

## **The Jerusalem Policy Forum**

A joint project of  
**The Peace and Democracy Forum and Ir Amim**

**From Dissonance to a Permanent Status Destination:  
Creating Policy Options to Pave the Way to Final Status**

**The Policy Framework**

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## **The Jerusalem Policy Forum**

Jerusalem is a city of vital importance to Palestinians and Israelis, as well as to three world religions: Christianity, Islam and Judaism. Jerusalem is destined to play a pivotal role in any future political agreement between the Israelis and the Palestinians.

The Jerusalem Policy Forum is a joint project of the Peace and Democracy Forum, a Palestinian NGO, and Ir Amim, an Israeli NGO. The Jerusalem Policy Forum acts on the assumption that the optimal resolution of the conflict between Israelis and Palestinians lies in a viable two-state solution, in which Jerusalem will serve as the capitals of both states. Therefore, the Forum is committed to thwart any action that may prejudice and prejudice the two-state solution in Jerusalem and its surroundings.

A steering committee from these organizations directs the work of the Forum:

- Prof. Elinoar Barzacchi
- Terry Boullata
- Avraham Burg
- Amos Gil
- Abdel Qader Hussein
- Prof. Nazmi al Ju'beh
- Saman Khoury
- Sarah Kreimer

The Forum acts as a joint caucus for creating and advancing policies and actions which further Israeli and Arab Jerusalem in a manner that ensures the dignity and welfare of all residents, and safeguards their holy places and their historical and cultural heritages.

In addition, a broad network of Palestinian and Israeli experts on Jerusalem issues, from a variety of professional disciplines, implements the work of the Forum, aiming to create a reality more conducive to advancing final status negotiations on the issue of Jerusalem.

## **Overview**

Jerusalem is both the nucleus of the Palestinian-Israeli conflict and the key to its resolution. A city of vital importance to Palestinians and Israelis and holy to the three major monotheistic religions, Jerusalem is destined to play a pivotal role in any future political agreement between Palestinian and Israeli peoples. Peace will be made or broken over Jerusalem.

Current Israeli policies in Jerusalem endanger the possibility of reaching a future political agreement, leading instead toward continued conflict and despair – in Jerusalem and in the region. Thus, Israeli and Palestinian Jerusalemites live their lives confronted, complicated and hindered by the difficulties of the conflict.

In order to move toward a resolution of the Palestinian-Israeli conflict, the Israeli policies in Jerusalem must be reversed, and an alternative policy framework designed, so as to allow for the equitable, sustainable development of both peoples in the city as well as for the building of trust between them. This framework will enable the creation of institutions and processes that will allow each community to formulate its future in a manner that ensures the dignity and welfare of all residents, and safeguards their holy places and their historical and cultural heritages.

The Jerusalem Policy Forum (JPF) – a joint venture of Palestinian and Israeli experts on Jerusalem, led by *Ir Amim*<sup>1</sup> and the *Peace and Democracy Forum*<sup>2</sup> – has designed such an action framework, made up of policies and practical steps which can be implemented now and at various points along the path toward an agreed-upon future for the city. Our plan is predicated on addressing the needs, interests and fears of both sides in the Israeli-Palestinian conflict. It aims to build a Jerusalem that can better support Palestinians and Israelis today, and to create the conditions under which East and West Jerusalem could serve as the capitals of two states living side-by-side in dignity, security and prosperity.

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<sup>1</sup> *Ir Amim* ("City of Nations" or "City of Peoples") is an Israeli non-profit, non-partisan organization aiming to actively engage in issues impacting Israeli-Palestinian relations in Jerusalem and the political future of the city. *Ir Amim* seeks to render Jerusalem a more viable and equitable city, while promoting a more politically sustainable future.

<sup>2</sup> *The Peace and Democracy Forum* (PDF) is a Palestinian non-governmental organization aiming to increase Palestinian awareness of individual and collective rights, and to develop a more active, sustainable, and self-sufficient society. PDF works to enhance democracy, transparency, and accountability, and to promote peace as a necessary element in the development of society and statehood.

## **The Current Situation in Jerusalem**

Following the Israeli occupation 1967, Israel unilaterally expanded West Jerusalem's municipal territory – then only 38 square kilometers – to include 70 additional square kilometers of West Bank territory, and applied its "law, jurisdiction and administration" to East Jerusalem. This area incorporated the municipal area of Jerusalem under the Jordanian rule since the 1948 war, an area of some six square kilometers, plus parts of 28 outlying villages. Consequently, while according to international law East Jerusalem is occupied territory, according to Israeli law annexed East Jerusalem is part of Israel and distinct in status from the rest of the West Bank.

Israeli policy in East Jerusalem over the last 40 years has been predicated on the assumption that Israeli interests are best served by the "Judaization" of the city. Israel has pursued a strategy involving the redrawing of municipal boundaries and ongoing attempts to manage the demography – toward a Jewish majority in East Jerusalem.

At the same time, Palestinian communal life in East Jerusalem has been weakened. *Amanat Al-Quds* – the pre-1967 East Jerusalem municipality – was disbanded (most Council members were deported to Jordan) and replaced by the Israeli-run municipality. Palestinian land has routinely been expropriated for Israeli settlement activities; restrictive planning regulations and under-allocation of municipal resources have limited the development of Palestinian neighbourhoods.

Over the years, these practices have been met with ongoing national resistance from the Palestinian community which has continuously rejected Israeli rule over East Jerusalem. This resistance includes a forty year boycott of municipal elections, as well as various other measures.

Since the beginning of political negotiations that led to the Oslo accords, which were accompanied by a process of increasing separation between Palestinians and Israelis, Jerusalem has been adversely affected. As mobility of people and goods between the West Bank and East Jerusalem has been increasingly restricted – affecting economic, social and political life – much of the educated middle class has fled the city, further deepening the cycle of decline.

At the climax of the Oslo process in July 2000, the issue of Jerusalem was placed on the negotiating table for the first time. As a guideline for determining agreed-upon borders for the city, President Clinton proposed that what is Arab should be Palestinian and what is Jewish should be Israeli – with maximum contiguity for both sides<sup>3</sup>.

When negotiations and the possibility of a political horizon broke down in the fall of 2000, Jerusalem was named as a prime cause, and has been used in recent years by both sides as a stage for violence and for igniting the conflict. This included Ariel Sharon's entrance to the area of al-Haram al-Sharif, the outbreak of the Al-Aqsa Intifada and dramatic suicide bombing attacks in the city.

Citing the need for enhanced security, Israel instituted numerous unilateral actions, the most far-reaching of which was the construction of a wall/barrier in and around the city –

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<sup>3</sup> [www.mideastweb.org/clintonproposal.htm](http://www.mideastweb.org/clintonproposal.htm) – "The general principle is that Arab areas are Palestinian and Jewish ones are Israeli. This would apply to the Old City as well. I urge the two sides to work on maps to create maximum contiguity for both sides".

isolating East Jerusalem - and bringing unprecedented changes to metropolitan Jerusalem. By excising one-quarter of Jerusalem's Palestinian population to the east side of the wall/barrier, while attaching large settlement blocs beyond the municipal boundary to the west side of the wall/barrier, Israel has gone further than ever towards the creation of 'Greater Jerusalem', an entity whose robust Jewish character and growing Jewish population stand in stark contrast to its fractured Palestinian community. In addition, Israeli nationalist-religious organizations, aided by the Israeli government, have worked to create facts on the ground in the Old City and its immediate surroundings – serving to foreclose options for a negotiated resolution in these sensitive areas, which constitute the heart of the conflict.

As the success of a two-state solution depends in part on the creation of a viable Palestinian state with Jerusalem as its capital, the aforementioned policies threaten to foreclose this option. In fact, the failure to quickly alter Jerusalem's current path may render a two-state solution absolutely and permanently obsolete.

The Jerusalem Policy Forum challenges the basic assumptions that have led to these policies, and poses that both Israeli and Palestinian interests will be better met with the separation of Jerusalem into two political entities which serve the needs and concerns of both peoples.

This process however, is fraught with conflict. Israelis live in general dissonance regarding the peace process in Jerusalem. On one hand, most Israelis know instinctively that there will be no agreed upon solution without the political division of Jerusalem. Indeed, this has been recognized by Israeli officials at Camp David in July 2000, in Taba in January 2001, and most recently by Prime Minister Ehud Olmert in his stated willingness to negotiate over Jerusalem. At the same time, however, a majority of Israelis are sceptical that a permanent status agreement regarding Jerusalem is accessible in the near future, and fear losing ground in attempting to start directly with end-game negotiations.

While Israeli authorities are reluctant to proceed directly toward sensitive end-game issues like Jerusalem, the Palestinian leadership and public seek just the opposite approach. Having witnessed past negotiations in which incrementalism was misused in order to consolidate Israeli dominance over East Jerusalem and the West Bank, Palestinians fear being trapped in a permanent 'interim' stage. For Palestinians, therefore, it is imperative that Jerusalem be on the negotiating table from the beginning.

## **Our Approach**

Bound by mutual opposition to the occupation and all forceful actions that are in violation of international conventions and norms, and unilateral actions which reduce the possibility of generating a political process, the Jerusalem Policy Forum aspires to build a credible path that will ease the transition from dissonance to permanent status destination in Jerusalem. We have thus designed an action plan – for implementation by Palestinian and Israeli authorities, with support from the international community – which will build a new reality on the ground in Jerusalem. This reality will consider the rights, fears and hopes of both peoples, and will empower them to move forward towards the resolution of permanent status issues regarding the city.

Our action plan consists of joint policy recommendations – in the form of a series of policy papers – and was choreographed during ongoing discussion forums among key Israeli, Palestinian and international experts on, and stakeholders in, the city.

These actions are designed to take place under the two following possibilities:

1. **Absence of Official Negotiations** -- in which Israeli rule prevails in East Jerusalem, and negotiations over Jerusalem are not taking place. In this situation, the main goal is to prevent deterioration into a reality in which a two-state solution becomes unattainable.
2. **Start of Official Negotiations** – In this situation, (while continuing with the previous possibility) the key objective is to build systems that allow the smooth functioning of two cooperative socio-economic/ political communities in the city.

Our policy papers propose actions in the key issue areas of municipal authority functioning, socio-economic conditions and mutual security. Jerusalem Policy Forum papers set out clear guidelines to be met in any permanent status proposal, and also prescribe conditions under which effective and positive interim developments are possible.

It is likely that even after a two-capital resolution many issues will continue to be jointly coordinated. The issues requiring joint management may be emotionally, spiritually or politically charged, or alternatively, may be the shared elements of urban infrastructure (e.g., sewage systems, the preservation of air quality and the skyline). The administration of both types of issues will require the creativity that the Jerusalem Policy Forum brings to the formulation of all of its policies.

## **Action Principles**

In building a path to a permanent status resolution in Jerusalem, the Jerusalem Policy Forum sets out the following principles to guide the actions of all stakeholders in the conflict – Israelis, Palestinians, and the international community – in safeguarding Jerusalem’s stability, accessibility, and vitality.

Constructive steps should seek to:

1. Optimize the realization of the sovereignty and security interests of both the Palestinian and the Israeli peoples in Jerusalem, acknowledging each group's individual and national interests, as well as the interactions between the two sets of interests.
2. Catalyze the creation of models and systems which will pave the road to a two-capital permanent status resolution.
3. Maintain Jerusalem as a thriving urban center for the two nations.
4. Increase the safety (personal and national) of Israeli and Palestinian Jerusalemites – as part of the security provided by each nation to its citizens.
5. Maintain access to all holy sites, and freedom of worship by practitioners of the three monotheistic religions.
6. Facilitate freedom of movement and access between both the Palestinians and Israelis with their respective capitals.
7. Strengthen the Palestinian community and institutions in Jerusalem – economically, socially, culturally, and politically (as a weaker Palestinian community undermines Jerusalem in its entirety).
8. Reduce socio-economic disparities between East and West Jerusalem.
9. Increase trust and communication and reduce fear, between the two national communities.
10. Halt unilateral activities which prejudge and preclude a negotiated future.

## **Policy Recommendations**

Based on the above action principles, JPF recommends the following policy framework:

1. **Palestinian institutions.** Catalyze the creation and operation of institutions and systems which will allow the effective functioning of two socio-political communities in Jerusalem. Reopen, create and allow the operation of Palestinian community and public institutions in East Jerusalem. Allow Palestinian civil society in East Jerusalem to operate freely, according to the rules of a functioning democracy. These steps create the institutional basis for promoting the community's viability and wellbeing.
2. **Settlement activity.** Cease Israeli settlement activities in East Jerusalem that jeopardize the two-capital / two-state solution. Cease the E-1 project.<sup>4</sup> Cease expropriation and seizure of Palestinian land in East Jerusalem. As well as undermining Palestinian interests, these actions exacerbate tensions in the heart of Jerusalem and harm long-term Israeli interests by jeopardizing an agreed-upon resolution in Jerusalem.
3. **Equitable regulatory framework.** Maintain Jerusalem as a thriving urban area for the two nations that share it. Regulations governing life in the city (e.g., in taxation, property registration, planning, development incentives) should be applied equitably so that there is an even playing field for the development of both communities, thus allowing for the reversal of policies restricting Palestinian development in Jerusalem.
4. **Resource allocation.** As long as Israeli rule continues in East Jerusalem, budgets dedicated to Palestinian neighborhoods should reach their relative share of the city's population, currently about 35%. Additional resources should be made available in order to place the social and physical infrastructure of East Jerusalem on a stable footing after decades of under-investment.
5. **Access.** Safeguard the Palestinian connection to Jerusalem. Maximum two-way access must be allowed between East Jerusalem and its hinterland in the West Bank: including continued access from the West Bank to Muslim and Christian places of worship in Jerusalem, as well as free movement of goods and employees to businesses and institutions in Jerusalem (e.g., schools, hospitals). It also includes continued access of Palestinian Jerusalemites to the West Bank, including to Palestinian institutions there.
6. **Status and entitlements.** The status of Palestinian Jerusalemites should not be altered unilaterally. City and state benefits to which Jerusalem residents are entitled by law must be maintained for all Palestinian residents of Jerusalem living within the municipal boundaries of Jerusalem (as defined by Israel after the 1967 war), regardless of their location relative to the separation barrier/wall. Any changes to status and/or entitlements must be part of a bilateral agreement between the parties.

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<sup>4</sup> *E1* (derived from "East 1") is a term applied by the Ministry of Housing to an area located just east of the Jerusalem municipal boundary, on the hills between Ma'aleh Adummim and Jerusalem. It lies north of the Jerusalem-Ma'aleh Adummim road and edges the Palestinian towns of Anata, Abu Dis, Azariya and A-Zayim. E1, which covers some 12,000 dunams (12 sq. kilometers), is part of the planning area of Ma'aleh Adummim. The main artery between the northern and southern West Bank runs through E1. In recent years, Israel has begun building and settling the area. The development plan for E1 includes the transfer of the West Bank (Judea & Samaria) Police Headquarters from its present location, and the construction of at least 3,500 residential units, a large commercial center, and more. Plans for the E1 area make no reference whatsoever to the local Palestinian population.

7. **Old City.** Regarding the Old City and resolving conflicts there, develop transparent and inclusive processes that involve all parties and stakeholders, and take into consideration their sensitivities and needs. All parties should refrain from unilateral physical alterations which would jeopardize a two-state solution in the Old City and its surrounding area.

### **The Policy Series**

Policy papers in the Jerusalem Policy Forum series address the following fields:

- **Economy** – aimed at strengthening the Palestinian economy in Jerusalem, increasing Palestinian capacity and advancing the overall development of the city, in preparation for political separation.
- **Social welfare** – focused on education and health, and aimed at providing quality services through systems that empower the Palestinian population and its institutions.
- **Municipal functioning** – aimed at improving urban management and infrastructure in East Jerusalem to further the Palestinian community's influence and capability in the administration of Palestinian life in Jerusalem, and to develop coordinated systems that preserve both Israeli and Palestinian long-term interests, and the sustainability of the city.
- **Security** – for both Palestinians and Israelis in Jerusalem

The Jerusalem Policy Forum is guided by a core of experts and stakeholders, led by a steering committee. Individual policy papers are developed by working groups, involving additional issue-experts.

## **Jerusalem Policy Forum Steering Committee**

**Prof. Elinoar Barzacchi** – Former City Engineer for the Municipality of Jerusalem, founding dean of the School for Architecture at Tel Aviv University, current Chair of the Board of Ir Amim.

**Terry S. Boullata** – Co-founder of the New Generation Kindergarten and School in Abu Dis, producer of documentaries on Jerusalem, and activist promoting peaceful settlement of the Israeli/Palestinian conflict based on international regulations.

**Avraham Burg** – Former Speaker of the Knesset.

**Amos Gil** – Executive Director of Ir Amim; formerly Executive Director of ACRI (the Association for Civil Rights in Israel) as well as other profit and non-profit management positions.

**Abdel Qader Hussein** – Chairperson of Faisal Hussein Foundation.

**Prof. Nazmi al Jubeh** – Professor of History and Archaeology at Birzeit University and Co-Director of RIWAQ center for Palestinian historical and architectural conservation; participant in the Geneva Initiative, and delegate to the Bilateral Peace Negotiations in Washington (1992-94).

**Saman Khoury** – General Manager of the Palestinian Peace and Democracy Forum, journalist, Board member of Palestinian Peace Coalition; participant in the Geneva Initiative.

**Sarah Kreimer** – Associate Director of Ir Amim; founder and former Co-director of the Center for Jewish-Arab Economic Development.

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