

# Palestinians reject Israel settlement compromise

## The Palestinian leadership have rejected an Israeli proposal to renew a moratorium on settlement construction, plunging frozen peace talks between the two sides into ever greater uncertainty.

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Published: 5:59PM BST 11 Oct 2010

Benjamin Netanyahu had offered a compromise on settlement building Photo: AP

Benjamin Netanyahu, the Israeli prime minister, had offered to extend a partial freeze on Jewish building in the West Bank, but only in exchange for Palestinian recognition of Israel as a Jewish state.

Within minutes of the proposal being made public, Palestinian officials had rejected it out of hand.

The offer will be seen by some observers as unrealistic from the outset.

The Palestinian Authority, while acknowledging Israel's right to exist, has long resisted calls to recognise it as a Jewish state, saying such a move would discriminate against Israel's large Arab minority and prejudice negotiations over the fate of millions of Palestinian refugees.

The stand-off leaves the prospect of a resolution to the settlement row looking as remote as ever.

Peace negotiations have quickly foundered after Israel declined to prolong the partial settlement freeze, which expired in the last week of September.

Mahmoud Abbas, the Palestinian leader, has threatened to abandon the talks if settlement construction is not halted again, although he agreed last week to give the United States a month to find ways of resolving the impasse.

An Israeli government official said that Palestinians had to show a willingness to compromise in order to salvage the talks.

"The process will only work if it is a two-way street," he said. "It can't just be that the Palestinians make demands and the Israelis make concessions."

In an effort to break the impasse, the United States has offered Israel financial, political and security guarantees if it agrees to a one-off extension of the moratorium by two months.

Meanwhile, Palestinian officials say they could reverse history by seeking to have the West Bank placed under international trusteeship if the peace talks fail as a last resort.

The suggestion, which would see a return of foreign administration in the Holy Land for the first time since the British mandate of Palestine expired in 1948, is unlikely to win international support.

Source: <http://www.telegraph.co.uk/news/worldnews/middleeast/israel/8056820/Palestinians-reject-Israel-settlement-compromise.html>