Hamas Holds Rally in West Bank," *Haaretz*, December 13, 2012, <http://www.haaretz.com/news/middle-east/after-5-year-ban-hamas-holds-rally-in-west-bank-1.484743>.

¹¹ "Israel Arrests West Bank Hamas Militants," Associated Press, October 29, 2012, <http://www.brisbar.com/Big-Peace/2012/10/29/Israel-arrests-West-Bank-Hamas-militants>.

¹² "Israel Arrests Senior Hamas MP in West Bank," Agence France-Presse, October 27, 2012, <http://www.rawstory.com/rs/2012/10/27/israel-arrests-senior-hamas-mp-in-west-bank/>.

¹³ Khaled Abu Toameh, "PA Says It Discovered Secret Hamas Jail by Nablus," *Jerusalem Post*, September 23, 2012, <http://www.jpost.com/MiddleEast/Article.aspx?id=285978>.

¹⁴ Israel Security Agency, "Exposure of Judea and Samaria-Based Hamas Military Terror Infrastructures; Prevention of Suicide Bombing in Jerusalem," September 2011, <http://www.shabak.gov.il/SiteCollectionImages/english/TerrorInfo/reports/shotef070911-en.pdf>; Meir Amit Intelligence and Terrorism Information Center, September 12, 2011, 3.

¹⁵ Israel Security Agency, "Exposure of Judea and Samaria-Based Hamas Military Terror Infrastructures; Prevention of Suicide Bombing in Jerusalem," September 2011, <http://www.shabak.gov.il/SiteCollectionImages/english/TerrorInfo/reports/shotef070911-en.pdf>.

¹⁶ U.S. Department of State, Office of the Spokesperson, "Terrorist Designation of Hamas Operative Muhammad Hisham Muhammad Isma'il Abu Ghazala," September 22, 2011, <http://www.state.gov/r/pa/prs/ps/2011/09/173352.htm>.

For its part, Baghdad had offered a \$50,000 reward for information leading to his capture. According to Iraqi national security advisor Muwaffaq Rubaie, Abu Ghazala is among the insurgency's top supporters, which is why he appears thirty-third on the Iraqi government's "41 Most Wanted List." The description of his activities provided in that list is nearly identical to that of the State Department.

Perhaps most surprising, nothing in the U.S. designation suggested that Abu Ghazala broke with Hamas to join the Iraqi insurgency or partner with elements tied to al-Qaeda. To the contrary, the press release emphasized -- in the present tense -- that he "plays an integral role in Hamas." His terrorist activities have apparently caught the attention of other U.S. agencies as well, with the State Department designation serving to "highlight the threat posed by Abu Ghazala while simultaneously assisting and complementing the law enforcement actions of other U.S. agencies."¹⁷

Hamas has also reportedly held operational meetings in Saudi Arabia. Israeli authorities report that in 2011 Hamas members met with new recruits from the Hebron area in Saudi Arabia, giving them operational instructions passed down from the group's military-wing leaders from Gaza. One of the participants, Mamoun Qafisha, was described as "a Hamas military operative who handles recruits in Judea and Samaria [the West Bank] from his residence in Saudi Arabia."¹⁸

In the past, Hamas operatives have held meetings in the kingdom during the Hajj pilgrimage, and the group's finance committee has long been known to operate out of Jeddah.¹⁹ Yet the news of Hamas military operatives establishing themselves there and holding terrorist meetings in their Saudi homes was new. One of Qafisha's recruits -- Hussein Qawasmeh, the chief explosives "engineer" of the Israeli-targeted Hamas network discussed earlier -- reportedly built the bomb used in the March 23 Jerusalem attack, and another such device was found at his home in Hebron.²⁰ Similarly, Ahmed Madhoun, one of the Hebron cell's leaders, was recruited at another meeting in Saudi Arabia by Hamas activists from Gaza. Madhoun was reportedly given \$10,000 to recruit and arm a new Hamas cell in Hebron whose primary mission was to kidnap an Israeli soldier.²¹

According to Israeli officials, Hamas weapons procurement operations have over the past few years increasingly led the group's operatives around the world. In February 2011, Israeli agents nabbed Dirar Abu Sisi, a Hamas rocket engineer from Gaza who had been operating in the Ukraine.²² And in July, they arrested Ayman al-Adam, a Jordanian courier of Palestinian descent whose family hailed from the Hebron area. Through him, Hamas leaders in Syria delivered money and instructions on how to assemble bombs and execute kidnappings to members of the Hebron cell. During questioning, al-

¹⁷ U.S. Department of State, Office of the Spokesperson, "Terrorist Designation of Hamas Operative Muhammad Hisham Muhammad Isma'il Abu Ghazala," September 22, 2011.

¹⁸ Meir Amit Intelligence and Terrorism Information Center, September 12, 2011, http://www.terrorism-info.org.il/data/pdf/PDF_11_199_2.pdf, 5.

¹⁹ Matthew Levitt, "A Hamas Headquarters in Saudi Arabia?" PolicyWatch #521 (Washington Institute for Near East Policy, September 28, 2005), <http://www.washingtoninstitute.org/policy-analysis/view/a-hamas-headquarters-in-saudi-arabia>; Anna Robinowitz, "Terror at the Hajj," PolicyWatch #426 (Washington Institute for Near East Policy, March 3, 2004), <http://www.washingtoninstitute.org/policy-analysis/view/terror-at-the-hajj>.

²⁰ Meir Amit Intelligence and Terrorism Information Center, September 12, 2011, 5.

²¹ *Ibid.*, 6.

²² "Palestinian Engineer Accused of Missile Murder Plot," *Guardian*, April 4, 2011, <http://www.guardian.co.uk/world/2011/apr/04/palestinian-accused-missile-plot>.

Adam stated that his Hamas handler in Syria sent him on missions not only to Hebron but also to Turkey and China.²³

In addition, Israeli security officials assert that the scale and scope of Hamas political and operational activity in Turkey -- long a comfortable place for the group -- have increased significantly over the past two years. What is not clear is the extent to which Turkish authorities are aware of the operational efforts. Over the past few years, Hamas operatives in Syria have moved some of their activities to Turkey, where they enjoy greater operational freedom under the Erdogan government. According to the Shin Bet, Hamas operatives in the West Bank received funding, guidance, and training from Hamas headquarters personnel not only in Syria but also in Turkey and Saudi Arabia.

Moreover, at least one of the Hebron-area operatives arrested since May was also "involved in operations carried out on behalf of the Hamas headquarters in Syria in other countries, including China and Turkey."²⁴ According to the ISA (Shin Bet), its investigation revealed that Hamas activities in China centered on money laundering and weapons procurement, while efforts in Turkey focused on recruiting new operatives.²⁵

The group has also become more active in Egypt. With the Mubarak regime gone, the transitional government weak, the Muslim Brotherhood ascendant, and Syria's Assad regime increasingly isolated, it was no surprise that many Hamas leaders and operatives departed Syria for Egypt and elsewhere. With black market arms flowing east from Libyan depots, and with the Sinai largely ungoverned and underpatrolled, Egypt has also become a hub for weapons procurement. In some cases, like the August 2011 attack near Eilat, Hamas operations included Egyptian nationals as well as other foreign fighters.

Poor Prospects for Calm in the Wake of Operation Pillar Defense

The ceasefire Egypt brokered with American help will last for a period of time. But without significant diplomatic follow-up, it will likely last only as long as it takes for Hamas to rearm. The factors that led Hamas to initiate the violence remain unchanged. For that matter, the factors that drove Israel to respond as it did to the Hamas attacks also remain in play. And while Egypt, which emerges from the conflict with renewed regional standing and "street cred," has every interest in seeing the agreement it mediated stand, it is not clear it is either able or willing to do what is necessary to stem the torrent of weapons flowing across its territory into Gaza.

Hamas initiated the November 2012 round of hostilities against Israel at that particular moment not at Iran's behest, but because it felt emboldened by the rise of Islamist allies in the region, because it had accumulated a sufficiently large stockpile of rockets from Iran, and because some of the most hardline militant leaders of the group's Qassam Brigades won spots on the Hamas Shura Council in Gaza and now dominate both the group's military and political elements in Gaza.

²³ "Exposure of Judea and Samaria-Based Hamas Military Terror Infrastructures; Prevention of Suicide Bombing in Jerusalem," Israel Security Agency, September 2011, <http://www.shabak.gov.il/SiteCollectionImages/english/TerrorInfo/reports/shptef070911-en.pdf>.

²⁴ Meir Amit Intelligence and Terrorism Information Center, September 12, 2011, 2.

²⁵ Meir Amit Intelligence and Terrorism Information Center, September 12, 2011, 5; Yaakov Katz, "Shin Bet: Hamas Operating in Turkey, China," *Jerusalem Post*, September 8, 2011.

Ever since it assumed control of the Gaza Strip by force of arms, Hamas has faced an acute ideological crisis: it could either engage in acts of violence ("resistance") targeting Israel, or it could effectively govern the Gaza Strip -- but not both. The result is a tension within Hamas, the "Islamic Resistance Movement," which has been forced to suspend the resistance for which it is named and by which it defines itself. And while Hamas is not a monolithic movement, the one constant among its various currents is its self-identification as a resistance movement. Meanwhile, Hamas has been increasingly challenged from the right by traditional allies like the Palestinian Islamic Jihad (PIJ) and the Popular Resistance Committees (PRC), and by still more radical Salafist-jihadist groups like al-Tawhid wal-Jihad and the Mujahideen Shura Council Beit al-Maqdas. The latter are composed of several smaller Salafist-jihadist factions, which bound together for the express purpose of being better positioned to confront Hamas's calls for restraint and pursue a strictly militant agenda of targeting Israel.

As it contended with this challenge, Hamas underwent a significant change of its own. In April 2012, Hamas hardliners dominated in secret elections for the Hamas Shura Council and Political Bureau in Gaza. For example, the former head of the Damascus-based military committee, Imad al-Alami, was elected deputy chief of the Gaza Political Bureau. Relative moderates were defeated, while Qassam Brigades leaders loyal to military leader Mohammad Deif won or retained seats on the Political Bureau, including the late Ahmed Jabari, his deputy and successor Marwan Issa, and others. Under this new, more militant political leadership, Hamas leaders gave greater weight to their responsibility to engage in acts of "resistance" against Israel over their responsibility to effectively govern the Gaza Strip. And they felt emboldened by the show of regional support after the Arab Awakening, from the fact that their fellow Muslim Brothers were now in power in Cairo, to the state visits to Gaza of the Turkish president and the Qatari emir.

In the wake of the ceasefire, Hamas will still have to balance governance with resistance and contend with challenges to its credentials from small groups unencumbered by the responsibilities of governing and keen to continue attacking Israel. Meanwhile, Hamas hardliners, for whom the responsibilities of governance cannot trump resistance, remain in power.

Clearly, then, the ceasefire will only last if Egypt takes its responsibility to patrol its sovereign territory seriously and prevents Hamas and other militant groups in Gaza from rearming. Hamas takes a long view of its conflict with Israel, and nothing indicates it is about to moderate its views. Its intent to confront Israel militarily remains unchanged, and it continues to oppose progress toward a two-state solution. So long as a negotiated two-state solution remains Fatah's goal, Hamas will continue to resist serious reconciliation talks. Absent any real shift in Hamas's ideology and intent, the only true factor determining how much of a threat Hamas continues to pose is the question of its capabilities. The ceasefire will last as long as it takes Hamas to rearm, and likely not much longer than that. As one Israeli official put it to me a few weeks before the November 2012 conflict, "We don't know when Hamas will attack, but we fully expect at some point they will. They are not collecting all those rockets as paperweights."

Reconciliation on Whose Terms?

So long as the PA remains committed to a two-state solution, continues to engage in security cooperation with Israel, and rejects Hamas demands that it join "the resistance," Washington should continue funding the PA government in Ramallah. But such funding need not be provided unconditionally. For example, the U.S. Congress could establish benchmarks for performance and require the State Department to provide periodic reports on the PA's activities -- much as Congress once required reports on PLO compliance with the PLO Commitments Compliance Act (PLOCCA). This

could measure not only security cooperation but also corruption, mismanagement, application of the rule of law, and incitement.

But the fact remains that while inconsistent, the PA continues to engage in critical security activities that contribute to the safety of both Palestinian and Israeli civilians. Consider a few examples, as cited by the State Department:²⁶

- In January, Palestinian security forces (PASF) arrested fifteen Hamas operatives in overnight raids in the West Bank districts of Nablus and Jenin; two senior Hamas officials were separately detained by the PA in Haloul and in Nablus. Also in January, PA security forces conducted sweeps throughout the West Bank, detaining dozens of members of the Hizb al-Tahrir Salafist-Islamist group.
- In February, the PA arrested eleven Hamas operatives in overnight operations in Palestinian villages near the West Bank city of Hebron.
- In March, PA security forces arrested seven Hamas operatives in an overnight sweep in the West Bank cities of Jenin, Nablus, and Hebron.
- In May and June, the PA arrested more than eighty Hamas operatives across the West Bank and tried seven for security-related offenses.
- In July, the PASF arrested twenty-two Hamas members near Nablus.
- In August, PA security personnel detained the son of a prominent Hamas activist on suspicion of being involved in armed activities; several dozen other Hamas operatives were detained by the PA in the Nablus-area villages of Aqraba and Awarta, and in the West Bank cities of Tulkarem, Ramallah, and Hebron.
- In September, the PASF detained twenty Hamas operatives in the West Bank cities of Salfit, Hebron, and Nablus over a forty-eight-hour period, and issued court summons to several hundred others.
- In December, the PASF arrested twenty-six members of Hamas and five members of PIJ. Hamas accused the PASF of an "escalating arrest campaign of its supporters" and organized a youth rally in Hebron to protest the continued arrests.

There remains plenty of room for improvement. For example, the State Department reported that on April 24, 2011, a member of the PASF opened fire on Israeli worshippers visiting Joseph's Tomb in Nablus, killing one and injuring six others. The Israeli government characterized the attack as a terrorist incident, while the PA described it as a violation of the PASF rules of engagement.²⁷

²⁶ U.S. State Department, *Country Reports on Terrorism 2011*, July 2012, <http://www.state.gov/documents/organization/195768.pdf>.

²⁷ *Ibid.*

Conclusion

While there is much room for improvement on the part of the Fatah-dominated Palestinian Authority, so long as it remains committed to a two-state solution at the strategic level and to security cooperation with Israel at the tactical level, it remains the best partner both Israel and the United States have within the Palestinian camp.

To its credit, the State Department has led a concerted effort over the past couple of years to press foreign governments to crack down on Hamas fundraising and other activity within their borders. Recent events underscore the need to redouble these efforts, however, focused on disrupting Hamas's logistical, financial, and operational plans abroad.

Meanwhile, significant diplomatic pressure (and perhaps some tactical support or training) must be applied to Egypt to prevent Hamas from rearming after the last conflict with Israeli in November.

And while efforts to pursue final-status negotiations are well intentioned, they come at a time when the parties are simply not capable of seriously negotiating end-of-conflict issues. But there is still plenty of substantive, meaningful forward movement to be pursued. And the good news is that to do so does not require pressing for a reconciliation that would amount to inviting the fox that is Hamas into the henhouse that is the PA (or the PLO). Moving forward, Secretary Kerry and his colleagues in the new Obama cabinet should focus their immediate attention on the West Bank, where confidence-building measures, practical measures to improve daily living conditions, and negotiations over issues like border swaps along the Green Line could tangibly move the parties closer to peace despite the fact that the Gaza Strip remains under the control of a designated terrorist group as committed to violence today as it ever was.

Ms. ROS-LEHTINEN. Thank you very much.
Dr. Rubin?

**STATEMENT OF MICHAEL RUBIN, PH.D., RESIDENT SCHOLAR,
AMERICAN ENTERPRISE INSTITUTE**

Mr. RUBIN. Madam Chair, Ranking Member Deutch, honorable members, thank you for the opportunity to testify today.

Far from advancing peace, Hamas-Fatah reconciliation will accelerate conflict. At issue is not only the sanctity of diplomatic agreements which form the basis for Middle East peace efforts but also the outcome of a battle between more secular movements struggling against a radical Islamist revival. The desire to fund the Palestinian Government does more harm than good, not only to moderate Palestinians who desire to live in peace with Israel but also to U.S. regional interests.

The current debate about how to approach Fatah-Hamas reconciliation falls into a decades-long pattern of shifting goals and diluting demands to keep diplomacy alive. I have provided examples in my written testimony, but suffice it to say the record of the State Department's failure to hold its Palestinian partners to their commitments to abandon terrorism is extensive and its results clear. Absent a clear-cut, inalterable demand that the Palestinian groups first uphold their commitment to abandon terror, diplomacy will fail and the situation will worsen.

Too often when it comes to rogue regimes, the passage of time, rather than reform, legitimizes dialogue in diplomats' eyes. It is a pattern which discourages reform and compromise. Engaging and legitimizing the most violent factions incentivizes terrorism and disadvantages groups which play by the rules. Diplomacy with terrorist groups can also throw a lifeline to movements which otherwise might peak and collapse.

It is impossible to consider today's reconciliation between Fatah and Hamas without reference to the broader context of the Arab Spring. While the uprisings which sparked the Arab Spring had their roots in a desire among ordinary people for government accountability, it was not long before the Muslim Brotherhood and even more radical Islamist groups and Salafi movements hijacked the revolutions.

These Islamist groups had two distinct advantages. First, in opposition for decades, they could promise the world. And, second, Islamist movements did not have to operate on an even playing field. Not only rich emirates like Qatar but also Turkey subsidized the most radical Islamist groups.

The overriding competition within the Middle East today is between Islamist and secular regimes. Iran may be Shi'ite and Egypt Sunni, but Teheran sees Cairo as a new ally in its fight against secularist regimes. Hamas' renewed empowerment comes not autonomously but against the backdrop of Muhammad Morsi's rise in Egypt and Hamas' growing relations with Iran.

Fatah may not be moderate, but relative to Hamas, it is restrained. Rather than see Hamas moderate in order to join a coalition with Fatah, the opposite will become true. Hamas will have doubled down on its rejectionism, and Fatah will radicalize.

To promote the two movements' reconciliation would effectively enable Hamas to subsume Fatah. The results would be grave. Should Hamas establish its dominance on the West Bank, not only would Israel face a growing threat, but the Kingdom of Jordan would be destabilized. Second and third order effects will undermine both prospects for peace and broader American interests in the region. Chaos in Syria and the radicalization of the Syrian opposition will only compound the problems.

Because money is fungible, it is impossible for the United States to support only Fatah elements should Fatah and Hamas govern together. U.S. foreign assistance should never be an entitlement, and it should never benefit groups which are endemically and inalterably hostile to the United States.

Diplomacy will fail when any figure, be it Mahmoud Abbas, Ismail Haniyeh, or Khalid Mishaal, treats diplomatic commitments not as sacrosanct but as an a la carte menu from which to pick and choose. It will be hard to expect any government to place its security on the line for diplomatic assurances which in practice expire in less than two decades.

The White House and State Department may believe they chart a path to peace, but if they fall behind Egypt in what Egypt is trying to do in the region right now, they are committing a strategic error, which could permanently handicap prospects for peace and, instead, encourage a more devastating conflict.

With that, thank you.

[The prepared statement of Mr. Rubin follows:]

“The Hamas-Fatah Reconciliation: Threatening Peace Prospects”

Testimony before the House Foreign Affairs Committee
Subcommittee on the Middle East and North Africa

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February 5, 2013

Chairwoman Ros-Lehtinen, Ranking Member Deutch, Honorable Members, thank you for the opportunity to testify before this Subcommittee today on this important topic.

Far from advancing peace, to encourage Hamas-Fatah reconciliation and to subsidize any coalition government will accelerate conflict. At issue is not only the sanctity of diplomatic agreements which form the basis for Middle East peace efforts, but also the outcome of a battle between more secular movements struggling against a radical Islamist revival.

The Obama Administration’s desire to fund the Palestinian government does more harm than good not only to moderate Palestinians who desire to live in peace with Israel, but also to U.S. regional interests and prospects for Arab-Israeli peace.

At its core, American opposition to Hamas rests on two interconnected issues: First is Hamas’ embrace of terrorism and second is the movement’s refusal to honor diplomatic agreements signed by the Palestinian Authority.

The current debate about how to approach Fatah-Hamas reconciliation falls into a decades-long pattern of shifting goals posts and diluting demands in order to keep diplomacy alive. The record of the State Department’s failure to hold its Palestinian partners to their commitment to abandon terrorism is extensive, and its results clear: Absent a clear-cut, inalterable demand that the Palestinian groups first uphold their commitment to abandon terror, diplomacy will fail and the situation will worsen.

For decades, U.S. administrations considered the Palestine Liberation Organization (PLO) a terrorist group and rogue entity, unworthy of serious policy consideration. As former Secretary of State Henry Kissinger explained, “Before 1973, the PLO rarely intruded into international negotiations. In the 1972 communiqué ending Nixon’s Moscow summit, there was no reference to Palestinians, much less to the PLO... The idea of a Palestinian state run by the PLO was not a subject for serious discourse.”¹ The reason for the PLO’s lack of credibility among Western diplomats and policymakers was its refusal to abandon terrorism. While diplomats today insist it never hurts to talk, the damage from engaging an insincere partner can be huge. Throughout the PLO’s early years, Chairman Yasser Arafat was explicit in his embrace of terrorism and his cynicism about the role of diplomacy. Addressing the United Nations, for example, he described

¹ Henry Kissinger, *Years of Upheaval*. (New York: Little Brown and Company, 1982). p. 625.

diplomacy as a corollary to armed struggle. “We are also expressing our faith in political and diplomatic struggle as complements, as enhancements of armed struggle,” he declared.²

The PLO’s unapologetic embrace of terrorism did not dissuade some within the State Department from arguing for direct relations with the PLO, even before the group ostensibly abandoned terrorism as a result of the Oslo Agreement. During his 1980 presidential campaign, Ronald Reagan swore he would not negotiate with terrorists. The State Department had other ideas, though.³ The fact that the PLO was a pariah, its influence had reached its nadir in the wake of its expulsion from Lebanon, and its execution of an elderly, wheelchair-bound American onboard the Achille Lauro had disgusted the international community, did not mean that diplomats were willing to give up its hope to find a partner in the group. In 1985, for example, U.S. diplomats were willing to accept the fiction of a joint Jordanian-PLO delegation comprised almost exclusively of PLO members so long as Arafat accepted United Nations Security Council Resolution 242, renounced terror, and acknowledged Israel’s right to exist. At the last minute, Arafat refused, and so talks were cancelled.⁴ That willingness to cancel talks and, in the post-Oslo era, assistance is a thing of the past.

Because of the State Department’s unwillingness to hold firm to declared principles if such a stand prevented more immediate dialogue, it is often Congress which intercedes to ensure that U.S. national security interests are upheld. In 1987, Congress passed an Anti-Terrorism Act which formally declared the PLO to be a terrorist organization for the purposes of U.S. law, and reinforced the prohibition on U.S. dialogue with the group, forcing the State Department to close the PLO’s offices in Washington.

The PLO got a new lease on life in December 1987 with the outbreak of the first *Intifada*. While the uprising was a largely grassroots affair, senior diplomats believed it better to negotiate with the PLO’s exiled leaders than with local Palestinian activists accustomed to working with Israelis. When proxies for the PLO met with National Security Council official Robert Oakley to seek talks, Oakley repeated U.S. preconditions: the Palestinians first must accept Resolutions 242 and 338, renounce terrorism, and accept Israel’s right to exist.⁵ While Fatah has, at various times, accepted such conditions rhetorically if not in reality, Hamas still refuses to do so.

The sanctity of agreements underscores Western diplomacy, but too often the State Department ignores their violation in order to keep dialogue alive. Arafat and the PLO never placed the same premium on honesty: In the run-up to the Oslo Agreement and, arguably in its aftermath as well, the pattern was constant. Because Arafat remained directly complicit in terror, Congress in 1989 passed the PLO Commitments Compliance Act (PLOCCA) which required the State Department to affirm that the PLO was abiding by its commitment to abandon terrorism and recognize Israel’s right to exist.⁶ If the PLO did not meet its commitments, dialogue would cease. To keep dialogue alive, however, diplomats simply omitted reporting episodes which might lead to the cessation of dialogue.

² Speech by Yasser Arafat to the United Nations General Assembly, November 13, 1974.

³ Allan Gerson, *The Kirkpatrick Mission*. (New York: Free Press, 1991), p. 26, 42.

⁴ Dennis Ross, *The Missing Peace*. (New York: Farrar, Straus, and Giroux, 2004), p.47.

⁵ Mohamed Rabie, *U.S.-PLO Dialogue*. (Gainesville: University Press of Florida, 1995), p. 14.

⁶ Title VIII, P.L. 101-246, February 16, 1990.

The Oslo Accord changed U.S. engagement with the Palestinians forever. Rather than lead a terror group, Arafat would head a proto-government. In October 1993, Congress passed the Middle East Peace Facilitation Act, which waived prohibitions on contacts with the PLO, and allowed the organization to open its *de facto* embassy in Washington so long as the PLO continued to abide by its commitments to cease terrorism and recognize Israel.⁷ Congress also enabled the president to waive legislation that prohibited U.S. government employees from negotiating with the PLO.⁸

As implementation of the Declaration of Principles floundered, the State Department's instinct was to seek quiet rather than enforce the agreement. When Arafat adopted a bizarre interpretation of his commitments, diplomats scrambled to appease him. After Arafat returned to Gaza, he reversed course on commitments to ensure security and revoke portions of the PLO's Charter which called for Israel's destruction. Because the State Department wanted to press forward with talks regardless of Arafat's backpedaling, Congress again acted. On July 15, 1994, the Senate prohibited release of taxpayer funds to the Palestinian Authority unless the PLO complied with its commitments to renounce and control terrorism.⁹ Congressional action did not filter down to all diplomats in the region, though. "I took every opportunity I could to see Arafat," Edward Abington, Jr., the U.S. Consul General in Jerusalem, recounted, "I just felt it was important to be seen as very active, as understanding Palestinian positions, showing sympathy and empathy."¹⁰

The same debates regarding the place of commitments and accountability in the peace process continued into the Bush administration. After a wave of terrorist attacks followed Palestinian assurances that terror would cease, President George W. Bush had had enough. Engagement for engagement's sake had failed. He decided to take a zero tolerance approach. "There is simply no way to achieve peace until all parties fight terror," he declared, adding, "I call on the Palestinian people to elect new leaders, leaders not compromised by terror."¹¹ The State Department resisted Bush's new approach. "The Arabists in the State Department were appalled" by Bush's speech, then-National Security Advisor Condoleezza Rice recalled.¹² Amidst international criticism and resistance from within his own administration, though, Bush abandoned his principled stand, and the State Department quickly reverted to business as usual. A no-nonsense demand to end terrorism before diplomacy gave way to the Road Map, whose own benchmarks soon fell victim to a desire to keep the Palestinians at the table.

Enthusiasm for direct talks with Hamas increased after the group's victory in January 2006 elections. A number of journalists and analysts argued that political power might moderate Hamas,¹³ and European officials urged Washington to forget Hamas' past.¹⁴ Optimists ignored

⁷ The Middle East Peace Facilitation Act of 1993, P.L. 103-125, October 28, 1993.

⁸ Clyde Mark, "Palestinians and Middle East Peace: Issues for the United States," CRS Issue Brief for Congress, October 10, 2003. No. IB92052.

⁹ H.R. 4426, Foreign Operations, Export Financing, and Related Programs Appropriations Act, 1995, Public Law No. 103-306.

¹⁰ Jonathan Broder, "The American Diplomat in Arafat's Corner," *The Jerusalem Report*, April 10, 2000.

¹¹ George Bush, "Rose Garden Speech on Israel-Palestine Two-State Solution," White House, June 24, 2002.

¹² Condoleezza Rice, *No Higher Honor*. (New York: Crown Publishers, 2011), p. 145.

¹³ See, for example, Marina Ottaway, "Islamists and Democracy: Keep the Faith," *The New Republic*, June 6 and 13, 2005; and Claude Sathani, "Politics & Policies: U.S. Must Engage Hamas," *United Press International*, January 23, 2006.

Hamas co-founder Mahmoud az-Zahar promise: “We will join the Legislative Council with our weapons in our hands.”¹⁵ After more than seven years, there can no longer be any debate: Power has not moderated Hamas.

When Hamas won a majority in the Palestinian Legislative Council, the United States and its Quartet partners agreed diplomatic recognition of Hamas would be premature because of the group’s refusal to recognize Israel, accept previous agreements, and forswear terror,¹⁶ it was not long before first Turkey and then European foreign ministries began to shift their tune. When Hamas staged a violent putsch against Fatah in July 2007 to consolidate control over Gaza, European diplomats argued they had no choice but to engage Hamas since there was no longer any pretext of a Palestinian coalition.¹⁷ Dialogue rather than peace had once again become diplomacy’s goal.

Too often, be it with the PLO, Hamas, or Hezbollah, the passage of time rather than reform legitimizes dialogue in diplomats’ eyes. It is a pattern which discourages reform and compromise: Engaging and legitimizing the most violent factions incentivizes terrorism and disadvantages groups which play by the rules. Diplomacy with terrorist groups can also throw a lifeline to movements which otherwise might peak and collapse.

It is impossible to consider today’s reconciliation between Fatah and Hamas without reference to the broader context of the so-called Arab Spring. While the uprisings which sparked the Arab Spring had their roots in a desire among ordinary people for government accountability, it was not long before the Muslim Brotherhood and even more radical Islamist groups and Salafi movements hijacked the revolutions. These Islamist groups had two distinct advantages:

First, the Muslim Brotherhood had been in opposition for almost eight decades, during which time they could promise the world, without ever having to prove the efficacy of their ideas.

Second, Islamist movements did not have to operate on an even playing field: Not only rich Persian Gulf emirates like Qatar, but also nominal republics like Turkey lent considerable wealth to subsidizing the most radical Islamist groups. Turkish Prime Minister Recep Tayyip Erdoğan has made little secret of his ideological and religious affinity for both the Muslim Brotherhood and, in the context of Palestinian politics, Hamas as well.

¹⁴ Chris Patten, “Time to judge Palestine on its results,” *Financial Times*, March 13, 2007.

¹⁵ Michael Herzog, “Can Hamas Be Tamed?” *Foreign Affairs*, March/April 2006.

¹⁶ David Welch, assistant secretary of State for Near Eastern Affairs, Senate Committee on Foreign Relations, September 25, 2008.

¹⁷ Maurizio Caprara, “Non regaliamo Hamas ad Al Qaeda,” *Corriere della Sera* (Milan), July 17, 2007; Mark Heller, “Should the European Union talk to Hamas?” *Transatlantic Issues*, No. 32, June 25, 2008; Carolin Goerzig, “Engaging Hamas: Rethinking the Quartet Principles,” *ISS Opinion*, March 2010.

Analysts often bifurcate the Middle East into competing groups: Sunnis versus Shi'ites, republics versus monarchies; dictatorships versus democracies; and Arabs versus non-Arabs. The overriding competition at present is between Islamists versus secular regimes. Iran may be largely Shi'ite and Egypt overwhelmingly Sunni, for example, but Tehran sees Cairo as a new ally in its fight against secularist regimes. Hamas' renewed empowerment comes not autonomously, but against the backdrop of Muhammad Morsi's rise in Egypt and Hamas' growing relations with Iran.

Fatah may not be moderate, but it is not Islamist and relative to Hamas it is restrained. Rather than see Hamas moderate in order to join a coalition with Fatah, the opposite will become true: Hamas will have doubled down on its rejectionism, while forcing Fatah to radicalize. To promote the two movements' reconciliation would effectively enable Hamas to subsume Fatah.

The results would be grave for the region: Should Hamas establish its dominance on the West Bank in addition to Gaza, not only would Israel face a growing threat, but Hamas and its allies would also move to destabilize the Kingdom of Jordan, perhaps America's chief Arab partner. Second and third order effects will severely undermine both prospects for peace and broader American interests in the region. Chaos and Syria and the radicalization of the Syrian opposition will only compound the problems.

Because money is fungible, it is impossible for the United States to support only Fatah elements should Fatah and Hamas govern together. U.S. foreign assistance should never be an entitlement, and it should never benefit groups which are endemically and inalterably hostile to the United States. The Oslo process established the Palestinian Authority on the basis of its recognition of Israel and the agreement to negotiate statehood and other issues at the diplomatic table. That conditionality infuses the Palestinian Authority's presence in the West Bank and Gaza. In theory, the Palestinian Authority has no right to exist should it obviate the Oslo Accord.

Diplomacy will fail when any figure, be it Mahmoud Abbas, Ismail Haniyeh, or Khalid Mishaal treats diplomatic commitments not as sacrosanct but as an *à la carte* menu from which to pick and choose. It will be hard to expect any government to place its security on the line for diplomatic assurances which in practice expire in less than two decades.

The Obama administration and American diplomats may believe they are charting a path to peace, but by turning a blind eye to accountability and treating U.S. assistance to Palestinian government as an entitlement, they are committing a grave strategic error which could permanently handicap prospects for peace and instead encourage a more devastating conflict. Thank you.

Ms. ROS-LEHTINEN. Thank you, sir.
Mr. Makovsky?

**STATEMENT OF MR. DAVID MAKOVSKY, DIRECTOR, PROJECT
ON THE MIDDLE EAST PEACE PROCESS, THE WASHINGTON
INSTITUTE FOR NEAR EAST POLICY**

Mr. MAKOVSKY. Thank you, Madam Chairman, Ranking Member Deutch, and distinguished members of the subcommittee.

Given the limited time imposed, please see my written testimony for a more in-depth look at this issue of Fatah-Hamas unity and its histories since 2007.

Of course, the idea of unity is desirable in most contexts, but the question remains, on whose terms unity. Does Hamas in Gaza, which favors Israel's destruction, become more like the Palestinians in the West Bank or the reverse?

If Hamas wants to be legitimate, the onus is on them to adhere to the international community or the quartet's terms for eligibility, which are three: Disavow violence, accept previous agreements, and accept Israel. The question is whether the U.S. can use its influence with Egypt, which did play a key role in the Gaza cease-fire in November, and perhaps Turkey or Qatar to use their influence to get Hamas to accept these three terms. So far this has not happened.

Moreover, despite the obvious appeal of unity among the Palestinians, actual unity is far more elusive. And, therefore, I am not yet persuaded that, despite all of the statements, this will indeed occur right now. Fatah does not want to give up its turf in the West Bank. Hamas does not want to give up its turf in Gaza.

President Abbas has resisted calls of Hamas demands to give up security cooperation with Israel. This is very significant. In 2002, more than 400 Israelis were killed in terror infiltrations from the West Bank. Thanks to Israel and the Palestinian Authority working together for more than the last 5 years, the number is about zero. This is an important point for those of you who care about the security of Israel, as we all do.

Hamas, at the same time, feels emboldened. And this is a matter of grave concern. It believes it has leverage with the establishment of a sister Muslim Brotherhood government in Egypt. Moreover, Hamas feels emboldened because it has seen the P.A. be weakened, specifically the reduced domestic leverage of Palestinian Prime Minister Salam Fayyad.

When I testified before the full House Foreign Affairs Committee in September 2011, I made clear that Fayyad has had an exemplary record in focusing on reform in governance in the West Bank since assuming this post in 2007. And he has helped spur West Bank growth at a 10-percent per annum clip over several years. However, when I appeared before the full committee, I stated in my view that if the U.S. withholds economic support from the P.A., it will undermine the very moderate forces that have been gaining ground there. Unfortunately, that is exactly what happened.

According to World Bank report this past September, growth levels in the West Bank have dropped by a full 3 percentage points. Unemployment has bumped up from 15–17 percent in the West Bank. There is a deepening financial crisis, and this has prevented

Fayyad from paying full salaries on time to his 160,000 employees for the last few months.

People ask, is there consequence for the U.N., for the Palestinian to go to the U.N.? Well, we have seen the economic consequence. But there are considerable indications that because of this deepening crisis, there have been demonstrations outside of Fayyad's office, not outside Abbas' office. And one could argue that the Fatah people have helped to orchestrate this because they see him vulnerable now and they fear him as a threat to succession.

Without regular assistance, the P.A. could collapse. And it is incumbent upon all of us in this room to ask, who fills the vacuum if they do? Do the moderates really come in or does this help the radicals? Pulling data shows an upsurge of support of Palestinian use of violence against Israelis, despite open opposition to such violence by Abbas and Fayyad. Nobody could point to a date when everything could explode, but current tensions should be noted.

So what can the U.S. do at the start of the second term of the Obama administration to end the utter impasse between Netanyahu and Abbas? What is not feasible is a final status deal. Neither party is prepared for it, and the leaders are unlikely to make a deal amid turmoil in the region and the ascendance of political Islam. Instead, we should focus on interim goals that are more realistic that would prepare for an eventual two-state solution, such as shrinking practical Israeli control over parts of the West Bank, where a Palestinian state will emerge, and acknowledge that Israel will retain a slice, probably about 5 percent of the West Bank near Israeli urban areas, adjacent to the old boundary with the ultimate land exchange or land swaps based on President Obama's May 2011 speeches.

The trade-off should be between Palestinians extending their control of the West Bank beyond their own urban areas and Israel extending its control in the Israeli urban areas in what is known as the settlement blocks. And this area roughly coincides to where Israel's security barrier exists.

This overall approach of zones of agreement would delay security-related issues in the Jordan Valley and along the Jordan River until the overall volatility in the Middle East clarifies itself. The approach of zones of agreement will finally get us out of the box between either a grand deal or complete paralysis, where we have been for years.

In short, each side says it cannot achieve everything but still agrees to take certain steps. This could lower anxiety levels on both sides and give moderates some results against radicals. Secretary Kerry would have to talk to the parties, whether this could be achieved through direct talks or the U.S. mediation.

I have no time left. So I will wait until the Q&A to discuss the impact of the Israeli election, as one of the members has asked, on this process.

But I would just like to say, in conclusion, we have to deal not just with governments. We have to deal with a public strategy as well with the peoples because there has been a profound sense of disbelief that peace is possible. And this is of great concern. You ask both sides, do you believe in the two-state solution? There are still majorities that say yes. But then you ask the next question,

does the other side want it? Will it happen? The answer is a resounding no.

I would just argue that, unless we have a public strategy, which I would like to elaborate in the Q&A, we won't succeed. This is a conflict that has been tragic. And we should do what we can. We cannot maybe solve it all at once but do what is possible and lay the foundations for a better future for both peoples.

Thank you all very much.

[The prepared statement of Mr. Makovsky follows:]



The Fatah-Hamas Reconciliation: Threatening Peace Prospects

Testimony by David Makovsky
Director, Project on the Middle East Peace Process
The Washington Institute for Near East Policy

February 5, 2013

Hearing of the U.S. House of Representatives Committee on Foreign Relations
Subcommittee on the Middle East and North Africa

Thank you, Madam Chairwoman, Ranking Member Deutch, and distinguished members of the subcommittee for this wonderful opportunity to testify at your very first session of the new Congress.

The issue of unity between Fatah and Hamas is something that the two parties have discussed at different levels since 2007 -- and certainly since the two groups announced an agreement in principle in May 2011. Indeed, a meeting between the groups is scheduled in Cairo in the coming days. One should not rule out that such unity will occur; but the past failures of the groups to unite begs various questions and suggests why unity may not occur in the future.

While the idea of unity is popular among divided publics everywhere, there have been genuine obstacles to implementing any unity agreement between Fatah and Hamas. First, it seems that neither Fatah -- the mainstream party of the Palestinian Authority (PA) -- nor Hamas wants to risk what it already possesses, namely Hamas's control of Gaza and the PA's control of its part of the West Bank. Each has its own zone and wants to maintain corresponding control. Second, Palestinian president Mahmoud Abbas has not been willing to commit to a Hamas demand for the end of PA security cooperation with Israel in the West Bank, which has resulted in the arrests of Hamas operatives by the PA.

Indeed, while not articulated as such, a de facto alliance has emerged between Israel and the PA to prevent Hamas terrorists from operating in the West Bank. U.S. assistance has been key -- aided by the creation of the U.S. Security Coordinator's Office, which has facilitated the training of Palestinian security officials and cooperation between the PA and Israel. Such cooperation has been central in combating terrorism against Israel from Hamas and others.

This is an important achievement with profound consequences. In 2002, more than four hundred Israelis were killed as a result of terrorist infiltration from the West Bank. By contrast, in the last five years, the figure is close to zero. Of course, the work of the Israel Defense Forces (IDF) and Israel Security Agency (Shin Bet) is important, as is the security barrier in the West Bank. But Israeli-PA security cooperation has been critical -- as emphasized to me personally by Israeli defense minister Ehud Barak. Therefore, if one is invested in security for Israel and its people, not to mention the

obvious desire of the Palestinian people for their own dignity, maintaining support for the PA is essential.

Furthermore, Hamas's perfidy has hindered Palestinian unity. PA president Abbas has criticized Hamas leader Khaled Mashal for giving a major speech this past December in Gaza in which he said Palestinians should not yield "an inch of the land" to Israel. Yet, in the Middle East, one can never say "never." The region is facing unprecedented turmoil. Therefore, one must not rule out the possibility of a Fatah-Hamas reconciliation. Indeed, a variety of factors argue in this direction.

First, the Muslim Brotherhood-led government in Egypt, which remains supportive of Hamas in Gaza, cannot be dismissed. This is a change since before the 2011 revolution, when Egypt was the leading Arab supporter of the PA and Egyptian president Hosni Mubarak was Abbas's leading patron. Jordan's King Abdullah still remains morally supportive, but the Gulf Arabs have done very little to provide financial support to Abbas. It regularly takes months of prodding by American diplomats for the Saudis to give a minimal \$100 million in assistance. While trumpeting the Palestinian cause, the Saudis should be embarrassed by their lack of actual support for their Arab brethren.

Second, this past fall, Qatar's emir was the first Arab head of state to visit the Hamas leadership; he offered \$400 million in assistance, providing financial cover for unity. The U.S. reluctance to exert adequate influence to halt Qatar's traditional support for Hamas, now at a new level given the emir's visit, has been linked to American use, with few restrictions, of Qatar's al-Udeid Air Base. A hearing by this subcommittee on Qatari support for Hamas could be the first step in correcting this perception and letting Doha know that Washington is watching.

A third factor that works in the direction of unity is the reduced domestic leverage of Palestinian prime minister Salam Fayad. When I testified before the full House Foreign Affairs Committee in September 2011, I made clear that Fayad has had an exemplary record in focusing on reform and governance in the West Bank since assuming this post in 2007. The owner of a doctorate in economics from the University of Texas, along with an MBA and years of experience at the International Monetary Fund, Fayad has helped spur West Bank growth at 10 percent per annum over several years. Following the establishment of Prime Minister Fayad's government in 2007, the West Bank witnessed rapid GDP growth each year through 2010, including spikes of 12 percent in 2008, 10 percent in 2009, and 8 percent in 2010.

However, when I appeared before the full committee, I stated my belief that if the United States withholds economic support from the PA, it will undermine the very moderate forces that have been gaining ground there. Indeed, Fayad's popularity began to drop when the United States began withholding money. According to the World Bank report of this past September, growth levels have dropped by a full three percentage points.

A deepening financial crisis has prevented Fayad from paying full salaries on time to some 160,000 employees for the last few months. The same World Bank report mentioned before warned that the "PA is facing a very serious fiscal situation[,] with its budget deficit higher than expected while the external budget support has been falling." After years of falling unemployment levels in the West Bank, the figure has lately bumped up by two points to 17 percent. Public workers have also struck periodically. In theory, the demonstrations should have been outside Abbas's office since he was responsible for seeking legitimacy through the United Nations, over U.S. and Israeli objections. Even though Fayad was known to oppose the UN move, he has been the target of any demonstrations related to the economy. A Palestinian song, "Get a Grip, Fayad," has emerged calling for the prime minister's ouster. There is considerable speculation that members of Fatah have been associated with the anti-Fayad demonstrations. These suspicions are tied to common fears that someone who was not

a Fatah member could not reasonably succeed Abbas.

One cannot assume that the status quo is sustainable and the PA is there to stay in the West Bank. Indeed, without regular assistance, the PA could collapse. In addition, cases have emerged of masked young demonstrators marching through refugee camps. Polling data shows an upsurge of support for Palestinian use of violence against Israelis, despite the explicitly and publicly voiced opposition to such violence by Abbas and Fayad. Nobody can point to a date when everything could explode. But current tensions should be noted. It may be worth recalling that the first intifada, or uprising, which lasted years, began with a car accident in a brittle Gaza.

The policy prescription should remain as follows: those who favor coexistence with Israel are rewarded, and those who favor the path of terror are not. Despite all the challenges, Fayad has continued the process of reform, including by organizing municipal elections last October. Also in this past year, he has widened the tax base and tax collection, a critical (albeit unpopular) move as the PA grapples with its deficits. Budgets are transparently posted on the internet with an external audit. And police and other security forces are recruited on a nonpolitical basis. This is a contrast from just a decade ago, when Yasser Arafat paid employees out of a paper bag and the security services were completely politicized.

Moreover, Hamas is not exactly ten feet tall. If Hamas had been told in 2006 that, in seven years it still would have failed to peel away European countries from the United States, its leaders would be shocked. This was the task they had set for themselves, and they were convinced they would succeed. Yet they did not. Furthermore, Hamas saw Fatah attract many tens of thousands at a mass rally in Gaza this January. Finally, Hamas may have believed that its patron, the Muslim Brotherhood in Cairo, would lift it upward. But riots in Cairo in recent days and weeks suggest Hamas might not be atop Egypt's priority list, since the very future of the Muhammad Morsi government is hanging in the balance. Moreover, it seems Hamas was astonished that Israel launched its Operation Pillar of Defense in November, given Hamas's presumed new backer in Cairo. Yet Israel itself was not deterred and Egypt was helpful in brokering the ceasefire.

Therefore, a policy question for the Obama administration is whether it is doing all it can to persuade Sunni countries such as Egypt, Turkey, and Qatar to use their considerable influence to get Hamas to accept the conditions set by the Quartet (United States, European Union, Russia, and the secretary-general of the UN) in 2006. These conditions hold that Hamas can only be a legitimate interlocutor for peace once it disavows terror as a tool, accepts previous agreements, and recognizes Israel's right to exist.

All of the above raises the question of what can be done to end the utter paralysis on the Israeli-Palestinian negotiating front? Except for three weeks in 2010, Abbas and Israeli prime minister Binyamin Netanyahu have not held any peace talks during the last four years. The situation has gone round and round. Israel says Abbas will not sit with it for negotiations. Abbas, who in the past did not link apartment construction anywhere in the West Bank or east Jerusalem to the possibility of holding talks, began to do so in 2009. Now Israel sees this as a Palestinian precondition. And Abbas's effort at the United Nations was seen by the United States and Israel as a way to circumvent direct bilateral negotiations.

We are certainly at a key juncture. The Obama administration is at the start of its second term, and there is a new secretary of state. Israel has just gone to the polls, and now Israeli prime minister Netanyahu is weighing his options as he seeks to establish a new government. I would like to say that February is a critical month with implications for U.S. policy in the coming years.

As the United States formulates its policy on Israel-Palestine, it needs a clear sense of what is and is

not possible. What seems unfeasible at this time is a peace treaty between Israel and the Palestinians that would resolve all the endgame issues -- involving borders, security, Jerusalem, and refugees -- plus end the conflict. There are too many moving pieces for one overarching agreement to be pursued. Issues like the status of Jerusalem and refugees cut to the self-definition of the two parties, and neither is prepared to compromise on these epic questions. Even more critically, the region is still amid an erupting volcano, and it is very unlikely leaders will make a deal when they sense that political Islam is ascendant -- especially given their own domestic difficulties. This does not mean a deal is less important, but anyone striving to achieve one must be realistic as to the prospects.

We just witnessed the Super Bowl, so I hope you'll forgive me if I use football parlance. A Hail Mary pass will not solve everything. But nor should we just sit on the ball. Instead, we should try for a screen pass that would result in significant yardage downfield as we keep our eyes on a touchdown. We should be guided by a sense that we want to prepare the ground for a two-state solution. Interim goals involve shrinking practical Israeli control over parts of the West Bank where a Palestinian state will emerge while acknowledging that Israel will retain about 5 percent of the West Bank near urban areas -- with ultimate land exchanges or swaps based on proposals put forward by President Obama in May 2011. Are there ways to advance both of these ideas at the same time as key tradeoffs? Can these goals be achieved by the United States bringing Israel and the Palestinians together, or are they obtainable by the U.S. dealing separately with the parties to discuss those zones of agreement? Secretary Kerry needs to ascertain these answers by talking to the parties themselves. Each of the parties has a list of grievances against the other, and Netanyahu will invariably ask Kerry about the value of meeting Abbas after he tried to circumvent Israel by going to the United Nations.

A zones-of-agreement approach involves the U.S. getting Israel to widen Palestinian control of West Bank cities and their environs, while changing the legal classification of other parts of the West Bank. (Oslo follow-on agreements divided the lands into three categories -- A, B, and C zones -- based on varying levels of Palestinian and Israeli control.) In return, the U.S. would not challenge activity within -- within, and not beyond -- those Israeli settlement blocs that are usually uncontested and largely adjacent to Israeli cities and even figure in Palestinian published maps as being ultimately part of Israel. (I would think differently about the very much contested Ariel bloc, and would not extend this principle to that area.) Indeed, 5 percent of the West Bank is approximately where 80 percent of the West Bank settlers live. They are not evenly distributed throughout the West Bank. These areas are largely adjacent to the pre-1967 boundary, are known as the settlement blocs, and roughly coincide with Israel's security barrier. This overall approach would also delay security-related issues in the Jordan Valley and along the Jordan River until the overall volatility in the Mideast region clarifies itself.

Why is creating zones of agreement important? We need to signal a direction to both sides even if we cannot push for an overall agreement. As it stands today, the alternative to a grand peace is paralysis. Each side thinks the absolute worst of the other's intentions. However, if each side says that it cannot achieve everything but still agrees to take certain steps, this could lower anxiety levels and affect internal conversations on both sides. In this conflict, radicals on each side will always be insisting internally that the moderates are being hoodwinked by the other side; therefore, some clear signaling is required that a direction toward a two-state solution benefits both Palestinians and Israelis. This focus should lower the temperature on both sides and bolster moderates, while laying the building blocks for an overall agreement.

Another advantage of a zones-of-agreement approach is that it would end the destructive ambiguity that has worked to increase Israel's isolation in the world in the last few years. To be sure, many Arab and other governments have always been hostile to Israel. Yet the situation has worsened lately. Partly, this is due to differing perceptions over West Bank settlements. European leaders like

Germany's Angela Merkel and France's former president, Nicolas Sarkozy, came to office predisposed to back Israel, and yet those relationships with Israel were hurt in recent years over differences surrounding the settlement issue.

Some note that settlement activity under more center-left Israeli governments led by Ehud Olmert and Ehud Barak actually exceeded Netanyahu's settlement-building activity, but those "two Ehuds" received the benefit of the doubt because there was an unmistakable sense that indeed Israel was going to yield the large majority of the West Bank, and that Israel would agree to offsetting land exchanges or land swaps. However, with Netanyahu, there is a concern internationally that his settlement activity is designed to be part of a wider effort for permanent control of the entire West Bank, not just 5 percent, despite the fact that Netanyahu is on record as supporting a two-state solution. In a Knesset appearance before visiting the U.S. in May 2011, Netanyahu said he would be guided by a border with the Palestinians based on blocs, but he has not repeated it since. A zones-of-agreement approach could have a major impact on how Netanyahu is viewed in Europe and elsewhere.

Of course, this approach requires Secretary Kerry to receive the support of the parties. I have talked about the Palestinian domestic situation already, so it is worth talking about the impact of the January 22 Israeli elections as well.

The question Netanyahu is facing in February is how he configures his government. Does he shape his government so that a pro-settler party led by Naftali Bennett holds the balance of power, or does he configure his government widely involving other parties as well? In principle, it remains equally in the interests of peace and of any prime minister to have a wide government so that no single party holds the decisive balance of power. In other words, to talk numbers, will a pro-settler party with its 12 seats be decisive in a 62- or 64-member government (with 61 being the magic number for a majority in the 120-member Knesset)? Alternatively, if Netanyahu configures his government widely, he could have as many as 88 seats, giving him wider latitude in moving Israel forward.

However, the issue should not be measured in purely quantitative terms. Some wonder if key figures will receive key portfolios. There is speculation about whether the centrist Yair Lapid, who led a new party that did extremely well in the election, will become Israel's new foreign minister and face to the world. Does Netanyahu find a way to retain his partner Ehud Barak as defense minister, even though Barak did not contest this election? Both questions attract interest in Washington, to be sure. However, the bigger question is not about individuals, but whether Netanyahu configures a coalition to fit the mission rather than a mission to fit the coalition. The mission is finding ways to maintain Israel's security while seeking progress with its Palestinian neighbors -- and whether this issue will be prioritized as Israel grapples with other vital issues such as Iran's nuclear program, its own economy, and finding ways to integrate the ultraorthodox into modern life. Of course, the shape of Israel's coalition will be decided by Israelis, but its composition has an impact on the U.S. as well. Apart from the Palestinian issue, Israel counts on the U.S. to assist Israel in navigating an increasingly difficult Middle East, but the U.S. ability to assist Israel is linked to a perception that Israel is doing all it can. Self-imposed constraints on the coalition could make it harder for the U.S. to help its staunch ally Israel.

Another question worth pursuing is whether Secretary of State Kerry will talk with Netanyahu about his willingness to engage in synchronized political messaging with President Abbas in order to win back the publics, which have been so outright skeptical and even cynical about the future. As President Obama recently reminded us, albeit in a different context, without public opinion, little can be achieved. With public opinion, little cannot be achieved.

There is a profound sense of nonbelief among the Israeli and Palestinian publics that peace is possible as we reach the twentieth anniversary of the Oslo peace accords, which were sealed with a handshake on the White House lawn. Majorities still back a two-state solution, albeit by shrinking numbers. And while polls show a majority of Israelis and Palestinians support holding peace negotiations, when the same groups are asked whether those negotiations would actually lead to peace in the coming years, the answer is a resounding no. Therefore, any American strategy needs to integrate a public strategy for each side. Since the start of the peace process, public support on each side has been important. Without publics prodding their leaders, risk-averse leaders tend to avoid making any major decisions. This is especially true amid a very tumultuous regional environment.

To this end, the U.S. should think about synchronized political messaging. This will require Netanyahu and Abbas to focus on themes that will appeal to the publics on both sides. For example, Netanyahu and Abbas need to regularly say to their publics that both sides, not just one, have a historic and ongoing connection to the land. At the United Nations, Abbas routinely speaks of Jerusalem as being holy to Islam and Christianity. The refusal to believe that Jerusalem is holy to all three monotheistic faiths, including Judaism, has undermined support for peace. There are many other examples that would set the tone from the top in educating the publics for coexistence. Tone makes a difference.

Finally, I would hope the secretary would urge Abbas to become more involved in ensuring that some of his advisors and Fatah itself do not seek to undermine the very person who has made great strides in Palestinian bottom-up state building, Prime Minister Fayad. Bolstering Fayad in his efforts toward reform and state building requires widespread support from Abbas and a direct line of communication with Prime Minister Netanyahu as well.

In summary, we can all throw up our hands and say Israeli-Palestinian relations are too complicated, but the net impact, as we know from recent history, is that a sustained impasse can be broken by radicalization, terror, and bloodshed. The result will be fresh graves and old problems. Therefore, it is important to identify forces for constructive action and to then work with those people who could improve, if not resolve, this tragic conflict. If we do what we can, we will be making major progress and laying the foundations required to end this conflict.

Ms. ROS-LEHTINEN. Thank you. Thank you to our panelists for their excellent testimony.

And all of you discussed this, but I wanted to get specific answers about U.S. aid to the P.A. I have been opposed to sending hundreds of millions of dollars, of taxpayer dollars, to the P.A. with few restrictions, as you had pointed out, as if it were an entitlement. While some of it gets funneled into Gaza and Hamas, it is worth reiterating that U.S. law does prohibit funding to the P.A. if Hamas is part of any consensus government.

So my questions are these: What is the return on our investment on these funds if the P.A. continues to undermine Israel at the U.N. and threatens the peace process at every turn? Similarly, is it in the U.S. national security interest to continue to fund a future P.A. government that might include members of Hamas that is a designated foreign terrorist organization?

And over the last decade, we have given billions, with a “b,” billions of dollars, to the P.A. knowing its endemic corruption practices by its officials, by its affiliates. What steps should the Obama administration take to address these concerns and tackle the inefficiencies of the programs that we are funding?

We’ll start with Dr. Levitt.

Mr. LEVITT. Thank you very much.

I think that, for all of its works, the P.A. in the West Bank is critical for acting as a security partner to Israel. Without question, we need to do more to focus on, I would say, the two big C’s: Corruption and civil society. The United States under multiple administrations of both persuasions has made the mistake of mistaking elections as democracy when elections without building civil society are—well, we see what they are. They are Hamas in Gaza. They are Hezbollah in Lebanon. And so there is a lot more that can be done. And that does get to the issue of women, et cetera.

But I think that there is a real return on U.S. policy. The question is, what type of measurements do we put in place? How do we measure that? That is critically important.

The other thing I think we need to think of, though I agree with David that I do not think that reconciliation is likely, if you look at the polling data that David is referring to, Palestinians actually are very eager for reconciliation, not because they are eager for the end of the peace process, because they are sick and tired of this infighting.

Ms. ROS-LEHTINEN. Thank you.

Let me just go to the other panelists, if I could. Dr. Rubin?

Mr. RUBIN. Yes. There is a tendency to try to bolster partners. And there is a long history of this. Unfortunately, it hasn’t been successful.

Accountability is key. I would agree firmly with you on that. We do have a legal framework in place. And we have already discussed the PLO Commitments Compliance Act. However, if one looks, for example, at the writings of former diplomats, the memoirs and such, it is also clear that the State Department at times has omitted reporting information which would have cased PLOCCA to kick in. It is essential that Congress use its oversight to ensure that such money and such commitments to law, such red lines, as it were, aren’t shunted aside because the result of that is disastrous.

Thank you.

Ms. ROS-LEHTINEN. David?

Mr. MAKOVSKY. Thank you.

In terms of what have we gotten out of the aid, I would say we have gotten a quiet West Bank for the last 5 years, which is not a small measure. We had people blowing up there almost every day with infiltrations from the West Bank into Israel. Now Israel and the Palestinian Authority work virtually hand in glove in the West Bank. And I know the commanders on both sides. I sit with them. And that is not a small thing if we are serious about peace.

And the issue of accountability, financial accountability and corruption, I am glad you raised it, Madam Chairman. I think that it is very important that, you know, you have someone like Salam Fayyad there, where there are external audits.

I mean, remember the Yasser Arafat days? It wasn't too long ago: In 2002, 2003, and 2004. And they used to pay people out of a paper bag. I mean, those were the worst corruption days that were done. Now you have an external auditing. Their budget is on the internet. It is transparent. I have not heard any complaints from Prime Minister Netanyahu or any Israeli official, for example, about corruption. To the opposite, they laud Fayyad for his effort of cleaning up—

Ms. ROS-LEHTINEN. Thank you.

Mr. MAKOVSKY [continuing]. What was a horrible situation.

Ms. ROS-LEHTINEN. Thank you.

Let me go back to Dr. Levitt so he could finish what he wanted to say.

Mr. LEVITT. I just wanted to answer the second part of your question, which is about what happens with U.S. funding if Hamas joins the government. And here I think that Congress needs to play a particularly active role because after January 2006, when Hamas won the elections and we did have a government that had Hamas in it, there were ways to fund that government, whether it was down to municipalities or otherwise. And so there are ways to keep things so that the West Bank didn't implode with the type of consequences David has described.

Ms. ROS-LEHTINEN. Thank you.

Mr. LEVITT. And that is important.

Ms. ROS-LEHTINEN. All right. Thank you very much.

Mr. Deutch is recognized for 5 minutes of questioning.

Mr. DEUTCH. Thank you, Madam Chairman.

One of our priorities as Israel's ally must be I think fostering conditions on the ground that would best create an environment for a sustainable peace. And we have got to promote conditions to protect and ensure security for Israel.

I have serious concerns that if we were to cut off all aid to the P.A. in advance of reconciliation simply as a result of talk of reconciliation, that there are other regional actors that don't share our goals that will fill the gap. And we can't ignore the real implications of these discussions. None of you have. You have all addressed them. The collapse of the P.A. would be a serious threat to the day-to-day security for Israelis. It would destabilize the entire region.

I am concerned, very concerned, as, Mr. Makovsky, you spoke of, that the progress made in the institutions built by Fayyad in preparation for statehood will crumble. And I am concerned about what a West Bank with a growing Hamas presence, let alone controlled by Hamas, would mean for Israel for the prospect of peace at any time.

Dr. Levitt, you spoke about our inability to continue to fight Hamas efforts in the West Bank if we ceased funding to the P.A. security. Dr. Rubin, you spoke about the possibility of a Hamas stronghold in the West Bank. And, Mr. Makovsky, you have spoken about a Hamas that has been embolden and what might happen again if we were to walk away.

So I would ask the witnesses, if the P.A. collapses, what does that mean for Israel's security in terms of preventing terrorists from coming into Israel, the flow of weapons into the West Bank, the possibility that what we saw coming from Gaza, Israel would be forced to endure from the West Bank or, alternatively, that the IDF would have to launch a major operation to prevent that?

And, finally, despite our very real concerns, my very real concerns, about the P.A. in terms of corruption issues, lack of true democracy, and the refusal to negotiate without preconditions, I would ask the witnesses, what are the chances of preserving any chance, even the possibility of a two-state solution, if we make decisions that will undercut the P.A.'s ability to govern in such a way that its very existence may be called into question?

Mr. Makovsky, let's start with you.

Mr. MAKOVSKY. It is clear. We cut off aid. It is a self-fulfilling prophecy. And there will be greater radicalization. You know, we know that in the narrative, the radicals have won. The U.S.-supported, an internationally supported P.A. has crumbled. And victory is on our side. We are on the right side of history in the words of the radicals. So this would be a terrible, have terrible, implications.

And then, as you point out and as I have said in my comments, the security cooperation I think would be devastating. There would be a void. Israel would have to probably triple the number of forces that it devotes to the West Bank like it did beforehand in trying to achieve what achieves very little cost.

Again, I want to be clear. I am for this because I want dignity for both sides, not just for Israel's security, but this has been one of the great success stories of the U.S. I think in this regard. And this is not a small matter.

Mr. DEUTCH. Dr. Levitt?

Mr. LEVITT. You are absolutely right. If the funds are dried up immediately, someone else will fill the gap. And that might be the same people who are funding Hamas today: Qatar, Turkey, others. And that would drive the P.A. to the right, toward violence. And that would be a huge problem.

One of the things we can do today is to try and push our allies into the region who have yet to fulfill their commitments, lots of money that they have pledged, none of which they have given, Saudis and others. It is a tremendous embarrassment. And there is a lot of money out there that should be going to the P.A.

Again, to me, the question isn't, do you fund the P.A.? I think that would be very bad policy. The question is, how do you measure their compliance? How do you measure what they are doing? And I think that there is a lot more we can do there.

You know, when General Dayton went in and took people and vetted them and trained them, he told them, "Palestinians, you may have to take on Hamas. Those may be your cousins or others."

And they said, "Fine so long as it provides dividends and we see that there is movement toward a state."

My concern is that if the Palestinians, good, moderate Palestinians, were working with the Israelis day in and day out on security, if they don't see the prospect of movement toward something, at least on the West Bank, how much longer does this cooperation continue?

Mr. DEUTCH. And so, Mr. Makovsky, you spoke of the need for a public strategy, then, which I would imagine is exactly—this is exactly the need for it.

Mr. MAKOVSKY. That is absolutely true. I mean, either a public strategy that would—I mean, you know, Matt's point is without the state and state building, these people would be accused of being collaborators. And it won't be sustainable over time, maybe a couple of more years. But it won't work. And, therefore, this all connects, the bottom up, the top down.

In terms of—and I just want to reiterate what Matt, my colleague, said about the need to press the Arabs. I would love that this subcommittee, Madam Chairman—and I said this to you when you were the chairman of the full committee—would have a hearing on why it is that Qatar, who is supposedly a friend of the United States, where we have an Air Force base, gives \$400 million to Hamas? There is a perception in the world and not just in Washington that because of that Air Force base, they buy immunity from the United States Congress. That is a terrible perception. I think a hearing about their funding of Hamas would start getting at that perception and also with the Saudis. It takes months of prodding before they step up. So there needs to be some focus on the lack of Arab support here, too.

Now, Congressman Deutch, about your point about the public strategy, this is critical. I mentioned these polls saying the people saying, "I am for two states, but the other side doesn't want it. Therefore, it will never happen." I think what we need is a multidimensional approach that would, say, get some synchronized political messaging; if both leaders talked about the historic connection of each side, of the other side, to the land and to Jerusalem, when President Abbas gets up at the United Nations and says, "Jerusalem is important to Islamic and Christianity," doesn't mention Judaism, what message that sends.

The public is getting more and more disengaged. They are tired. They are skeptical. They are downright cynical as fatigued as you are, they are even more so. So we need to think creatively.

I also think, getting back to my idea of the zones of agreement approach, by clarifying also that Israel's focus on that 5 percent, indeed, almost all of their settlement construction—I am not here as a fan of settlement construction—is in that 5 percent. But because they don't say it as such, people say,—

Ms. ROS-LEHTINEN. Thank you.

Mr. MAKOVSKY [continuing]. “Oh, we want to take over the whole West Bank.” So this ambiguity might be good for some politicians, but it is deadly for Israel that is more isolated in the world.

Ms. ROS-LEHTINEN. Thank you very much. Thank you.

Mr. Chabot, the chairman of the Subcommittee on Asia and the Pacific, is recognized for 5 minutes.

Mr. CHABOT. Thank you, Madam Chair.

A couple of years ago, I think it was back in 2011, I was in Israel meeting with various officials, Palestinian leaders and Israeli officials. I was in Ramallah meeting with Prime Minister Fayyad, who, as we all know, has been a critical figure in that region, and in that part of the world, specifically in that area, and his important state-building efforts there, you know, relative to a whole range of things. Ultimately this reconciliation agreement between Hamas and Fatah apparently happened while I was in the meeting with him, we later found out. And we actually met in Tel Aviv with Netanyahu that evening.

It turned out that, as far as we can tell,—and I have talked to a lot of people about this—Fayyad didn’t know in advance this was even happening when the agreement was signed. We talked about a whole range of things. Unless he was a heck of a good actor, he didn’t even bring it up. And we heard he didn’t know about it.

Now, during the months since, observers of the region have speculated about a whole number of different leadership scenarios that could take place under a Hamas-Fatah agreement. Many of those speculate that Mr. Fayyad would not likely even play a role in a new coalition. I think we all know that Fayyad’s trustworthiness and competence have been critical in building credibility within the Palestinian institutions. Those institutions for quite some time have really been a bottomless pit of corruption, let’s face it.

The fact I would like to pose is if, in fact, Mr. Fayyad is not a part of a new coalition, are the gains that we have seen in the West Bank sustainable? And if a Fatah-Hamas reconciliation occurs, what changes to U.S. aid policy to the Palestinians should be implemented?

Mr. Makovsky, I will begin with you and just go down the line.

Mr. MAKOVSKY. Thank you. Thank you, Congressman.

I think the point is right. I think every single person in this room agrees that if the thing actually went through and they put Hamas people in and they took Fayyad out and they gathered the security services, there is not a single person I think in the United States that would support continued American assistance for such a Palestinian Authority because the gains are reversible.

And, again, I think, you know, it is—on the corruption issue, he has made huge inroads with these external audits by American auditing firms. I mean, I just remember the bad old days, and it has been a quantum leap forward.

But your point is the right one, which is it is reversible. If the actual Fatah-Hamas merger takes place with Hamas in, Fatah out, security over, there is no reason why the U.S. should support that.

Mr. CHABOT. Thank you.

Dr. Rubin?

Mr. RUBIN. I would agree that the gains are absolutely reversible. There is a danger, however, when it comes to Fayyad of gearing U.S. policy toward a single personality. We have seen in Afghanistan and elsewhere a tendency to do that. It seldom works out positively in the long term.

I would just add very quickly that funding the Palestinian Authority should be based on Palestinian Authority behavior and its meeting of commitments. And we'll see how that goes as things move forward. When we look at the success of the West Bank relative to Gaza, we also need to recognize that the West Bank is landlocked. And perhaps this shows that Jordan is a much better ally than Egypt when it comes to what is supplied.

And we also can't pretend that it is only American money which is causing Palestinian behavior to moderate, if you will. The fact of the matter is Israel has conducted unilateral security measures, such as the wall. And that, arguably, has had a far bigger impact on restraining Palestinian terrorism from the West Bank than has endless American subsidiaries.

Thank you.

Mr. CHABOT. Thank you.

Let me just emphasize what you just said about the wall. There were an awful lot of people years ago who were talking about this Draconian wall and how terrible it was. I think it was one of the most positive things that has been done in a long time, both to protect Israeli citizens and also to stabilize the whole region and to allow peace to at least have a chance.

Dr. Levitt?

Mr. LEVITT. Thank you.

Everything that Fayyad stands for is what Hamas has issue with. There is the transparency on the finance side. They love to commingle the money, muddy the waters, the security cooperation. It is clear that all of the good things about him are the reasons Hamas despises him. And one of their preconditions for reconciliation is that he not hold a senior position.

One of the reasons I can't see the reconciliation going forward as such is that Hamas still insists on taking control of the Ministry of Interior. This has to be an absolute red line. For Hamas to take over the whole security portfolio would be the end of everything and certainly would be the end of U.S. funding.

I do believe that the wall, the security barrier, has been tremendously successful, but, like David, I have spent a lot of time in the West Bank and Israel speaking to the two different security services. They both talk about the need to be able to couple that with cooperation on the ground. And I do not think that on its own, without that cooperation, the wall alone would stop all of the infiltrations as it has over the past 5 years.

Mr. CHABOT. Thank you.

Ms. ROS-LEHTINEN. Thank you so much, Mr. Chabot.

Ms. Frankel of Florida is recognized.

Ms. FRANKEL. Thank you, Madam Chair.

I listened to—there is great angst on the part of some of my colleagues as to whether or not to continue to fund the Palestinian Authority, either with more conditions, or not to fund it.

My question is, what are some of the indicators or measures we should be looking at to know whether there is either progress or regression? Mr. Levitt?

Mr. MAKOVSKY. I think, what I would look at to, you know, gauge progress in the Palestinian Authority, I mentioned security cooperation, the lack of terrorism, of Israel and the Palestinians working together. I mentioned the idea of Fayyad's efforts of external audits, transparent budgeting, working with the World Bank, the Ad Hoc Liaison Committee, and others to make sure that its finances are in order. Yes, it has been running deficits, but that is because of a lack of external funding, frankly.

And I would look at how much they continue the reform process, too. They had municipal elections last fall that Fayyad pushed. And that is important as well. You know, these are all positive metrics going forward.

I mentioned in my testimony, though, that there are some financial setbacks, which have coincided with the lack of funding from the outside. And that has hurt Fayyad. He is the goose that lays the golden eggs. And without that, that effort is hurt.

And then there are also the negotiations with Israel, which is a whole issue in and of itself, which I am happy in follow-up questions to get into greater detail.

Mr. RUBIN. I would agree, but let me just add one more point. We should also be looking at incitement in the education system and state media against not only Israel but also against the United States.

Thank you.

Mr. MAKOVSKY. I agree with that.

Mr. LEVITT. Yes. We are all in agreement on all of this.

I will just add there are all kinds of things that have been going on that haven't been getting a lot of public attention. So, for example, in a short period of time, when you had this Hamas-Fatah government after the 2006 elections, it is not well-known that Hamas simply started rubber-stamping every request for Hamas individuals to open up charities, businesses, et cetera. And for the years since, Fatah in the West Bank has been auditing and going through every one of these and finding all kinds of Hamas front organizations and just shutting them down, no press coverage, no fanfare.

I had the opportunity to spend a decent amount of time, more than once, with the woman—one of you had asked about women before—who heads this department in the ministry in the West Bank. And they are doing phenomenal work. It is important that this type of thing continue.

And the fact that Hamas was able to open up so many of these fronts in such a short period of time before the Hamas-Fatah government collapsed is a sign of how quickly all of the good work could fall apart if we allow it to.

Ms. FRANKEL. Thank you, Madam Chair.

Ms. ROS-LEHTINEN. Thank you, Ms. Frankel.

Mr. Weber of Texas is recognized.

Mr. WEBER. Thank you, Madam Chair.

I really don't have a lot of questions or comments. I am basically here to learn from our witnesses and their comments. It is doubtful they can learn much from me. So I yield back my time.

Ms. ROS-LEHTINEN. Okay. Thank you.

Let me see. Who is the next one? He is yielding his time. So we will go with—thank you. Mr. Radel of Florida is recognized.

Mr. RADEL. Thank you, Madam—

Ms. ROS-LEHTINEN. He had yielded his time. So I am not butting anybody here.

Mr. RADEL. A specific question and then bigger context here. And I think, Mr. Makovsky, you can answer both. The first very specific question, you talked about the West Bank and its economy. I am curious. Is any of it self-sufficient? How much of it is strictly dependent upon our money, taxpayer dollars?

In the bigger picture here, though, what we are seeing, it is kind of a darned if you do, darned if you don't with foreign aid. Should we seek to prevent any kind of political unity, reconciliation? Is there any kind of laws or policy—you can include foreign aid in this—that would be even influential into preventing reconciliation?

I would start with you, Mr. Makovsky, and anyone else who wants to chime in.

Mr. MAKOVSKY. Well, I think the West Bank has had usually a middle class that has been growing in recent years. They have been exporting to Israel. They export to Jordan and elsewhere. There have been some issues about exporting into Europe with security concerns. But a lot of that, it might be cumbersome, but Israel has legitimate security concerns in terms of material coming in and out.

But I tend to think that this is something that should be encouraged. That is why I am so focused on the economics of this. And I say, you know, when you don't pay salaries—you know, that is times 5, 160,000 people times five—it affects a lot of people.

Is donor assistance—that is kind of implied in your question, which is a very legitimate questions. Part of Fayyad's success that he has been so successful in getting donor aid, that it has helped grow the economy. I think it is part of it. I don't think it is the whole thing. I think we finally have a leader in Fayyad who believes that he will be measured more how much does he raise living standards upwards, rather than tear Israel down. That is a revolutionary idea.

He is a PhD from the University of Texas in economics. He worked at the IMF for many years. And I think this idea of growing the middle class is something that is very important. And that is why it is not just about, you know, focusing on an individual. It is about the set of ideas that he is trying to install in government. And that is why I think this is such a vitally important experiment.

Mr. RADEL. Okay. Dr. Levitt, your take on preventing any kind of reconciliation, influence, policy, foreign aid?

Mr. LEVITT. I think we need to be very vocal about the fact that Hamas coming into this partnership without changing is crossing every red line. If people understand that that is the American position, they will understand there are consequences to that kind of behavior.

I also don't think that this reconciliation—for all of the signing of documents and subsequent meetings, I don't see it happening simply because Hamas still insists on changing not one iota of its behavior and insisting that Fatah change its and getting the Interior Ministry.

I think that we just need to make very, very clear how serious we are about the fact that there are things that Hamas can do to be admitted into the family of nations, starting with recognizing that there are Quartet principles, et cetera. Short of that, it is completely outside.

Mr. RADEL. And on the flip side, the consequences of not doing so.

Dr. Rubin?

Mr. RUBIN. We have to be very careful of allowing ourselves to get into a situation where we fall victim to good cop/bad cop pressure on the part of various Palestinian groups, who may believe that we consider any particular group too big to fail. While I recognize, as David has said, the success of Fayyad, it is also important if we look at the metrics and public opinion, that the growth of the middle class and the West Bank, while good in long term, hasn't fundamentally altered attitudes. And, for that, we need to start focusing on issues such as—and I repeat—the incitement.

There is always a tendency of the State Department to—an unwillingness to hold firm to declared principles if such a stand of holding firm would prevent more dialogue. It is crucial Congress intercede in such cases to ensure that the United States national security interests are upheld.

Mr. RADEL. Thank you, Madam Chair. I yield my time.

Ms. ROS-LEHTINEN. Thank you, sir.

Mr. Vargas of California.

Mr. VARGAS. Thank you very much, Madam Chair. I appreciate it.

I don't understand at all how we could possibly give any aid to any organization that would have terrorist elements. And so any merger here I think would be an absolute cutting off of aid. That is my view.

I do want to ask, however, about Egypt. All three of you mentioned it very briefly. I mean, here is a nation of over 80 million people, the current President talking about incitement in incendiary language. I mean, the comments that President Morsi had made in the past are just incredibly outrageous. Could you comment a little bit about what is happening and how this, our so-called allies, come into this? Because I do think it is very frightening to see what is happening with the implosion of many of these countries that border Israel through its security.

If we could start off with Dr. Rubin? I see you were most anxious to answer. If you could go ahead and begin?

Mr. RUBIN. When I was in the Persian Gulf last year, I was talking to a number of liberals throughout the Persian Gulf. And they said, "Look, it is not a surprise the Muslim Brotherhood would win in Egypt. They have been in opposition for eight decades. They could promise people the world. They could promise everyone a chicken in every pot, a pot in every home." They would provide everything. As soon as they won the elections, not just the Muslim

Brotherhood but other Islamists behind them, they started losing support because what quickly became apparent is years of religious rhetoric would not be a panacea for ordinary people.

What I was told by liberals in the Persian Gulf is the tragedy isn't that the Muslim Brotherhood would have won in Egypt. The tragedy is if anyone considers them too big to fail and refuses to allow them to fail because perhaps the best thing that could happen would be that Egyptians would wake up one day, as perhaps it seems they are, and recognize that the religious rhetoric of the Muslim Brotherhood and more radical groups doesn't provide an answer to them.

So what we need to really ask is whether the Muslim Brotherhood is involved in a situation of one man one vote one time or, to paraphrase Recep Tayyip Erdogan back in the days when he was mayor, when he said, "Democracy is like a streetcar, you ride it as far as you need and then you get off." We don't want a situation like that. Ultimately, the key United States interest in these regions is to ensure accountability.

I would argue what the United States policy should be toward Egypt isn't simply apologizing for the Muslim Brotherhood but, rather, ensuring that there is another election in which the Muslim Brotherhood can be replaced if need be.

Mr. LEVITT. I agree. And I would add that, therefore, the fact that they kicked out U.S. civil society is a huge, huge issue.

But, just focusing on Hamas, I think it is important to remember Hamas is the Palestinian branch of the Muslim Brotherhood. Its ties to Egypt go back very, very far, run very, very deep.

When Mousa Abu Marzook, the deputy leader of Hamas, left Syria, he didn't go to Qatar. He didn't go to other places in the Persian Gulf. He went to Egypt. He now lives in Cairo. That is of particular interest to you and to me because he is indicted here in the United States. He is a fugitive of U.S. justice. And he is no longer living in a country that doesn't have an extradition agreement with us, as I understand. What would Egypt do if we asked them? I am pretty sure I know they wouldn't have ever heard of someone named Mousa Abu Marzook.

But, again, I want to focus, as I did in my remarks and in my written testimony, on Sinai. The issue of the smuggling is of critical importance. Now, as we speak, I guarantee you weapons are moving across that territory headed for the Gaza Strip. The cease-fire from November will last only as long as it takes Hamas to rearm.

Hamas has not changed one iota. It has pressures within the Gaza Strip from groups that are to the right of it that are al-Qaeda-like. And it, therefore, feels the need to act, even more than it did before. There is no situation under which Hamas simply stops attacking. All it is waiting for is to rearm. And Egypt here is the player.

Mr. MAKOVSKY. Congressman, I think, you know, taking a step back, I think it is very important for America's interests that we recognize that the Egypt-Israel Peace Treaty of 1979 has been a cornerstone of American strategy, a successful one, for over three decades. There used to be interstate wars there, costing billions and billions of dollars every few years, dating back to 1948. The

peace treaty, once you take 84 million people, the biggest Arab state, out, there are no more interstate wars.

There are other problems: Hezbollah, Hamas, the Iran issue we could discuss. But this was a watershed. And the U.S. Congress was visionary in the early 1980s in understanding this is something we have to support. Again, I consider one of the great success stories of the United States of the last three decades that we were helpful in keeping that peace together.

It is clear and we want to make sure that we don't want to take the aid away and become a self-fulfilling prophecy that they pull the rug from the peace. Yes, the aid, though, is part of their support for peace. There is no doubt. They only have \$15 billion in foreign reserves; \$1.2 billion in military assistance is important.

I would just say you people, all of you on this panel, have a lot of influence because you are going to be meeting with Egyptians, the Egyptian military, the Egyptian political establishment. The Egyptian military has been a lobby within the Egyptian system for peace. And that is something that Israel has wanted to encourage: The Egypt-Israel military-to-military relationship.

But I think you need to tell the Egyptians like what Matt Levitt just said. And that is the issue of the tunnels. Morsi cannot tell all of you people, "Well, I don't really control it. It is the military." This past summer, he politically decapitated 70 top generals when he had to. He has influence.

And you know what? If you really get into the Sinai, which I have really started doing, what you see is there are only a few routes that are passable to get Fajr-5 rockets, the ones that hit Jerusalem, that hit Tel Aviv. There are only three roads they can use.

So it is not like there are thousands of roads here. There are two or three. I would even say two. But the point is it is Morsi using his influence with the military.

And I personally believe if the Members of Congress could say it quietly, you could say it any way you feel useful. Convey that message here, "We want to support you. We want to support peace. We just want to know what direction you are heading in when it comes to a peace treaty with Israel. We want to know your efforts on stopping the tunnel smuggling," which does more to bolster Hamas than anything else.

Ms. ROS-LEHTINEN. Thank you so much.

Dr. Yoho is recognized.

Mr. YOHO. Thank you, Madam Chairwoman.

You know, I hear this debate. And I have watched this for, you know, 20–30 years unrolling and just over and over again and Chairwoman, Ms. Ileana, saying that we have given billions of dollars. And we have seen this go back and forth. And we are given that money. And how can you separate it from Hamas and Fatah, you know, is one thing.

You know, I agree with you, Dr. Rubin, that if we are going to give the money, there have got to be certain hoops or criteria that they follow. And if we don't do that, you know, we are just going to—I don't want to say kick the can down the road, but that is a phrase that I want to put to rest forever. You know, we are going

to stomp on the can so it doesn't roll. But, you know, this has been an ongoing process.

What I want to know is, what are they trying to accomplish? I know peace is the ultimate thing. But, yet, what is Egypt doing? You were saying the money that we give to Saudi Arabia. And we can't get them to the table. How do we do that?

And why are they not coming to the table? Because, I mean, they are bordering countries. And they should be there every bit as we want because if we want the peace, you know, we are the outside player. We are the third person here. I want to know what they are doing to encourage that more than we should be. And we should take a supportive role. I just want to hear your thoughts on that.

Thank you. Yes. You can start, Mr. Makovsky.

Mr. MAKOVSKY. I said in my remarks that I think that, you know, you should register your disappointment with the Egyptians, not that we give Saudi Arabia aid, but they should be giving the assistance to their Palestinian brothers, whom they always talk about.

Mr. YOHO. Right.

Mr. MAKOVSKY. But, in practice, they are very slow to give the money. And I think it wouldn't be bad to bring the Saudi Ambassador here and ask him a lot of questions, saying, "Here. Look, this is what we have done to help the Palestinians. What have you done?"

And I mentioned my point about Qatar, \$400 million to Hamas. And I feel that unless the Congress people are not active, the administration will always say, "We have other equities to deal with. And we can't raise this issue too far," of either side, Republican/Democratic administration. So I think it is very important the U.S. ask them about their level of support.

You know, I don't want to repeat myself about what has been achieved about the metrics. I feel that we have had a quiet West Bank where Israel and the Palestinians are working together. And I think that is very valuable.

I listed some other metrics. I wholeheartedly agree with my colleague Michael Rubin about the incitement issue that needs to be stressed as well. Attitudes of violence, of using violence, against Israel have dropped. But lately it has spiked up amid the impasse and the financial crisis there.

Mr. YOHO. You were saying how it was quiet, but back in November, we had that massive, you know—

Mr. MAKOVSKY. From Gaza, Gaza, not West Bank.

Mr. YOHO. Okay.

Mr. MAKOVSKY. So two separate places. Hamas controls Gaza. And the Palestinian Authority controls the West Bank. So all three of us I think are—you know, I don't want to speak for my colleagues but see these two very differently and call for saying, you know, where it is working in the West Bank we would want to bolster.

And all of us have no illusions about what Hamas is. They are a terrorist organization.

Mr. YOHO. Absolutely.

Mr. MAKOVSKY. There are no two ways around that.

Mr. YOHO. Dr. Rubin?

Mr. RUBIN. Very briefly. You asked about the broader situation. I think it is important to recognize that for some people, the process is more important than the peace. Ideology matters. And we shouldn't assume the sincerity of all of our partners just because they may sit down at the same diplomatic table.

If we look back at the Oslo process, Yasser Arafat visited the White House during the Clinton administration more than any other foreign leader. He wanted the recognition, the legitimacy, the aid which that brought him. Unfortunately, he was never willing to make the peace.

And if we look at what so many people in the region already say—and Representative Cotton referred to this in his opening statement—we need to actually take people at their word. And if they are not willing to stand up publicly and say that they want peace, we should stop pretending they do.

Mr. LEVITT. I will just add on the question of how do you separate the funding between Fatah and Hamas, it is separated now. We are talking about what if there were a reunification? Therefore, I think it is important to stress again that I think any discussion of preemptive defunding would be counterproductive.

Post-reunification, if there were to be such a thing, which would be very bad, as we all agree, then there would be a serious discussion need to be had about what kind of funding could be continued and under what circumstances.

There is precedent. The Bush administration continued funding in 2006 after Hamas and Fatah formed a government together. It was very flawed. I was in government at the time. It was very complicated. I don't know that it could be done again. Maybe we should learn from that lesson. That is something we should look back on. We should anticipate.

I think from both sides of the aisle, there will be pressure to find ways to fund non-military things, other things because of humanitarian issues, et cetera. That is something we should think about beyond just the broad statements of "We don't want to fund Hamas." Nobody wants to fund Hamas. And there are clear U.S. laws against giving money to any part of Hamas, but there will be serious conversations that will need to be had about is there a way—maybe not—to provide funds to some elements of the Palestinian governance that aren't Hamas—

Ms. ROS-LEHTINEN. Thank you.

Mr. LEVITT. It may be uncomfortable, but that conversation will have to be had.

Ms. ROS-LEHTINEN. Thank you very much.

Mr. HIGGINS of New York?

Mr. HIGGINS. Thank you, Madam Chair.

I think there is a lot of discussion about essentially the same thing. The crux is the same. And that is, you know, the West Bank, I get where you would try to legitimize Fatah by assisting Mahmoud Abbas toward the goal of creating economic growth in a place that really has not experienced any kind of impressive economic growth. And if you succeed in that regard, then what you do is the only thing that you can do. You present a model to Palestinians that their future is either here on the road to stability and rec-

ognition or it is back in Gaza under Hamas that is preoccupied with the destruction of Israel.

So you can't state build without political stability. And you can't have political stability without a categorical rejection of violence and a recognition of Israel's right to exist and Israel's right to defend itself.

So, you know, I don't think there is anything the West really can do to change that. You know, they have decided a future that says it is better to fight the Jews than it is whether you win or lose than it is to fight for a better future for your own kids.

So I would just throw that out and ask you to respond.

Mr. MAKOVSKY. Let me just say that I think you are hearing some skepticism, at least from Matt and myself, Congressman, that this unity thing is really going to happen. They all love to talk about it because who could be against unity as a theory, but, as we tried to say in our testimony, there are some real impediments to actually making it happen.

And, by the way, it might even help for Members of Congress to consider that people are able in the Arab world to say that America is against unifying the Palestinians. We are not against them. We just want to make sure that unity happens on the basis of international criteria and that Hamas is not ten feet tall.

If you would have told them in 2006 that they couldn't peel off the Europeans from the United States, they would have laughed at you. They would have been shocked. And, yet, the United States and the Europeans have held together, something that is not usually discussed, but that is an important point.

We are kind of in the situation like West Berlin/East Berlin. And we want to see the West Berlin model be successful. And we are doing what we can, and everyone should do what they can, I should say, to make sure that the West Berlin model works because we have seen some positive results.

Mr. LEVITT. I will just add, as we have said, it comes down—you know, the idea of reconciliation isn't bad. It is on what terms, on whose terms. That is the key.

I find the theme that you raised is an extremely important one. It is the most frustrating one to me. I wrote my book on Hamas in 2006. It came out shortly after Hamas won the elections. And the concluding chapter argued, "Why don't we beat Hamas at their own game?" Because what makes Hamas popular isn't actually their attacks, but it is the provision of social service, their Dowa, social welfare infrastructure. And, actually, if you look at the numbers, it is actually not huge numbers. If we directed some of our aid to that, maybe we could beat them at that game, at least in the West Bank.

The international community was on board with the idea. The quartet was on board with the idea. Former Prime Minister Tony Blair was given that portfolio. And, for reasons that are a hearing unto itself, we have failed, all of us, miserably in this regard.

I think it is absolutely crucial that we try and create in the West Bank something that people look at and say, "Oh, you can succeed." The idea of peaceful negotiation can succeed. It requires the type of interim steps David talked about so Palestinians and Israelis both see that progress can happen politically, but it also re-

quires things on the ground in terms of social welfare, economic opportunity. And then let people look at Gaza and see what it is.

Mr. RUBIN. Very, very quickly. Attacks do bolster popularity, unfortunately. We saw this after the Hezbollah conflict in 2006. We saw this most recently last year. If we legitimize a strategy, which is their strategy, then what we do is ensure that we have more violence down the road. It is all well and good to try to extract what you can at the diplomatic table or through the political process, but if you still have in the back of your mind the idea that if you can't get what you won at the ballot box or in diplomatic circles, then you are just going to fire rockets at Israel, then that really is a commitment to violence that we can't afford to ignore.

Ms. ROS-LEHTINEN. Thank you so much.

Mr. Kinzinger, it is a pleasure to have you on our committee.

Mr. KINZINGER. Oh, it is great to be here.

Ms. ROS-LEHTINEN. Thank you.

Mr. KINZINGER. Thank you. Thanks, Madam Chair. And thank you guys for coming out. Appreciate it.

You know, we have hammered a lot of those issues and may hit some of them as the discussion progresses.

Mr. MAKOVSKY, I have a couple of questions for you specifically. You mentioned in the Sinai region, that there are basically two or three roads. That could be whether it is controlled or patrolled or whatever. Do those terminate, do those actually terminate, into Israel? Is there a termination point in Sinai? And if they do terminate in Israel, are we seeing that the weapons are getting off that road at some point and being smuggled in? Are they being smuggled through those roadblocks? What can you tell me about that a little bit?

Mr. MAKOVSKY. Here it is. Let's take the Fajr-5 rockets that were used, the longer-range rockets, by Hamas from Gaza in the November attacks. The rockets start off in Iran. And Matthew Levitt is a bigger expert than I am, but you asked the question of me. So it often goes through Eritrea or Sudan and gets brought in through the shore, the western shore, of Sinai on these two or three roads and goes into Gaza, southern Gaza. Israel isn't there. Israel got out of Gaza in 2005. And it goes, you know, through these tunnels from Egypt, of northern Sinai into southern Gaza, often in trucks, to northern Gaza and then fired in Israel. And there are only two or three roads. And it is really—I am sorry—in my view an issue of political will of the Egyptians to stop it. And I totally—

Mr. KINZINGER. You said there are two or three roads. But it basically gets to a point whereby Israel itself cannot necessarily—

Mr. MAKOVSKY. Israel doesn't control Sinai. It is Egyptian sovereign territory.

Mr. KINZINGER. Right. I understand that.

Mr. MAKOVSKY. And Gaza is not Israeli territory either. So, I mean, the point to me is that it is about a political resolve—

Mr. KINZINGER. Sure.

Mr. MAKOVSKY [continuing]. Of Morsi, of Egypt. Matt and I agree you don't stop it at the 5-yard line.

Mr. KINZINGER. Right.

Mr. MAKOVSKY. You are on the goal line, like right just at the tunnel from northern Sinai into southern Gaza. You want to stop it way back,——

Mr. KINZINGER. Yes.

Mr. MAKOVSKY [continuing]. Much earlier. Now, is——

Mr. KINZINGER. Thank you.

Mr. MAKOVSKY. It could bomb some convoys in Sudan——

Mr. KINZINGER. Yes.

Mr. MAKOVSKY [continuing]. Out of, I would say, frustration that the Egyptians have not done their part. And this is a big issue.

Mr. KINZINGER. Mr. Levitt, just briefly do you want to address that? I just had one other issue I wanted to hit, too.

Mr. LEVITT. It is an honor that David tells me I am the expert on this, but——

Mr. KINZINGER. Yes.

Mr. LEVITT [continuing]. It makes me feel good. You know, I feel like you touched it well. And I'll use your football analogy. He loves sports analogies.

Look, the thing is this. It is not just that there are two or three roads. There are certain mountain passes that they have got to get through. They can go off those roads as they get closer to the Sinai. This is being done by criminal syndicates, mostly Bedouin, in the Sinai, been smuggling for a long, long time. Some of them discovered radical Islam and Jihad along the way. Some of them will work for anybody for money. All of them are very heavily armed. And the Egyptians don't want to take them on, even though——

Mr. KINZINGER. So is it a lack of will to take them on or is it——

Mr. LEVITT. Absolutely.

Mr. KINZINGER [continuing]. A desire to see this stuff actually happen?

Mr. LEVITT. It is absolutely a lack of will, even after Egyptian soldiers have been killed by some of these entities. I think there is also a small element of lack of capability if that still exists, but that is something that is easily rectified. We can be providing intelligence on some of these convoys, et cetera. But, short of that, the only thing that Israel has left is, as David said, air strikes, either in Sinai—there have been some——

Mr. KINZINGER. Sure.

Mr. LEVITT [continuing]. Or further abroad.

Mr. KINZINGER. Let me ask you, had we used, had the administration used, the deliverance of the F-16s or the N-1 Abrams as kind of a stick to say, "We will withdraw the deployment or the selling of these assets to you or the giving of these assets to you in Egypt. As a result, if you want these to follow through on our contract, you have to crack down on this in Sinai," could that have been effective or do you think that is just something totally different?

Mr. LEVITT. I think that type of that discussion has to be had. I would phrase it differently. I wouldn't make it an explicit threat. I would say, "Look, we are excited to give you this stuff, but we really need to know, how do you intend to solve this problem here?"

Mr. KINZINGER. And I think that is a big concern we have been having. You know, we have had this for decades, the idea of, well, if we pull aid away or reduce aid, then we lose a seat at the table

and then we can't have influence, but, as we are seeing, we don't have influence. And so, in essence, how was aid even being used for that? You see that in Pakistan. You see it in Egypt. So that is even a bigger question.

And let me hit, then, when it comes to the Palestinian Authority—I know we have addressed it a little bit—so if this unification happens, we are in that question—I heard, Mr. Makovsky, I think you said something about you can't reduce aid. And I think, Mr. Rubin, you said you can use aid as a way to negotiate. Maybe I didn't exactly get that correctly.

But let's say unification happens, got the aid. Why don't you just very briefly address because I am almost out of time how the carrot or stick approach to aid can be used in ensuring that there is stability in a world that, frankly, kind of appears to be on fire?

Mr. RUBIN. I just want to clarify. I don't think United States aid should ever be an entitlement to a hostile regime. I very much do think we can use aid as a stick and that we shouldn't be giving aid to any administration, be it in the Palestinian areas or anywhere else, that is actively promoting terrorism and hostile—

Mr. KINZINGER. I agree with you. And I think as pro foreign aid as I am, I think it is important that foreign aid not just be used as a seat at the table and a table that you are not going to get a seat at and actually be used to guarantee that we do get a seat at the table.

With that, I am out of time. Madam Chair, thank you.

Mr. MAKOVSKY. Can I just respond? I just want to be sure that no one misinterprets me. I want to reiterate it again. When I called for U.S. support for the P.A., I did not say that if there is a P.A.-Hammas government with Hammas people there and no security and no Fayyad. I certainly said I don't think a person in the United States would support it. I just called for continuing now while there is no unity deal. I don't believe it is happening.

Mr. KINZINGER. Yes.

Mr. MAKOVSKY. And so I just want to be sure no one confuses those two.

Ms. ROS-LEHTINEN. Thank you very much. Thank you, Adam.

Mr. Schneider, thank you so much.

Mr. SCHNEIDER. Thank you, Madam Chair. And thank you to the witnesses for joining us.

I believe one of you, I believe it was Dr. Levitt, mentioned in opening remarks that Hamas has a long view in history and I think the Arab world does this. And we see in the region around the Israeli-Palestinian conflict with the Arab Spring, the Arab emergence, whatever you want to call it, countries at a crossroads. And my sense of what is happening in Israel and the Palestinian territories is that they feel that they are not at a crossroads, not on a path anywhere, but, really, on a treadmill, that we are doing the same thing over and over again and, Mr. Makovsky, your comment that we should have a policy that rewards those that focus on coexistence with Israel, those that will take the steps toward peace and we should make sure we never reward those who promote antagonism or terrorism. And, yet, what we see in the West Bank is Hamas is becoming re-emergent, and we are taking steps backwards as Fatah continues in its path of corruption.

And Fayyad for all of the support we wants to give him seems not to have any support, any constituency getting behind him. How do we help Fayyad? How do we help that third way, if you will, to a path that can get this off of this treadmill?

Mr. MAKOVSKY. My point is that, look, we are holding up a lot of aid. I think a lot of the 2012 aid has not been disbursed. He has been viewed as indispensable to that. And I tend to believe that as long as he is continuing on the path of reform—and, by the way, he doesn't often get credited for this, but he has been pivotal in the security cooperation with Israel and the Palestinian Authority. You know, we support those who, you know, support our values. And I think that he has had a lot of success.

I said in my opening remarks where I feel the lack of aid has hurt him and made him more vulnerable. And there are a lot of people who fear his ascension to follow Abbas has enabled them to unite around it.

And so, instead of our lack of aid hurting Abbas and having demonstrations outside of his office, all the demonstrations are outside Fayyad's office. In my view, that is counterproductive.

And as long as there is no unity on the basis of Hamas accepting the international criteria—again, I am not against the idea of unity, but until Hamas changes along the international criteria lines, there should be no unity. And Fayyad keeps his policies. And we should be supportive and release the holds on this money so we could bolster those key people who support the idea of coexistence and have helped Israel keep the area quiet for the last 5 years.

Mr. SCHNEIDER. Dr. Levitt?

Mr. LEVITT. Hamas does have a long view. And when it looks at the Arab awakening, it sees its long view vindicated. It feels empowered right now. As I said, I think this is one of the reasons why it decided to open up hostilities in November.

And when you compare that to the position of the moderates in the West Bank who are taking a position of non-violence, taking a position of two-state solution in negotiations and are getting defunded, it becomes extraordinarily difficult for them to explain to their constituents why their position still holds merit. While Hamas is still bravely fighting and sticking its eye in Israel's finger [sic] and then you are competing for public opinion, it is very, very hard. I think this is the type of thing that helps Palestinian public opinion polling data lead to questions like, do you support violence and see a short-term uptake in that after violence like November because we don't see the moderates on the other side being able to show tangibly what they are getting.

Mr. RUBIN. Let me just phrase this a different way. Throwing the lifeline to Egypt and describing Turkish Prime Minister Recep Tayyip Erdogan as best friend to America is to throw a lifeline to Hamas right now. What we are seeing between Hamas and Fatah cannot be separated from what is going on in the broader region. And, unfortunately, rather than having a broader strategy to address it, we tend to be in full-blown reactive mode.

Thank you.

Mr. SCHNEIDER. Pulling you back to the West Bank in specific because the people I talk to are saying that over the past couple of years, the cooperation, security cooperation, in particular, be-

tween Israelis and P.A. forces has led to a great reduction in violence in the West Bank, hopefully to get us off of that treadmill. How do we make sure that we don't compromise that ability of the Israelis and Palestinian to cooperate in the West Bank?

Mr. RUBIN. There will not be a continuation of that cooperation if there is a reconciliation with Hamas. The West Bank has had the advantage both to be under Fatah's leadership or Fayyad's management and also to border Jordan, which takes the threat of Hamas and the Muslim Brotherhood more broadly and as seriously as does Israel.

What we see in Gaza isn't simply the Hamas administration there but the active involvement of some of the neighboring states. It is important to recognize not only the support we have given to Fayyad but the unilateral Israeli security measures, like the wall,—

Mr. SCHNEIDER. Right.

Mr. RUBIN [continuing]. And the cooperation of the Kingdom of Jordan. We should be coordinating with the Kingdom of Jordan on some of these issues, rather than seeing everything through the lens of Egypt.

Mr. SCHNEIDER. Thank you. I am out of time.

Ms. ROS-LEHTINEN. Thank you very much.

Mr. DeSantis of Florida is recognized.

Mr. DESANTIS. Thank you, Madam Chairwoman. I thank the panelists.

I have missed a lot because I am also on Judiciary, and we are starting our immigration hearings, more cameras in that one if you can imagine. But thank you. So if I ask questions that have been asked, I apologize.

I think we all agree on Hamas, but in terms of the Palestinian Authority, Mr. Abbas, what is your sense? Because when I started first following this a while ago, it struck me that, you know, we would have this idea of a peace process. You had Arafat at the time, various Israeli Prime Ministers, and the American President would be involved. But then if you actually went back and looked at what was going on in the Palestinian areas, you would see maps that didn't have Israel there. You would listen to some of the things that were said in Arabic. And it was not necessarily conducive to wanting a peaceful solution.

So at the end of the day, people like Hamas and the Palestinian Authority, just what is your sense? Do they honestly think a two-state solution is a lasting peace or is that just a step to eventually move Israel out of the area?

Mr. MAKOVSKY. I think on the issue when you asked about President Abbas, in particular—and I think he is flawed in many ways, but I will say this for him. He is a man of this way, of great courage in the sense that he has been very consistent against violence. And he has had death threats against him.

He said the Second Intifada—at one point, he said it was terrorism. That was between 2000 and 2004, where there are 1,000 dead Israelis, 3,000 dead Palestinians. He has paid a price. He has said publicly, you know, "We want the West Bank, but the rest of it, Israel, that is Israel forever." That is good. He has done certain things. But he has been, unfortunately, risk-averse in the sense of

wanting a grand deal that would—he would have to make historic concessions.

And people could look at 2008 in his final months of the Olmert premiership. People say, “Well, Olmert was a lame duck. He was at 3 percent in the polls. Come on.” But Abbas there had a great opportunity that, you know, he didn’t take.

And so this risk aversion to do the grand deal I think is a very fair question about his ultimate attentions and maybe things like refugees, Jerusalem, any sort of compromises there. He is not capable. We don’t know yet.

My point is—and Matt says I love football and sports. So I will use an analogy. If we throw a hail, Mary pass, we are going to throw an interception or we are going to throw an incomplete pass. We should focus on screen passes, short passes, that enable us to make yardage down field. We might not score a touchdown, but we will have made a lot of progress. I think that you can do with him. And I think the fact that he is committed to security cooperation is a very important point.

I mean, I just remember Yasser Arafat. That is not for me ancient history. This is a guy who yelled “Jihad” and “Aljazeera” in the middle of an intifada. That is like calling for fire in a crowded theatre.

And so I think they have come a long way, but there are definitely shortcomings. And if we had more time, I would like to go into greater detail.

Mr. DESANTIS. Dr. Rubin?

Mr. RUBIN. Well, to make another football analogy—thank you for not completely running down the clock—Mahmoud Abbas is in the ninth year of his 4-year term as President. I think that shows a little bit about his interest in the rule of law.

As I argued before, he is a man that shows a deep interest in the process, rather than the peace, so long as he gets the privileges of the process. I don’t think he is willing to take that final step.

And, lastly, I would just suggest that his strategy at the United Nations and his willingness to cast aside all of the previous agreements which the Palestinian Authority had made, which its existence has been based upon, suggests that perhaps he is not as committed to the same end goal that many diplomats in the State Department believe he is.

Thank you.

Mr. DESANTIS. And if you could, Dr. Levitt, just beyond Abbas the man, I mean, is he just reflecting a deep hostility amongst the Palestinian people to have a two-state solution in your judgment?

Mr. LEVITT. I don’t think so. I don’t think he is. I think that most Palestinians want a two-state solution, certainly in the West Bank and I think even predominantly in the Gaza Strip, though I haven’t been in the Gaza Strip for several years now.

Look, there is need for political reform, as Mike has pointed out. There is need for better things on rule of law, as Mike has pointed out. But I think that David is also right that on the issue of articulating a message of non-violence, he has been good.

It is not enough because he has to bring people along on the whole package, which includes only staying in office as long as you

are supposed to and other issues. But the process has to be given space to progress in order for all of these things to happen.

At least in the West Bank, you do have a partner working with you on security measures. And I speak to the Palestinians about this. I speak to the administration here about this. But I speak to the Israelis about it. And they don't like to go out with pom-poms, but you talk to them privately, and they will tell you just how much the Palestinians are doing and just how bad it would be if they stopped.

Ms. ROS-LEHTINEN. Thank you so much.

Mr. Meadows of North Carolina is recognized.

Mr. MEADOWS. Thank you, Madam Chairman.

Dr. Rubin, earlier, you were talking about, as the chairman had brought up with some of the funding and so forth, that there had been already violations as we see it in terms of some of the foreign aid and that there would need a greater accountability and oversight. Can you speak to that specifically and what you would like to see and how either policy from this body or another oversight body would play into that?

Mr. RUBIN. Specifically, during the Oslo process and after, there were instances in which the American discussions with Yasser Arafat and the PLO would have to be severed if the United States drew the conclusion that Yasser Arafat was directly involved in terrorism. We had instances, for example, of his signature on disbursements of \$20,000 in aid to operatives working in Fatah who subsequently staged terrorist attacks. What we were told by the State Department was that was not conclusive evidence.

We need to have a willingness to recognize that the State Department is going to try to continue with dialogue and continue with the process in the hope of creating, of opening doors. But so long as we don't hold their feet to the fire when it comes to definitive evidence or perhaps even the preponderance of evidence, then ultimately we are going to be trapped in a good cop/bad cop approach.

Sometimes I would argue we need to go back to the past, when we were willing, the United States Congress was willing, to hold up items which the United States State Department wanted in order to ensure a much more coherent compliance with the laws which the U.S. Congress had passed.

Thank you.

Mr. MEADOWS. Okay. And then following—go ahead, Dr. Levitt.

Mr. LEVITT. I was just going to say, you know, historically this is absolutely true. And if you Google PLOCCA, the first two things you will get are the reports that I wrote at the time blasting the State Department for some of these things that they left out, ignoring the Karin A weapons-smuggling ship to seize documents, et cetera. And it wasn't just the PLOCCA report. It was also what we then called the Patterns of Global Terrorism, the annual CRT report that is now called Country Reports on Terrorism.

However, if you look at the latest Country Reports on Terrorism—and bits of it I quote in my written report—there is a marked improvement in truth-telling, maybe not quite there but a marked, marked improvement.

And I know firsthand that the State Department over the past few years has been investing the kind of resources it hadn't in years in working with foreign governments, especially in Europe but also elsewhere, to do more to combat the financing of Hamas and Gaza in an effort to do all of the things we have been talking about today.

So I want to make clear I completely agree with Mike, but the really bad actions by the State Department in failure to tell truth were several years ago. And there is a marked difference today.

Mr. MAKOVSKY. I am not aware, sir, that the Israelis, for example, have any complaints about the Palestinian Authority as smuggling weaponry the way they feared under the Yasser Arafat battle days. Again, I am not saying that things today are perfect, but—

Mr. MEADOWS. Right.

Mr. MAKOVSKY [continuing]. I am just saying I remember those days. And I don't see any complaints from Israel today like there were in the old days, which were justified.

Mr. MEADOWS. All right. And getting back to, you know, the football analogies that we have on both sides of this, you know, one is a hail, Mary pass that obviously is either intercepted or dropped and the other is screen passes. Do we end up making screen pass plays that never get us past the red zone?

Mr. MAKOVSKY. It is a fair question. I just feel that right now we are stuck in this box that it is either all or nothing in the Middle East. It is always nothing. And we have had other paralysis for the last 4 years between Israel and the Palestinian Authority. And I am concerned that this will lead to radicalization on the ground if people say, "Look, you have heard this legacy of non-violence, Mr. Abbas, but what have you achieved?" I think that is a real concern.

And, you know, with the screen pass, I can go longer down the field or shorter down the field—

Mr. MEADOWS. Okay.

Mr. MAKOVSKY [continuing]. Pending the players. It is not all up to the United States.

Mr. MEADOWS. All right. Dr.—

Mr. MAKOVSKY. But I just feel we have got to stay out of this all or nothing approach because I am concerned that paralysis is going to lead to an explosion.

Mr. MEADOWS. Thank you. Dr. Rubin?

Mr. RUBIN. Sometimes moral clarity is important on the part of the United States and its foreign policy. We cannot force a peace until all Palestinian factions internalize the idea that they want that peace. Thank you.

Mr. MEADOWS. Thank you.

Mr. DESANTIS [presiding]. Thank you.

The chair recognizes Mr. Collins from Georgia.

Mr. COLLINS. Thank you, Mr. Chair. I appreciate it.

I am going to stick with the football analogy. It has become popular today as I will be coming in. But I don't want to talk about plays. I want to talk about the draft. I am going to go back a little bit further because some of us mentioned earlier about the broader view. And I think this is a concern because I believe as we are sitting in a town of political motives and we are sitting in a town of harsh realities, that there may be a deeper issue here that I would

like to explore with each of you and the dealing with Hamas and the unrest in Syria, Iran, the things that have been going on there and basically the aid that they have been getting from these two entities who are now struggling on different fronts, which has been significantly reduced. Due to the less support that seems to be coming in for Hamas, do you believe, one—is that driving them maybe to make more of a show of unification with Fatah? I happen to believe, as some have said, that maybe unity is not where this is going to lead to but a show that is being done that may be hedging this bet or saying, “Here is where we are at right now. This is the political reality. Here is the only place we can go.”

I would like to see what the future would look like because I think for Israel and other partners there, this is critical. This is where we need to go. And I would like to hear your comments on that. And maybe we will just start with whichever way you want to start.

Mr. LEVITT. I am regretting bringing up an old football analogy. Mr. Kennedy has left. But every time we mention it, I just think about my Patriots not making it.

There is a myth out there that Iran is not funding Hamas anymore. It is a myth. Iran is still giving a tremendous amount of money and weapons, especially weapons, to Hamas. And that is a huge problem. Syria, of course, is another issue right now, but the Iran issue is still something we struggle with.

I agree with you that I don't think that either party is seriously interested in reconciliation right now because both parties understand that Hamas feels ascendant because of the Arab awakening and Hamas feels no need to make any concessions on its key demands for an end to security cooperation, et cetera.

But both need to be seen or see themselves as pursuing this because the public, the Palestinian public, still calls for it. They want it. They want the fighting to stop. They don't deal with the big picture. Will Hamas do this? Will Fatah do that? They just want the Palestinian populace to be one again, which, as David said, sounds like a nice idea but when you get into the weeds has real ramifications.

At the end of the day, I think that if you have small plays and you go not only just for the first downs but you make sure that as you do that, you are continuing to make headway down field, as an interim thing, that is where we need to be. Eventually, then, maybe you will have a ripe environment when you find yourself closer to the red zone. We are nowhere near that now.

The problem is if you still only think about the red zone, when the environment is not right for it at all, you are going to backtrack. So we have to do what we can now so that we don't have a complete collapse so that when the environment improves, we will be able to take advantage of it.

Mr. MAKOVSKY. I think your point about the unity facade is what is accurate. And maybe they are hedging their bets, you know, if, indeed, something happens, that they have this opportunity as a plan B. I certainly don't see it as a plan A for all of the reasons we have been saying in this panel, which I don't want to repeat. But I do think that there is a need to find ways to go down field.

Maybe we all talk football because we just saw the Super Bowl. And hopefully it is not lights out in the West Bank. But we need to find a way that the people who support the idea of two-state solutions are not marginalized and parody, "Oh, you haven't achieved anything" because the security cooperation is based that these Palestinians are telling their public, "Yes. We are coordinating against our own brothers working with Israel because it is part of state building. And we are building a state." If there is no state-to-state building, these people become vulnerable. And I just don't think that it will be sustainable over time.

So I think that if we make progress, whether we are—you know how much the progress is, we could define it, but I think it is critical there. And it is also critical for Israel, where it is being more and more isolated and people are trying to depict Netanyahu, "Oh, you are doing the settlements because you really want to take over the whole West Bank." And, in fact, virtually all of his construction is in 5 percent. Again, I am not defending it, but I am just saying by signaling a direction, we give the moderates some ammo, political ammunition, against their own radicals internally.

Mr. COLLINS. I don't want you to answer, but in dealing with this, I am looking at the picture as well as Hamas looking to the future. Every organization is self-fulfilling or self-sustaining. And I just don't believe at this point there has been enough proven evidence to say that they are backing off now become states in doing this. Is there more of an angle that you see here for a long term of where they are going here?

Mr. MAKOVSKY. Hamas has made clear in its statements that it doesn't believe that it should ever throw away its gun. If there is any unity, it will subsume Fatah. Hamas will subsume Fatah.

I would argue that where my disagreement is with my two colleagues, very briefly, is there are two general philosophies of diplomacy. One is to wait for the opportunities to occur, for the stars to align for the right circumstances to occur. And the second is to use a process to force those doors to open. I am not sure not only that the second choice doesn't work, but sometimes I believe that trying to use a process to force the right circumstances can actually backfire a great deal.

Mr. COLLINS. I think that is something we definitely need to look forward into the future. And I believe my time is up.

Mr. DESANTIS. All right. The chair recognizes Mr. Weber from Texas.

Mr. WEBER. Thank you, Mr. Chairman.

David, you said something a minute ago that kind of got my attention. I forget the terms you used. You said Israel and the P.A. for the last 4 years have been at a stalemate or paralyzed.

Mr. MAKOVSKY. I said that there has been a negotiating impasse for the last 4 years. The Obama administration has only been 3 weeks of talks in the last 4 years. We have never been in this situation before.

Now, how do I apportion the blame? Why is that? You know, I think there is probably enough blame to go around. I think in terms of Abbas, he should come to the table. He says, "Well, if I come to the table and Netanyahu builds settlements, I look like a fool. And my internal political standing as a politician is going to

be hurt.” But if you don’t try to go forward, on the other hand, you are not going to be achieving your goals. So risk aversion I think has led him to be in a shell.

“So all right. I will go to the United Nations,” which I think we all know there are no shortcuts. You can’t have statehood without peace. And I think that that has been a major mistake.

And I think with Netanyahu, he could—we didn’t have a chance to talk about the Israeli domestic results. If anyone would ask me, I would be happy to offer some thoughts on this. But I think while he showed boldness in many ways on the economics and working with Fayyad and taking down checkpoints in the West Bank and he doesn’t always get the credit for what he has done——

Mr. WEBER. I get that part, but, I mean, we said here that, number one, the violence has decreased from the Palestinian Authority.

Mr. MAKOVSKY. Right.

Mr. WEBER. And we said that the cooperation has increased.

Mr. MAKOVSKY. Right.

Mr. WEBER. That doesn’t sound like an impasse.

Mr. MAKOVSKY. No, no, no. The bottom-up stuff has been better than ever. I said there have been some blips with Fayyad going back, but for the most part, the trajectory has been forward. But on the negotiation of, can Israel and the Palestinian Authority find a way to decide “Where do we draw this border? How do we build this two-state solution?” there has been a complete impasse.

Mr. WEBER. On that one particular——

Mr. MAKOVSKY. On that point.

Mr. WEBER. I got you.

Mr. MAKOVSKY. On the top-down negotiation. And the question is, can the bottom up be sustained if there is no top down? And my argument is that it can be over time, but I am not saying it is going to break down tomorrow morning. I am just saying they have to go together. That is all.

Mr. WEBER. Thank you.

Mr. DESANTIS. Do you yield back?

Mr. WEBER. I do.

Mr. DESANTIS. Okay. Well, thank you. Thanks to all of the witnesses for your time and your great testimony. This hearing is adjourned.

[Whereupon, at 11:58 a.m., the subcommittee was adjourned.]

A P P E N D I X



MATERIAL SUBMITTED FOR THE HEARING RECORD

**SUBCOMMITTEE HEARING NOTICE
COMMITTEE ON FOREIGN AFFAIRS**

U.S. HOUSE OF REPRESENTATIVES
WASHINGTON, D.C. 20515-6128

**Subcommittee on Middle East and North Africa
Ileana Ros-Lehtinen (R-FL), Chairman**

January 29, 2013

TO: MEMBERS OF THE COMMITTEE ON FOREIGN AFFAIRS

You are respectfully requested to attend an OPEN hearing of the Subcommittee on Middle East and North Africa, to be held in **Room 2172 of the Rayburn House Office Building** (and available live on the Committee website at www.foreignaffairs.house.gov):

DATE: Tuesday, February 5, 2013

TIME: 10:00 a.m.

SUBJECT: The Fatah-Hamas Reconciliation: Threatening Peace Prospects

WITNESSES: Matthew Levitt, Ph.D.
Director
Stein Program on Counterterrorism and Intelligence
The Washington Institute For Near East Policy

Michael Rubin, Ph.D.
Resident Scholar
American Enterprise Institute

Mr. David Makovsky
Director
Project on the Middle East Peace Process
The Washington Institute For Near East Policy

By Direction of the Chairman

The Committee on Foreign Affairs seeks to make its facilities accessible to persons with disabilities. If you are in need of special accommodations, please call 202/225-5121 at least four business days in advance of the event, whenever practicable. Questions with regard to special accommodations in general (including availability of Committee materials in alternative formats and assistive listening devices) may be directed to the Committee.



COMMITTEE ON FOREIGN AFFAIRS

MINUTES OF SUBCOMMITTEE ON Middle East and North Africa HEARING

Day Tuesday Date 2/5/2013 Room 2172

Starting Time 10:00 a.m. Ending Time 11:58 a.m.

Recesses (___ to ___) (___ to ___)

Presiding Member(s)

Ileana Ros-Lehtinen (FL)

Check all of the following that apply:

Open Session

Executive (closed) Session

Televised

Electronically Recorded (taped)

Stenographic Record

TITLE OF HEARING:

The Fatah-Hamas Reconciliation: Threatening Peace Prospects

SUBCOMMITTEE MEMBERS PRESENT:

Steve Chabot (OH), Adam Kinzinger (IL), Tom Cotton (AR), Randy Weber (TX), Ron DeSantis (FL), Trey Radel (FL), Doug Collins (CA), Mark Meadows (NC), Ted Yoho (FL), Theodore Deutch (FL), Gerald Connolly (VA), Brian Higgins (NY), Juan Vargas (CA), Bradley Schneider (IL), Joseph Kennedy III (MA), Lois Frankel (FL)

NON-SUBCOMMITTEE MEMBERS PRESENT: *(Mark with an * if they are not members of full committee.)*

Alan Lowenthal (CA)

HEARING WITNESSES: Same as meeting notice attached? Yes No

(If "no", please list below and include title, agency, department, or organization.)

STATEMENTS FOR THE RECORD: *(List any statements submitted for the record.)*

TIME SCHEDULED TO RECONVENE 10:00 a.m.

or

TIME ADJOURNED 11:58 a.m.

Subcommittee Staff Director

