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THE WASHINGTON INSTITUTE POLICY FORUM

REPORT #7

Subject: American Diplomacy in the Middle East: The Arab-Israeli Conflict

Speaker: *Steven Spiegel*, Professor of International Relations, UCLA; author of The Other Arab-Israeli Conflict: Making America's Middle East Policy from Truman to Reagan, Visiting Fellow, The Washington Institute for Near East Policy

Date: October 24, 1985

WASHINGTON AND THE PEACE PROCESS

Professor Spiegel opened his remarks by observing that Washington holds the "peace process" in reverence. For four decades, America has been fascinated with the idea of bringing peace to the Middle East.

Keeping the peace process moving, with diplomacy revolving around the United States, has benefited the United States even if there have not been many great peace successes.

In this sense the present time is a very good one for America. There is however a great distance between "movement" in the process and actual negotiation, let alone between movement and agreement.

BILATERAL VS. MULTILATERAL APPROACHES

Dr. Spiegel observed that bilateral attempts at peace have achieved much more success than multilateral efforts. Comprehensive attempts at a Middle East settlement have rarely, if ever succeeded. Consider an international conference, with Russia and America and Jordan and Egypt, and Israel and various other participants. The complexities of the situation dwarf those surmounted only with much difficulty in the Camp David Accords. However an international conference, even if it fails, can lead to more successful undertakings, as occurred in 1973.

Pessimism about international conferences does not mean there can be no Soviet role. However, before they are dealt into the peace process, the Soviets should pass certain tests. Foremost among these tests is the necessity of re-establishing diplomatic relations with Israel. The Soviet Union should also support less than maximalist Arab positions, exert pressure on the Syrians (especially in Lebanon), reduce arms sales to Arab states and cease its support for terrorists.

TEN PROPOSALS

Professor Spiegel listed ten proposals for peace:

- 1) Forget about the PLO. It is a microcosm of the entire Arab world and has always defeated any multilateral effort.
- 2) Get Hussein to the peace table. Dr. Spiegel expressed surprise that there should be such a positive reaction to Peres' UN speech. The problem has always been getting Hussein to talk. Jordan is not Egypt when it comes to negotiation; Hussein needs others at the bargaining table. The question is, if Jordan cannot talk on its own, then how can Hussein make and maintain peace on his own?
- 3) Promote private contacts between Jordan and Israel. Sadat went to Jerusalem after private talks.
- 4) Pay careful attention to the situation in Egypt. It would not be unfair to suggest that the Jordanian-Israeli relationship is in better shape than the Egyptian-Israeli relationship. The killing of the seven Israeli tourists in Sinai is a major Israeli concern. Unless the Egyptian-Israeli and the Egyptian-American relationships are maintained, there will not be any peace process.
- 5) Appoint a leading American figure to conduct Middle East negotiations. This negotiator should not be the President, the National Security Adviser or the Secretary of State, but should be someone of prestige.
- 6) Explore the possibility of an agreement between the United States, the Soviet Union, France and Britain to restrain the Middle East arms race.
- 7) Aim at a peace process of limited comprehensiveness, slicing up the problems, and dealing with one problem before moving on to the next.
- 8) Return to the Camp David concept of autonomy, with its conception of transition. This might initially entail a series of unilateral Israeli actions in the West Bank, but the goal would be to get Israel and Jordan working together.
- 9) Remember that the differences in Israel between Likud and Labor are not as great as some in Washington might suggest.
- 10) Recognize that the only constructive purpose that an international conference can serve is as a ceremonial prelude to bilateral negotiations. A functioning international conference will not work.

DISCUSSION

* How should the US get Hussein to the peace table?

It is not clear what Hussein wants. He has committed himself to the Fez Plan which calls for an independent Palestinian State while also favoring the American Plan which rejects this idea. If all things were equal, he would join the peace process, but he is faced with the threats of domestic instability, assassination and Syrian actions. The United States can assure Hussein of its support as he proceeds to direct talks with Israel, and it can work to eliminate the illusion that any other diplomatic options will further the peace process.

* Jordan has always been a weak and vacillating player. Weak players make bad negotiating partners. Is there any real possibility of a Jordanian accord in the absence of a Syrian willingness for peace?

Dr. Spiegel agreed with this statement and noted that some feel that Syria would make the better choice for peace negotiations than Jordan. It might be easier to reach agreement over the Golan Heights than over the West Bank. The Reagan Plan might have been directed towards Syria, rather than Jordan, since Syria at the time was on the ropes. However Dr. Spiegel saw no sign of any genuine Syrian desire to join the peace process. While Hussein has given many indications of his desire for peace, Syria has given no such indication and has actually played the role of spoiler. Israel and the US should only attempt to make peace with one Arab nation at a time.

* How could US-Israeli strategic cooperation be expanded?

Bureaucratic problems on both sides cloud the very large areas in which strategic cooperation could be increased. Israel is very pleased with the current level of cooperation and is afraid to re-ignite the debate. There has not been sufficient exploration by those who support the idea of strategic cooperation.

Strategic cooperation benefits the US in three main areas:

- 1) America has much to learn from Israel's exemplary record of avoiding defense cost overruns.
- 2) Israel could help alleviate America's problems with NATO's Mediterranean Southern Flank.
- 3) Israel offers useful facilities for more extensive prepositioning of supplies for the Rapid Deployment Force.

(This report was prepared by Michael Lewis.)



THE WASHINGTON INSTITUTE FOR NEAR EAST POLICY

REPORT #8

Subject: **US DIPLOMACY & THE ARAB-ISRAELI CONFLICT**

Speaker: *Ambassador Samuel Lewis*, US envoy to Israel (1977-1985); formerly assistant Secretary of State for International Organization Affairs and Deputy Director of the Policy Planning Staff; currently Diplomat-in-Residence at The Johns Hopkins University Foreign Policy Institute

Date: November 15, 1985

Ambassador Lewis focused his opening remarks on the question of the appropriate level of US diplomatic activity in the Mideast. He argued that reaching successful agreements in the Arab-Israeli conflict is not contingent on intense, personal involvement by senior American officials (i.e., the President and the Secretary of State). Since there will inevitably be periods of stalemate in the peace process, periodic media criticism that Washington is not investing sufficient resources in Mideast diplomacy is "nonsense." Also, the timing is not yet ripe for a top-level US push to reach a Jordan-Israel agreement, therefore the Reagan administration's wariness to commit its political capital to reach a regional settlement should be commended.

THE PATTERNS OF THE PAST

An analysis of past American peace initiatives indicates that high-level involvement results in diplomatic failure with about the same frequency as diplomatic success. The three post-1973 disengagement agreements and the Camp David accords could not have succeeded without the intense, personal involvement of Secretary of State Kissinger and President Carter, respectively. High level involvement, however, did not ensure success for the 1969 Rogers Plan, the 1979-80 Autonomy Negotiations (conducted by special presidential envoys Robert Strauss and Sol Linowitz), the 1982 Reagan Plan or the 1983 Israel-Lebanon Accord negotiated by Secretary Shultz. Moreover, behind-the-scenes shuttling by a lesser personality, Under Secretary of State Walter Stoessel, provided the necessary face-saving agreement to permit the final Israeli withdrawal from the Sinai in 1982.

Therefore, it is simply not the case that personal involvement by top US political leaders is either necessary or sufficient to produce diplomatic success in the Mideast. However, because senior US officials have committed so much political capital to diplomatic solutions over the years, Middle Eastern leaders have come to expect a high level of involvement and do not always view

seriously initiatives supervised by career diplomats or bureaucrats. Recently, however, those leaders have begun to recognize that high-level involvement is a double-edged sword, heightening both the anticipation of success and the disillusionment of failure. Also, there is a growing understanding in the Middle East of the domestic political constraints the US president must consider before committing his personal resources to regional diplomacy. They know that presidential involvement must remain rare if it is to remain credible.

RIPENESS & TIMING

US officials must remember that Mideast nations are no different than other nations of the world -- fundamental decisions will be made only in the service of the national interest, not at the behest of any other government. Therefore, unless the regional circumstances are ripe for a diplomatic initiative, not even the highest level of US political commitment can insure its success.

In 1974, for example, Syria and Israel each had a strong desire to reach a post-Yom Kippur War disengagement agreement. Damascus needed the agreement urgently to rid Syrian territory of Israeli soldiers; Jerusalem needed it to begin the process of reconstruction in the war's aftermath. Circumstances, therefore, were ripe for the Kissinger shuttle which produced the Syrian-Israeli Disengagement Agreement. Even with the commonality of Israeli and Syrian interests, it is unlikely that any US figure short of Kissinger could have successfully negotiated that agreement.

In contrast, Syria and Israel do not share such urgent common interests today. Israeli soldiers are not encamped near Damascus on Syrian territory (the Golan Heights notwithstanding) and Israel itself has little interest in upsetting the tolerable *status quo* in the Golan. If US leaders undertook a Damascus-Jerusalem shuttle today, it would end in total failure.

The failure of the Reagan Plan underscored the significance of the proper timing of diplomatic initiatives. Substantively, the plan contained all the elements of a sound US policy. But the timing of its announcement ignored the fundamental principle that most governments cannot deal with more than one national crisis at a time and Israel, in September 1982, was still focused on its three-month, ill-advised military adventure in Lebanon. The psychological setting for a regional peace initiative was totally lacking; Israel's Lebanon problem had to be resolved before the nation's attention could be turned to peace with Jordan and the Palestinians. Even a Peres-led Labor government would not have been able to respond to Reagan's proposals in September 1982 any more positively than did Menachem Begin, though a negative response from Peres would have been framed more diplomatically.

TODAY'S WINDOW OF OPPORTUNITY

Both Israel's Peres and Jordan's King Hussein view the current period as a window of opportunity.

About two years ago, Hussein began to devise a way to enter peace negotiations, because he took seriously statements by Likud's Yitzhak Shamir and

Ariel Sharon that Jordan was the true Palestinian state, an implied threat to the future of Hussein's rule in Amman. He stepped up the pace of his efforts after Peres succeeded Shamir as prime minister in September 1984. Never believing he could deal with Likud as Sadat did, he wants to deal with the more flexible Peres before Likud returns to power.

Peres is trying for a settlement with Jordan both for domestic political considerations concerning the National Unity Government and, more importantly, out of a deeply felt fear that long-term occupation or annexation of the occupied territories will undermine the democratic and Jewish character of the state.

Despite the commonality of interest in launching negotiations soon, there remain enormous constraints on the Arab side and significant ones on the Israeli side. And although all sides want American assistance, it is difficult to see how more high-powered US involvement could help the peace process at this stage. **The Reagan administration's current wariness to commit high-level involvement to mediate the region's disputes is wise and well-founded.** Where opportunities exist for using more American diplomatic resources, they should be offered. A more intense investment of US political resources, however, should be reserved until the opportunity is both ripe and timely for high-level involvement and the outlook for success is brighter.

DISCUSSION

ISRAELI RELIGIOUS PARTIES

Answering a question on the role of the religious parties in Israel's recent cabinet crisis, Ambassador Lewis said that those parties are increasingly disillusioned with Likud as a coalition partner and that there is some evolution in the thinking of leading rabbis on the possibility of a partnership with Labor. Peres' delay in dismissing Sharon was intended to find out whether the religious parties would remain in the government if the Likud withdrew. As it turned out, they did not promise to do so, and Peres accepted Sharon's "apology" rather than risk an election now. The religious parties apparently indicated that they might remain with Labor if Likud broke up the coalition; however, they could not explain such action to their electorate if the break-up were the result of Labor's political machinations.

PEACE PROCESS AND THE NATIONAL UNITY GOVERNMENT

A State Department official asked whether the prospect of the September 1986 Israeli prime ministerial rotation conflicted with the US reticence to commit itself at the highest levels to seek a Mideast settlement.

In response, the Ambassador said he had personally never believed that a transfer of prime ministerial power from Labor to Likud -- as prescribed for in the agreement on the National Unity Government -- would ever take place.

Moreover, he drew a distinction between *restraint* and *visibility*, saying that current US policy has succeeded in creating better private communication between Washington and both Jordan and Israel than in any recent period. The visibility of US diplomacy, he said, has been carefully calibrated with the parties themselves.

PERES AND THE PLO

Responding to a question on Peres' ability to accept a "reformed" PLO, Ambassador Lewis cautioned US policy-makers against believing that Israeli prime ministers are free agents. Over the past 15 years, Israeli public opinion has concluded that Arafat and the PLO are simply not fit to be negotiating partners. On this issue, Peres has absolutely no room to maneuver. Palestinian representation is clearly the most difficult stumbling block to the launching of Jordan-Israel negotiations.

EGYPT-ISRAEL RELATIONS

Ambassador Lewis outlined the deep Israeli disillusionment with Mubarak and the effect that the Sinai tourist killings and the Achille Lauro incident had on the Israeli psyche. The American government is also troubled about the deterioration in Egyptian-Israeli relations and has sought to convince Cairo that warmer relations with Israel are the best way to promote Jordan-Israel negotiations. However, Egypt's attitude toward warmer relations with Israel is negative and grows more negative daily. Egypt lost an opportunity to settle the Tabah issue when it decided to chill relations with Israel; Israel has, however, missed good opportunities to shift the Tabah issue out of the limelight to arbitration, because of sharp disagreement within the coalition cabinet.

SOVIET INVOLVEMENT IN THE PEACE PROCESS

In light of the Reagan-Gorbachev summit, one journalist asked how actively the US should pursue the Soviet card at Geneva. Ambassador Lewis cautioned against expectations that the summit would produce anything positive in terms of Mideast peace. If there is going to be a Jordan-Israel settlement, it is doubtful that the US can avoid some Soviet involvement.

At the same time, though, it is equally doubtful that the Soviets are genuinely interested in such a peaceful settlement. European interlocutors and Security Council blessings may be helpful in circumventing Hussein's need for international cover. However, there is little chance of repeating the 1973 Geneva Conference, which relegated the Soviets to the sidelines as Kissinger shuttled between Mideast capitals; Moscow is too smart today to lend itself a second time to such a charade.

ISRAEL-JORDAN NEGOTIATIONS

1 One Middle East scholar asked what the substance of negotiations would consist of if the parties ever did solve their procedural problems. In reply, Ambassador Lewis said that a preliminary understanding on the agenda for negotiations had probably already been worked out and that nothing other than the option of a "transitional regime" had any chance at the negotiating table.

(This report was prepared by Robert Satloff.)



THE WASHINGTON INSTITUTE POLICY FORUM

REPORT #9

Subject: Israel's Strategic Concerns

Speaker: *General Aharon Yariv*, director of the Jaffee Center for Strategic Studies, Tel Aviv University, and former director of Israeli military intelligence

Date: December 11, 1985

AUSTERITY & THE ECONOMY

Israel's number one strategic problem is the economy. While the National Unity Government has registered considerable success in curbing inflation, the country has paid a high price in terms of unemployment and a painful erosion of salaries. And Israel is suffering an acute brain drain as well. Nevertheless, Israel must maintain the program of wage and price restraints and continue the process of re-ordering the national economy. Only then will Israel be strong enough to deal more directly with other items on its strategic agenda.

To maintain the austerity program will require further budget cuts of \$500 million-\$600 million. A significant chunk of these cuts will have to come from defense outlays, although Israel has neared the "red line" on paring down those expenditures. Already, there has been a drastic reduction in air force training, funding for research and development and stockpiling of materiel. There has been a significant reduction in the size of the armed forces, with the firing of 2,000 officers and NCOs, which has bred demoralization throughout the IDF. And additional defense cuts threaten necessary development, procurement, training and manpower programs.

It is unlikely that disagreements over the austerity plan will lead to the collapse of the Labor-Likud governing agreement. Both parties understand the economic realities and accept the costs involved. Moreover, the need to spread the responsibility for the social consequences of austerity provide a strong motivation for the maintenance of the NUG.

PEACE PROCESS

After the economy, Israel's next major concern is the peace process. Here, too, the constraints on progress appear great. Over the past several months, Prime Minister Peres has gone as far as he can in concessions regarding Palestinian participation in negotiations, yet he is still waiting reciprocal concessions from the Arab side. Peres had hoped the King Hussein would be more forthcoming, but barring an abrupt (and unlikely) reversal of Syria's rejectionist position, King Hussein cannot move forward without PLO approval. And the speed and

strength of Hussein's recent overture to Syrian President Hafiz al-Asad further complicate the process. Such a move was not expected with so little time remaining before Peres transfers the reins of government to the more inflexible Likud and Foreign Minister Shamir.

There are two ways Israel can itself improve the environment for peace. First, Israel can move to resolve the Taba dispute and seek to warm up relations with Egypt. Second, certain initiatives can be taken to better the situation on the ground in the West Bank. Unless these sorts of efforts are undertaken, extremists on all sides would be strengthened. If the situation is seen to be frozen, it will encourage the creation of an Arab coalition against Israel.

DISCUSSION

SUPERPOWER DIPLOMACY & THE PEACE PROCESS

Regarding the role of US and Soviet diplomacy in the peace process, Gen. Yariv said that America might have something to offer in terms of securing a constructive role by the Soviets, thus providing Hussein with his needed international "cover." It will most likely be easier to persuade the Soviets to play a constructive role than the Syrians. And although it is difficult to see Soviet interests in genuine peacemaking, it will be impossible to provide the sort of umbrella that is needed without their participation. Perhaps a constructive understanding on the Middle East could be worked out within the framework of the larger US-Soviet relationship.

NEGOTIATIONS WITH ASAD AND THE SYRIAN MILITARY BUILD-UP

Even if Israel and Syria were to enter serious negotiations, Gen. Yariv could not foresee any Israeli withdrawal from the Golan Heights in the near future. In addition, he said Asad likes to act as the guarantor of Palestinian rights, and a genuine peace agreement with him is unlikely. Asad's acquiescence in a bilateral Israeli deal with Jordan is only slightly less difficult to imagine.

Syria's strategy is to seek military parity with Israel. They have the strongest Arab air force, and since the Israeli withdrawal from Lebanon, they have the potential to concentrate their forces in the Golan. Israel could still defeat the Syrians, but it would be a tough contest.

THE ROLE OF JORDAN

One questioner asked whether it were possible for Israel and Jordan to work out a secret arrangement for functional autonomy on the West Bank. According to Gen. Yariv, such a plan is possible in theory but impractical in implementation. The problem is that Israel needs a strong, resolute partner if it envisions an autonomy entailing more than just handing over control of municipal affairs to a few West Bank mayors. There is no sign that Hussein is willing to be such a partner; without him, Peres could not go forward with the plan. In general, such secret deals are not possible. There is no secrecy in Israeli politics; Hussein knows that a secret deal would be branded a separate agreement.

Asked about the potential effect on the peace process of a Palestinian takeover of Jordan, Gen. Yariv said that such a change in the regional calculus might not be the blow to peace that it has traditionally been viewed to be. But King Hussein's hold on control of Jordan remains strong; no violent shift of power inside the Kingdom is likely in the near future.

TERRORISM AND THE PLO

According to Gen. Yariv, the PLO's repeated statements defining "armed struggle" as strategy -- not tactics -- are not mere rhetoric. Indeed, "armed struggle" has in fact been a fairly productive means for the PLO to achieve what it has gained so far. Also Gen. Yariv discounted the Cairo Declaration denouncing terrorism, saying that Arafat has maintained since 1972 that the PLO would not be active overseas.

The recent surge in terrorist activity was born out of the PLO's complete military defeat in Lebanon. Neither Tunisia nor North Yemen has been able to provide the sort of infrastructure or facilities that the PLO maintained in Lebanon prior to 1982. Not only did Arafat suffer a heavy defeat at the hands of the Israelis and the Syrians, but he was further undercut by an internal split within Fatah. To maintain his stature within Fatah, Arafat staged spectacular, attention-grabbing terrorist incidents to show his own people in Fatah that he was still active. Other Palestinian groups responded with terrorist operations to prove that they too were still active. On the West Bank itself, the example of the Lebanese Shi'ites has spurred younger Palestinians to pursue terrorist activity. Moreover, the exchange of Israeli and Palestinian prisoners several months ago also contributed to the increase in terrorism.

THE POLLARD AFFAIR

Gen. Yariv said he could not understand how such an incident was permitted to occur. Espionage against America is completely contrary to long-standing Israeli policy. According to Yariv, Israeli leaders can not be so stupid as to continue any other espionage activities in the US. Even the maximum gain is not worth the minimum risk. He added that the American reaction to the Pollard affair had been proportionate and not overstated.

(This report was prepared by Michael Lewis.)

Policy Options

Issue no. 1

November 15, 1985

The Soviet Union and Mideast Diplomacy

Soviets at the table: what's in it for the US?

by Harvey Sicherman

As President Reagan prepares for his summit with Soviet leader Gorbachev, he faces a dilemma.

For almost a dozen years, through both Democratic and Republican administrations, the USSR has been excluded from the peace process in the Middle East. Now, however, both Israel and Jordan -- the putative "partners" to the Reagan Plan of September 1, 1982 -- have pronounced favorably on an international conference with Soviet participation.

The President must therefore consider the peculiar possibility that, aside from a "framework on arms control," the major subject of his summit rendezvous may be -- dare we say it -- a new Soviet-American understanding on the Middle East.

To evaluate this sudden turn of events, we must answer three questions:

First, has the American policy of excluding Moscow failed? Yes, largely as a result of our debacle in Lebanon.

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Putting Moscow to the test

by Dennis Ross

The current hope for a breakthrough in the Arab-Israeli peace process differs from previous such episodes because it rests at least in part on the idea of Soviet involvement.

By moving to improve ties with Israel and reaching out to the conservative Arab regimes, the Gorbachev leadership is making it clear that it is determined to get back into the diplomatic game in the Middle East and end its exclusion of the last 11 years. What makes this longstanding Soviet desire important now is Prime Minister Peres' willingness to contemplate a Soviet role and King Hussein's insistence on it.

The clock is ticking for Peres. In 11 months, he will have to relinquish the premiership to Likud's Yitzhak Shamir. If he can make significant progress now, he can either force his Likud successors to adhere to his basic approach to peace, or, more likely, force new elections that offer him a much clearer mandate on which to negotiate.

To do either, however, he needs an Arab partner -- and Peres has long been an advocate of the Jordanian option. He is banking on Hussein's desires for peace and the King's own fear of a Likud leadership (in which Ariel Sharon is a major force).

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EDITOR'S NOTE

As the US-USSR summit approaches, the Middle East has suddenly appeared on the agenda. For the first time, the Reagan Administration must deal with the unpleasant prospect of recreating a Soviet role in the Mideast peace process through an international conference.

This premier issue of *Policy Options* focuses on the Soviet role in Mideast diplomacy.

Addressing that topic is Dennis Ross, executive director of the Berkeley-Stanford Program on Soviet International Behavior, and Harvey Sicherman, consultant to the Secretary of the Navy and former special assistant to Secretary of State Alexander Haig. Articles on the past record of Soviet and Syrian involvement in the peace process have been prepared by the Institute's research staff.

The overall conclusion is clear -- the only constructive Soviet role is one of benign approval from the sidelines. It is highly unlikely, however, that the Soviet Union will consent to play such a role.

In that case, Secretary Shultz recently expressed it best: "The way to go in the Middle East is not a big conference but direct negotiations between Israel and Israel's neighbors."

Martin Indyk



THE WASHINGTON INSTITUTE FOR NEAR EAST POLICY

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... What's in it for the US? / by Harvey Sicherman

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Syria's emergence as the victor in Lebanon and the Soviet role in rebuilding and enlarging Syrian military capabilities (especially after the debacle of June 1982) have left indelible impressions on the minds of Middle Eastern leaders. That the United States must now consider Soviet participation in an international conference reinforces the perception created by the Lebanese experience that Washington alone cannot protect pro-American Arab regimes from their more radical neighbors.

Second, why are Jordan and Israel interested in Soviet participation? In Jordan's case, the King's insistence on an international conference with Soviet participation shows his reading of the lessons of Lebanon. He views the Soviets as the check on the Syrians that the US cannot provide.

As for the Israelis, Prime Minister Peres sees King Hussein's emphasis on "process" -- such as the conference -- as the critical opening which will lead to the long-desired direct negotiations with Jordan. Peres hopes that by yielding to Hussein's wishes on the international conference he can induce the King to proceed, perhaps even without the PLO. That the Soviets may complicate a final agreement is insignificant to Peres if the process never begins at all.

Third, what's in it for the US? Or, more precisely, how can we be sure that Soviet participation will aid the peace process?

To answer this question, we must go beyond the immediate Soviet stake in joining the diplomatic process to probe longer-term Soviet interests. Ultimately, what brings the US and the USSR together in any regional crisis is the fear that their local allies may lead them into a disastrous confrontation.

This fear encourages a sense of restraint but only if each superpower knows that the other will resist the compromise of its vital interests. And a sense of restraint in and of itself need not result in peace. Its more likely consequence is controlled conflict.

In the Middle East, American vital interests are well-known and fairly precise: the survival of Israel, access to oil and communications, denial of Soviet (or anti-Western) supremacy.

assistance, the Soviet stake in conflict -- albeit controlled -- is considerable, while the Soviet interest in peace would be much less so.

Nothing in the current situation would seem to alter the longstanding US judgment that the Soviets want to control conflict in the Middle East but are unwilling (and, in Syria's case, probably unable) to help in an Arab-Israeli settlement that would serve Western interests. What Moscow does want and has sought assiduously is an American-Soviet agreement on the details of a settlement -- a condominium approach which legitimizes the Soviet role in the Mideast and implies the eventual "delivery" of their local clients. But, this process will be richly productive of US-Israeli tensions long

" ... the utility to the United States of an international conference diminishes in direct proportion to Soviet participation ..."

Soviet interests, aside from the oft-mentioned fear of confrontation, are much harder to sketch. They relate mostly to making trouble for the West. For this reason, the Soviets have found their influence more marked in those countries that also seek to damage Western interests. And because armaments are Moscow's most effective

before it yields a "just and lasting settlement," a Soviet betrayal of Syria or even abandonment of the longstanding Soviet support for Arafat's PLO.

Thus, the utility to the United States of an international conference diminishes in direct proportion to Soviet participation in the actual process of

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Peres also seems to accept King Hussein's argument that he cannot enter into negotiations with Israel unless he has Arab sanction and the cover of an international conference where the Soviets can shield him from the Syrians and their radical clients.

While the Prime Minister cannot help the King on the issue of PLO involvement in the negotiations, he can help him on that of Soviet involvement. That is why he has softened the Israeli position on an international conference, insisting only that the Soviets restore diplomatic relations with Israel.

Recent diplomatic feelers, including the exchange of Polish-Israeli interest sections and the possibility that the Hungarians and other East Europeans may shortly follow suit, may be the start of a process that will lead to just that, especially with the Jordanians encouraging the Soviets to restore relations with Israel.

The key question for the US, then, is whether Soviet involvement can be made constructive and not destructive to the peace process and to the broader American interests in the region. The answer to such a question must be a tentative one.

On the one hand, the record of Soviet behavior suggests that Moscow is determined to build its own position in the region and to undermine all trappings of US presence and influence there, and that "controlled" tension serves this Soviet interest. The Soviets have supported

(with open and covert means) the most radical elements in the region with an eye to undermining moderate regimes or pressuring them to be responsive to Soviet interests.

On the other hand, some argue that the Soviets have never really been put to the test in the Middle East, that our efforts of exclusion have given them little incentive to be cooperative. Now they are reaching out to the moderate regimes and they, too, are experiencing the consequences of extremism making them, so the argument goes, more aware of the dangers of the growth of such forces.

Inclusion in the peace process permits the Soviets to achieve a certain status in the region and gives them a stake in regional cooperation. Inclusion would be a boon to Gorbachev -- demonstrating his ability to overcome US containment and secure the USSR's rightful place in an area of strategic importance.

This argument would be more compelling if one began to see certain concrete changes in Moscow's regional behavior. First, if the Soviets are truly committed to peace and stability, they should stop providing material assistance and training to those who reject peace. Here I am referring to the Libyans and a whole host of radical Palestinian groups that receive overt and covert Soviet support.

Second, while the Soviets do not control the Syrians continued on next page

On Damascus

Although Syria is the Soviet Union's closest ally in the Middle East, Hafiz al-Asad zealously guards his independence when it comes to peacemaking in the region. If Mikhail Gorbachev manages to gain a Soviet seat at an international conference, Asad is sure to insist on one too -- but only on his own terms.

For more than a decade, Asad has scoffed at any peace initiative that precludes a Syrian veto, protected under the rubric of a "united Arab stand" and the taboo against bilateral deals with Israel.

Syria's basic position has not changed. But as the focus of diplomacy has shifted in recent weeks to the convening of an international conference, Damascus has modified its stance on several key issues to take maximum advantage of the chance to gain control of the process.

First, as tensions grew between Jordan and the PLO, Damascus decided to warm up relations with Amman. The deep desire to jettison Arafat from Mideast diplomacy, together with the chance to prevent a bilateral Jordan-Israel deal, convinced Asad to make several personal overtures to King Hussein.

While still labeling the February 11 Jordan-PLO accord "treasonous," for example, Syria does not seek the King's humiliation by demanding the formal abrogation of the agreement.

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... Testing Moscow / by Dennis Ross

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and some of the radical Islamic groups under Syrian protection in the Bekaa valley, they have the ability to influence and temper Syrian behavior. They have proven this by getting the Syrians to cease the onslaught on Tripoli. If the Soviets claim that they can't alter Syrian behavior, then we ought to rethink the value of including them -- and make the point strongly to Hussein that the Soviets offer no protection from the Syrians, and are, in reality, neither a "spoiler" nor a "deliverer" of peace.

Third, if the Soviets want to be a mediator, they have to act like one -- i.e., they cannot identify totally with the Arab negotiating position. Both at Camp David and in the Reagan Plan, we have adopted postures quite different from Israeli negotiating positions; the Soviets must show a similar independence, both to prove that they can be an arbiter and also to demonstrate that they can be an

honest guarantor of any settlement.

It makes sense to require these kind of changes in Soviet behavior before cutting them into the process. It also makes sense to tell the Jordanians and the Israelis that our interests (and theirs) require demonstrations of Soviet earnestness so that we avoid more troublesome problems down the road.

Obviously, Soviet pride would preclude a positive response if we posed our own conditions publicly. We can just as well pose them privately, but we should not accept private assurances in response. The truest measure of Soviet intentions will be deeds, not words.

If the Soviets are unable or unwilling to take the kinds of steps that we believe are necessary to signal their commitment to peace, the advantages to be gained by inviting them in will soon prove ephemeral, and they will then be in all the better position to disrupt the overall process. ~~W~~

On Geneva

In 1973, the Soviet Union went to the Geneva Conference as co-chairman with the United States, expecting to play an equal role in brokering any deal.

Instead, Henry Kissinger succeeded in shifting the scene of the real diplomatic action to his own shuttle missions, leaving Geneva an empty shell and leaving the Soviets in the embarrassing position of having helped to legitimize the very process from which they were excluded.

Kissinger was able to pull this off mainly because Egypt's President Sadat came to realize that -- as Kissinger put it -- while the USSR could supply arms, only the US could bring forth Israeli concessions. The US, in Sadat's words, held 99% of the cards.

The fact that the 1973 war left Israeli forces entangled with Egyptian and Syrian forces also imparted an urgency to the need for disengagement agreements, which the local states knew could be achieved more easily through American mediation than at Geneva.

Jordan, too, had no use for the Geneva setting, because it feared that the question of Palestinian representation would be resolved there to its disadvantage. Given this unanimity among the parties, the Soviets could do little

The Washington Institute Policy Papers

- 1: Dennis Ross, *"Acting with Caution: Middle East Policy Planning for the Second Reagan Administration"*
- 2: Ze'ev Schiff, *"Israel's Eroding Edge in the Middle East Military Balance"*
- 3: Hirsh Goodman, *"Israel's Strategic Reality: The Impact of the Arms Race"* (forthcoming)
- 4: Barry Rubin, *"The PLO's Intractable Foreign Policy"* (forthcoming)
- 5: Robert Satloff, *"Domestic Instability in the Kingdom of Jordan"* (forthcoming)

continued on back page

Can the Soviets 'deliver'?

Implicit in King Hussein's calls for negotiations under international auspices is the assumption that if the Soviet Union is dealt into the peace process it will be able to use its influence to secure Syrian cooperation.

A review of recent multilateral negotiations in the Middle East, however, shows that, in fact, the Soviet Union has repeatedly failed to "deliver" its client states.

Case 1

In 1969, bilateral talks between the United States and the Soviet Union resulted in a compromise proposal for an Egyptian-Israeli settlement.

Soviet Foreign Minister Andrei Gromyko then shuttled to Cairo, where he sought in vain Gamal abd-al-Nasser's acceptance of the settlement package. The Soviets not only acquiesced in Nasser's obduracy, they soon increased their military assistance in support of Egypt's war of attrition.

Case 2

The Soviets were no more effective following the Moscow summit in May 1972, which produced a set of working principles for freezing the Arab-Israeli conflict. The Soviets believed that another Arab-Israeli war would be detrimental to their interests.

To pressure Egypt away from the path of all-out warfare, the Soviets stalled on delivery of advanced weapons. But instead of serving to modify Sadat's

plan, Soviet pressure led him to expel them from Egypt.

By February 1973, Sadat's efforts to end-run Soviet policy paid off, Moscow resumed arms shipments that made the Yom Kippur War possible.

Case 3

During the preparatory stages of the 1973 Geneva Conference, the Soviets agreed to use their influence in Damascus to bring Syria to the negotiations.

Geneva offered the Soviets an opportunity to place themselves in the middle of negotiations and Moscow sought to establish the conference as a permanent negotiating framework.

Prior to the convening of the conference, the Soviets repeatedly assured the United States that the Syrians would participate.

Despite these assurances and Soviet co-chairmanship of the conference, the Syrians refused to come to Geneva.

Case 4

In 1977, the Carter Administration sought a comprehensive solution to the Arab-Israeli conflict via the reconvening of the Geneva international conference. Soviet involvement was considered essential for securing Syrian participation.

To reconvene the conference, Carter accepted a Soviet initiative for a joint statement of principles. The October 1, 1977 communique included a commitment that both superpowers would use their

... Sicherman

from page two

making peace, simply because the Soviets have far less of an interest in peace. Moscow, then, is left with only one constructive Soviet role, that of helping to initiate the conference and then standing on the sidelines as the US brokers an agreement among the local parties. This depends in the end on the King of Jordan, and whether -- like Sadat -- he is determined to reach a separate deal with Israel.

The signs are not propitious, for if Jordan needs a Soviet umbrella at the beginning of negotiations with Israel it will probably insist on it throughout and certainly at the conclusion.

Yet, only upon the intriguing though improbable possibility of Jordan "becoming another Egypt" hangs the virtue of the international conference. ~~W~~

influence with local parties to help open the conference by year's end.

Moscow failed to deliver on this commitment. Asad simply refused to respond to Carter's efforts and the USSR was either unwilling or unable to change his mind.

The problem, then, lies not so much in the Soviet Union's unwillingness to modify its own declaratory position on the Arab-Israeli conflict as in its inability to moderate the behavior of its clients.

--- Leonard Schoen



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SPEAKERS

Tahseen Bashir: Former Egyptian Ambassador to Canada and to the Arab League and chief press advisor to President Anwar Sadat

Yossi Beilin: Director-General of the Israeli Foreign Ministry and chief policy advisor to Foreign Minister Shimon Peres

Yossi Ben Aharon: Director of the Office of Israeli Prime Minister Yitzhak Shamir

Wat Cluverius: Senior Advisor to the Secretary of State on Middle East Peace; former Ambassador to Bahrain and Deputy Assistant Secretary of State for Near East and South Asian Affairs

Elias Freij: Mayor of Bethlehem and Chairman of the Bethlehem Chamber of Commerce

Thomas L. Friedman: *New York Times* bureau chief in Jerusalem; former bureau chief in Beirut and recipient of the 1982 Pulitzer Prize for outstanding international reporting

Shmuel Goren: Israel's Coordinator of Government Operations in Judea, Samaria and the Gaza District

Martin Kramer: Associate Director of the Dayan Center for Middle East and African Studies, Tel Aviv University; Visiting Fellow, The Washington Institute for Near East Policy; author of *Hizballah's War Against the West* (forthcoming, The Washington Institute Policy Papers)

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Yitzhak Shamir: Prime Minister of Israel

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(Text of an address given to a special Washington Institute Policy Forum in November 1987).

Israel and the Territories

February 11, 1987

Problems of Israeli Administration

Although terrorist acts against Israelis began just two months after Israel assumed control over the territories in June 1967, only a small percentage of the Arab population in the territories participates in terror campaigns. Indeed, those active in terror are so few in number that Israel was forced to expel only 14 people over the past two years. Moreover, there are more than 100,000 Arabs from the territories that work – and even own businesses – in Israel, many of whom speak Hebrew. But because the Palestinians represent a *potential* threat to Israeli security, it is necessary that Israeli forces maintain Israeli control over them.

While Israel has operational capability to manage the territories, it has no consensus political solution for the problems the territories currently pose. And given the demographic and economic realities of the territories and the likely radicalization of Palestinian youth over the next generation, even maintaining control will become a far more difficult problem. Yet it would be a grave mistake to simply abdicate responsibility for security and leave the area altogether, creating a vacuum which the PLO would quickly fill.

Jordanian Development Plan

After a long period of self-imposed exile, Jordan has begun to assume a more active role in supporting the territories and has now entered the fray for political control over the West Bank. The improvement of the “quality of life” program in the territories must continue. The recent opening of the Cairo-Amman Bank must be followed by the addition of new branches, and the bank itself must overcome problems with loans and financing. For its part, Israel has no opposition to any contribution to the Jordanian development plan, from the U.S., EEC, or any other party, provided that there is adequate coordination with the Israeli government.

Improving the economic vitality of the territories will result in a decrease in terrorism and thereby serve Israel’s security interests. Moreover, the Jordanian development plan also helps promote a positive atmosphere for a reinvigorated peace process. If Jordan continues with its development plan, the “silent majority” in the territories will be able to gain confidence and support, perhaps opening the way for improved Jordan-Israeli relations.

The Prospect for Elections in the Territories

The residents of the territories are not yet ready to take responsibility for themselves; rather, they continue to look to other countries and outside groups for support, guidance and leadership. Israel has been encouraging the local residents to

assume more responsibility for their own affairs, a good example of which is the recent appointment of Arab mayors. It would be premature to hold free elections.

The political solution to the territories, however, lies not in the territories themselves, but in Jordan. There, the outlook is not very optimistic. In the wake of Hussein's apparent reconciliation with Arafat at the Islamic Conference summit meeting in Kuwait, many residents of the territories have begun to question Jordan's commitment to its independent policy *vis a vis* the territories. If Jordan continues to court the PLO, it will suffer a political setback in the territories.

Future Palestinian Unemployment

Because of an increase in high school and university graduates, the territories have begun to witness some measure of unemployment. Generally, though, given current trends, unemployment is more of a future problem than a current crisis.

Lack of Egyptian Support

Over the past 20 years, Egypt has not contributed in any way toward aiding the territories. To the contrary, since 1977 Egypt has reduced its support and has even stopped allowing students from the territories to study in Egypt.

Effects of Prisoner Exchanges and Trends in Terrorist Activity

There have been dangerous after-effects from the release of the 1,100 Palestinians freed in exchange for the return of Israeli prisoners. At least 25 percent of those released have returned to terrorist activity. Overall, however, terrorist acts have been cut in half, with three events contributing to this trend:

- * the post-Lebanon reorganization of the IDF;
- * the PLO's expulsion from Jordan, and;
- * the recent development policy, which provides for an improved quality of life for the residents.

Islamic Activism

Islamic fundamentalist activity has recently registered an upsurge in the territories, particularly in Gaza, where a large cache of arms was discovered in 1986. Moreover, some guidance for these groups comes from elements inside Jordan.

U.S. Policy in the Middle East

April 7, 1987

Principles of U.S. Policy

Following a review of U.S. policy in the Middle East in early 1987, the Reagan Administration confirmed three basic principles:

- * the need to be active in the Middle East;
- * the need for realism about potential gains so as to avoid future failures, and;
- * the need to rebuild credibility through actions, not words.

The President's objective is to engage in considered actions, not to push initiatives simply for the sake of launching them or for the appearance of activism.

Commitment in the Gulf

Rebuilding credibility through actions has been the centerpiece of U.S. policy in the Gulf in recent months. American ships have been increased in number and moved further north in the Gulf; the U.S. has quietly but firmly warned the Iranians on the emplacement of Silkworm missiles; and the U.S. has offered to protect Kuwaiti shipping threatened by Iranian attacks. In tandem with our diplomatic efforts at the UN and our renewed commitment to Operation Staunch, these all have to be seen as important and credible elements of our overall reinvigorated Gulf policy.

Relations with Jordan

In talks with Jordanian Prime Minister Rifa'i, the Administration stated that it is not prepared to pay "conscience money" for its past mistakes of dealing with the Iranians. Jordan reaffirmed its desire for an international conference on the Middle East, but the U.S. is not yet fully clear of the best way to proceed with this proposal. In the meantime, U.S. energies should be focused on building cooperation between Jordan, Israel and Palestinians on the West Bank. "Quality of life" policies certainly have some impact and they should be carried much further. European financial support to the West Bank is encouraging and soon the U.S. will be able to support these programs with its own funds.

International Peace Conference

The Administration approached the idea of an international conference with caution and realism. There is no longer the belief that a peace conference is going to produce an immediate and comprehensive settlement. Rather, U.S. policy realizes that there must first be an evolution in the attitudes of the local parties, which would be followed by a discussion of the substantive *as well as* procedural issues *before* the conference could be convened. Careful preparation is necessary if any sort of conference is to be successful.

Soviet Involvement in the Peace Process

The Soviets have made some intelligent tactical moves by agreeing to eliminate the interest on the Egyptian military debt and by beginning to address the issue of Soviet Jewry. But the U.S. has yet to see a Soviet commitment to play a constructive role in the Middle East. One sign of that commitment would be Soviet renewal of diplomatic ties with Israel. However, the Soviets are still playing a "dual role," openly calling for an international conference while privately working against the Amman accord between Jordan and the PLO and sponsoring a revitalization of a more radical PLO.

Changes in Syria's Regional Posture

Syrian President Hafiz al-Assad has begun to show signs of weakness. For example, he has been obliged to slow down the military build-up with which to challenge Israel. The situation in Lebanon may force him to confront Hizballah and act forcefully to prevent the return of the PLO. The terrorist attacks in Istanbul and Karachi in September 1986 were the last clearly identifiable terrorist attacks linked to his regime. But while Syrian behavior seems to have improved recently, it remains unclear to what degree Syria can be a positive element in the peace process.

Egypt's Role in the Arab World

It is of great importance that Egypt was welcomed at the Islamic Conference summit in Kuwait, meeting not far from the Iraq-Iran battlefield. Egypt's warm reception there shows that it is returning to a leadership position within the moderate Arab world on its own terms and with the bilateral peace with Israel intact.

Libyan-Soviet Relations

The Soviet relationship with Libya has always been uncomfortable, as evidenced by the fact that the Soviets did not even alert the Libyans about the U.S. bombing raid last April but rather decided to move their military personnel and missile sites away. To a large extent, Moscow supplies Libya with so much weaponry because the Libyans pay debts in hard currency. Politically, though, the Soviets have been embarrassed of late by Libya's involvement in terrorism and by Libya's defeat at the hands of Chad. Qadhafi has clearly lost some of his power to intimidate. If he were replaced, the Soviets might find a more reliable and pro-Soviet ally.

The Peace Process and U.S. Policy

April 8, 1987

The Need for a Formal Peace Process

There is a growing recognition on the Arab side that the existential element of the Arab-Israeli conflict has ended and that Israel is an accepted fact in the region. But the *de facto* evolution of conciliatory Arab attitudes to Israel can only continue if there is a parallel effort to achieve a *de jure* settlement of the conflict. In the absence of a formal peace process, the situation is bound to backslide into further conflict, ultimately leading to war. A formal peace process, therefore, must remain a central element of American diplomacy in the Middle East.

Given the inherent differences between Hussein's Jordan and Sadat's Egypt, the era of "lightning breakthroughs" in the peace process is over. Today, the preeminent obstacle in the formal peace process is overcoming procedural obstacles to getting the key parties to the negotiating table.

U.S. Policy and the International Conference

The only way to achieve a peace settlement is through direct, bilateral negotiations between the concerned parties. However, the Jordanians insist that the operative mechanism to achieve such negotiations must be an international conference with Soviet participation. For Jordan, insistence on an international conference is a "survival issue," because without adequate international cover, they think they would be too exposed to radical forces.

Although the U.S. views the international conference with deep reserve and skepticism, it is willing to explore the idea as a means toward direct negotiations. The conference, however, would have to be convened in a very carefully constrained, circumscribed, and restricted environment. The U.S. will not permit the conference to interfere in the substance of negotiations.

Significant movement has been made toward understanding how such a conference might be structured. The remaining difficulties consist of finding proper language that would allow for progress toward convening the conference but that would not permit the conference to become a forum for "beating up" on the Israelis. Unless progress is made within four months, the entire issue is likely to fade from the Washington policymaking and political agenda.

Jordan's Peace Process Policy

Jordan is anxious to begin the process of negotiations, because it believes that if the current opportunity is lost, the peace process will not again be on the Washington agenda until the summer of 1989. In addition, Amman senses that the next Israeli election battle will be waged over the peace process. Jordan's unease with the *status quo*

and desire to formalize its relationship with Israel through the peace process have both grown as a result of the election of the first Likud government. Hussein came to believe that it would be better to install a *de jure* relationship with Israel, no matter how comfortable the existing *de facto* relationship might be.

For Jordan, the international conference idea is not a device to avoid bilateral negotiations. In fact, Jordanian Prime Minister Rifa'i has restated his government's readiness for the establishment of a Jordanian-Israeli working group under the aegis of the international conference.

Palestinian Representation

Jordan does not think that the problem of Palestinian representation in the international conference has to be addressed head-on until later in the process. Moreover, the King believes that at that time, the Palestinians could be pressured to abandon some of their "ridiculous positions." At the moment, the PLO is in such a state of disarray that there are many who believe that it would be better to postpone dealing with the issue of Palestinian representation until the PLO's situation becomes clearer.

Soviet Involvement in the Peace Process

For the Soviets to prove they can play a constructive role in the peace process, they have to make some fundamental adjustments in their policies – not just toward Israel, but with the Arabs as well. They have always supported the narrowest, most intransigent Arab position, but they cannot expect to have a role in the process if their position is no different from Syria's.

Importance of the Reagan Initiative

The framework outlined by President Reagan in September 1982 remains the basic Administration vision of resolving the Arab-Israeli conflict today. Resolution 242 remains the basis of negotiations and Camp David has something to offer to the negotiations as well, but there is some irrelevancy in Camp David, too. If the Administration were to table a working draft proposal that it felt could accommodate the Jordanians, Palestinians and Israelis, it would still be along the lines of the Reagan initiative.

Recent Events in the National Unity Government

May 13, 1987

The Inner Cabinet and the Issue of an International Conference

At this morning's session of the Israeli Inner Cabinet, Foreign Minister Shimon Peres outlined his reported agreement with Jordan on convening an international conference. This agreement:

- * calls for the participation of the five permanent members of the UN Security Council;
- * calls for negotiations based on UN Resolutions 242 and 338, and;
- * calls for the acceptance of the legitimate rights of the Palestinian people.

Seeing the Inner Cabinet split, Peres apparently came to the realization that if a vote on his proposal were forced, it would probably fail. Therefore, he opted not to press for a Cabinet vote. He is currently engaged in trying to gain the 61 Knesset votes necessary to break up the coalition and call for new elections.

A Critique of Peres' Proposal

The Peres-Hussein agreement has two main flaws – it neither provides for the exclusion of the Soviet Union nor of the PLO. As currently formulated, both would eventually have roles to play in the international conference. A Soviet presence at the conference would legitimize a Soviet role in Mideast diplomacy from which it has been excluded since 1973. And even if it does not participate in the conference, the Soviet Union would still retain “veto power” by virtue of its political and military relations with Israel's adversaries, who, most likely, would be in attendance.

Moreover, the Peres plan might allow for eventual PLO participation if the PLO were to re-affirm its acceptance of the February 1985 Hussein-Arafat accord on confederation. The Likud is opposed to any PLO participation in the peace process, even if it were to announce its acceptance of Resolution 242 and to renounce violence – both of which can be construed as declarations implicit in the Amman accord.

Opposition to the International Conference

The Likud bloc opposes the idea of an international conference for the following reasons:

- * Israel runs a high risk of political isolation in attending the conference;
- * Soviet participation is unwarranted;
- * the PLO is not a potential partner to the peace process, and;
- * the Camp David framework for negotiations should not be abandoned.

The Likud is firmly opposed to the international conference even as a way of leading to direct talks. If an international umbrella is needed to elicit Jordanian participation, then, at some later stage, a meeting of Israel, Jordan, Egypt, the United States and possibly Syria and Lebanon could be possible. But history has shown that "internationalization" of the conflict does not lead to its solution.

Jordan and the Palestinians

Peres' plan would permit the eventual participation of Jordan and the PLO in the peace process, but it is not possible to negotiate with both parties. In point of fact, the PLO is a mortal danger not only to Israel but to Jordan as well.

In the past, King Hussein set preconditions for his acceptance of the concept of direct negotiations, arguing, for example, that he needed advance assurances that in return for negotiations Israel would withdraw to the pre-1967 lines. Recently, his position has shifted to concentrate on the modalities of talks rather than on the substantive issues. But this shift is more tactical than strategic.

For its part, Israel is ready for direct negotiations, without preconditions, along the Camp David model. In addition, it is imperative that Israel continue efforts to elicit the participation of responsible, non-PLO, Palestinian leaders in the West Bank in negotiations with Israel and Jordan. Autonomy, as envisioned in the Camp David Accords, is still the best route to peace with Jordan and the Palestinians.

Soviet-Israeli Relations

The issues of Soviet-Israeli diplomatic relations and Soviet Jewish emigration should not be held hostage to the peace process. Progress on these issues does not automatically admit the Soviets into the peace process.

Although there have been Soviet-Israeli contacts, the messages received from the Soviets on these two issues are often ambiguous. So far, there has been no fundamental change in Soviet Middle East policy. Among the changes in Soviet policy that Israel would consider positive are:

- * a reduction of arms supplies and political support to the radical Arab states – Syria, Libya and South Yemen;
- * an end to military and political support for terrorist groups;
- * a decrease in anti-Israel propaganda in the Soviets' Arab-language broadcasts, and;
- * a change in Moscow's anti-Israel positions at international forums.

An Egyptian Perspective on the Peace Process

May 20, 1987

Egypt's Peace Process Strategy

Under President Husni Mubarak, Egypt has been the "ballast of peace" and has tried to expand the peace process throughout the region. Arabs and Israelis must realize that stagnation in the peace process will only end in catastrophe. For the first time, however, there are signs of a consensus on both sides that recognizes the necessity for movement toward peace. These signs provide encouragement to push the peace process forward.

The Egyptian government has continuously worked towards this end. But right-wing Israeli politicians view the lesson of the Egypt-Israel peace as calling for Israel to deal with Arab states one at a time. Over the past nine years, Egypt and Israel have not coordinated their efforts to "create modalities of thought" which could break the deadlock in the peace process. Only a common realization of the bleak future ahead will provide the necessary impetus to foster alternatives to the *status quo*.

Competing Israeli Visions

Israelis are split among three visions of settling the Arab-Israeli conflict:

- * The conventional option of "territory for peace," outlined first in the Allon Plan and now represented in Shimon Peres' view of how to move forward in the peace process. Currently, there is no Knesset majority in support of this option.
- * The "territorialist" option of maintaining control over the entire occupied territory. Supporters of this position are, in fact, denying the reality of the situation. Ariel Sharon, for example, tried to impose peace by force via his war in Lebanon, but that effort failed miserably, with Israel suffering more casualties than the PLO could have otherwise inflicted in a decade of guerrilla operations. Moreover, the military superiority that Israel needs to maintain control over the territories is weakening.
- * The "Kahanist" option of either killing or expelling the Palestinian population of the West Bank and Gaza Strip in order to ensure Israel's survival in the face of the demographic threat. This position has extremely limited support in Israel.

Two realities currently confront Israel. First, Israel and the Arabs cannot live forever without peace, and second, Israel cannot continue to hold onto the occupied territories without sustaining very high costs. Demographic changes will lead to a situation virtually identical to the problems now facing South Africa and Northern Ireland.

The U.S. Role in the Peace Process

U.S. engagement in the peace process is dependent upon a Knesset majority in favor of pursuing peace. In the absence of Israeli signals supporting the peace process, the U.S. will support the *status quo*. It is important to understand that even the superpowers are unable to deliver a solution to the conflict, because any solution must come from among the parties themselves. Those external actors, however, do have an important role to play in facilitating a solution.

Roadblocks to an International Conference

Differences over substantive issues are the real impasse to negotiations, not disagreements over procedures. Procedural splits only hide the fact that any Palestinian delegation to an international conference would have to be responsive to PLO aspirations and that even King Hussein would not attend a conference accompanied by a Palestinian delegation that was opposed by the PLO.

It will be an important first step for Israel to meet with a Jordanian-Palestinian delegation. Moreover, an Egyptian-Jordanian-PLO dialogue may be useful in effecting a positive change in PLO policies. Also, Syrian participation in an international conference may improve its chances of success.

The end-product of negotiations should be the establishment of a "demilitarized Luxembourg" in the West Bank, in affiliation with Jordan. Economic cooperation between Jordan, Israel and the West Bank, similar to an EEC arrangement, would be desirable as well.

The Soviet Union and the PLO

The Soviets have the potential to play a positive role in the negotiations, especially given their influence over the PLO. Moscow intervened in the Syria-PLO split and helped engineer the PLO's reconciliation in Algiers. There are also changes in Soviet formulations regarding the PLO. Recently, Soviet officials said the PLO should choose its delegation to an international conference, whereas previously, the Soviets said the PLO should participate on "equal footing" with all other parties. To a large degree, the ability to harness this change in Soviet behavior will determine the outcome of negotiations.

Syria and Israel

Syria and Israel both have the capability to inflict severe damage on each other. Therefore, it is in Israel's interest to seek Syria's "pacification." Through an international conference with Syrian and Soviet participation, Israel and Syria may be able to reach a mutual understanding concerning the Golan Heights. Rather than expending their resources to fortify the Golan, they would then be able to invest in the productive development of the area.

Israeli Policy and the Peace Process

June 10, 1987

Reinvigorating the Peace Process

In the years following the signing of the Camp David Accords, the hope that other Arab states would follow Egypt to the negotiating table failed to materialize. But the regional environment began to change in 1984. The National Unity Government took office intent on ending the war in Lebanon, ironing out differences with Egypt and opening negotiations with Jordan. Hussein, meanwhile, restored diplomatic relations with Egypt and addressed the PNC in Amman, arguing for a joint Jordanian-Palestinian delegation in the context of an international conference. For its part, the PLO rejected Hussein's conditions – acceptance of UNSC Resolutions 242 and 338 and a halt to terrorism.

Reaction to the Conference Concept

Neither Israel nor the United States was enthusiastic about the idea of convening an international peace conference; both preferred direct talks as the means to a political settlement of the Arab-Israeli conflict. Even Egypt preferred not to have recourse to the conference.

Nevertheless, all parties viewed Hussein as a desirable and authentic partner for negotiations. As a result, Israel modified its policy in an effort to accommodate Jordan. Speaking to the United Nations in October 1985, Prime Minister Peres, supported by previous government declarations by Golda Meir, Yitzhak Rabin and Menachem Begin, endorsed the idea of an international conference as an opening to direct negotiations between Israel and its neighbors. The government coalition defeated a vote of no confidence on the issue, thereby expressing its support for Peres' position.

Current Status of the Conference

Two central issues remain unresolved: the readiness of the Soviet Union to normalize relations with Israel (meaning freedom of emigration for Soviet Jewry and the renewal of diplomatic ties with Israel) and the question of Palestinian representation within a joint Jordanian-Palestinian delegation.

Nevertheless, it is clear that the greatest obstacle on the regional level has been overcome. Today, the focus of debate inside Israeli politics is whether to proceed with efforts to overcome procedural problems in convening the conference.

Arguments against the Conference Idea

There are four arguments against pursuing the idea of an international conference:

- * The entire concept is inoperative; the conference is not likely to convene even if Israel were to agree to participate.
- * The conference is liable to impose a solution on Israel that would threaten its security.
- * The conference negates procedures adopted in the Camp David Accords.
- * Should the conference fail, the resulting frustration would lead to a deterioration in relations between Israel and its neighbors.

Arguments in Support of the Conference Idea

There are four arguments in support of pursuing the idea of an international conference:

- * Accepting Jordan's ultimatum would be the true test of Hussein's desire for peace.
- * Understandings between Israel and the U.S., France and Britain would ensure that no conference could impose a solution on Israel.
- * There is no contradiction between the conference and the Camp David Accords. Anyone who believes there is such a contradiction must also believe that direct talks with Jordan contradict Camp David.
- * While success cannot be guaranteed, the dynamics of the conference may give rise to novel solutions. On the other hand, doing nothing could lead to deterioration in Israel's regional and global posture.

The Fight against Time

The status quo is the greatest enemy of peace. Israel is faced with a complex demographic problem, with important social questions and with a 40-year legacy of war and terrorism. The Arab states, after investing vast sums in armaments, are today experiencing economic hardships that may undermine the stability of their regimes. Time is not working in favor of either side to the conflict. It is Israel's duty to take advantage of the current opportunity to pursue peace – even the idea of an international conference as an opening to direct talks – despite the risks that it may entail.

The Soviet Role in Peacemaking

If the Soviets clarify their view and agree to the concepts of “no veto” and “no imposition,” it may have an impact on the Israeli political debate. For purposes of international prestige, the Soviets do have an interest in playing a role in the conference. For Israel to accept such a Soviet role, Jewish emigration must reach its mid-1970s level and diplomatic relations with Israel must be restored.

The Structure and Strategy of Hizballah

July 22, 1987

The Origins of Hizballah

Since the Lebanon War of 1982, Hizballah – the “Party of God” – has emerged as a major force on the Lebanese and Middle Eastern political scene. Originally a Shi’ite movement of political and social protest, Hizballah has given rise to Lebanon’s fastest growing militia, with a widely feared covert branch dedicated to the use of terrorism. Inspired by the success of the Islamic revolution in Iran and with assistance from the Iranian regime, Hizballah uses three means – persuasion, coercion, and terror – to spread the message of Islamic revolution and pursue its goal of a region-wide Islamic state.

The Structure of Hizballah

Hizballah is a loosely integrated coalition held together by threads of authority. Through the establishment of a governing council, Iran has sought to centralize the organization, but diverse elements within Hizballah still strive to maintain their autonomy. The political element within Hizballah operates openly. Its leaders are Shi’ite men of religion who occupy the same place of primacy in Hizballah as they do in Islamic Iran. Among the clerics themselves, there is an informal hierarchy of deference, providing Hizballah with much of its internal structure of authority. Hizballah’s militia operates in the Beka’a Valley, the southern suburbs of Beirut, and South Lebanon, and it is trained and supplied by a contingent of Iranian Revolutionary Guards. Hizballah also has a following within the rival Shi’ite Amal militia, which is in an advanced state of fragmentation. Hizballah maintains a covert wing, devoted to the use of terror, which operates under many names, including Islamic Jihad. In order to ensure absolute reliability, recruitment into this wing is usually based on family connections.

Internal Factionalism

There is considerable debate inside Hizballah over strategy and tactics. One major division is between those Shi’ite clerics who preached the doctrine of Islamic republicanism before the Iranian revolution in 1979, and those who have endorsed the idea more recently. The former, guided primarily by Sayyid Muhammad Husayn Fadlallah, feel no intellectual debt to Khomeini; the latter are completely subservient to Iran. Other sources of factionalism are based upon family and personal rivalries. Of growing importance are the various factional rivalries in Iran itself, whose differences are being manifested in splits within Hizballah.

Hizballah’s Strategy

Hizballah’s aim is the creation of a region-wide Islamic state, not merely the establishment of an Islamic Lebanon which would not be viable amid the hostile states

surrounding it. Hizballah's top priority is to provide support for an Iranian victory in the Gulf War, which would then be followed by the liberation of Palestine. Only later would Lebanon be incorporated into a larger Islamic state.

In fact, Hizballah has taken none of the requisite steps toward creating an Islamic republic in Lebanon. Specifically, Hizballah has not tried to insinuate its members into Lebanon's existing power structure by seeking parliamentary seats or ministerial appointments; it has not moved against the Maronite community; it has not declared part of Lebanon an Islamic republic; and it has not confronted Syria, the principal obstacle to the establishment of an Islamic republic. Instead, Hizballah has remained devoted to the pursuit of the larger strategy, aiding Iran's war effort through hostage-taking and waging the battle against Israel's security zone in South Lebanon.

Potential Splits in the Ranks

Two challenges confront Hizballah in the immediate future. First, Syria's siege of Beirut's southern suburbs has threatened to rob the movement of its independence, and second, its strategy against the Israeli security zone has proven unsuccessful. Hizballah has entered a period of growing internal frustration which is liable to cause a split in its ranks.

In the event of a split, one faction is likely to continue to pursue past strategy, cooperating reluctantly with Syria in the hope of an eventual Iranian victory in the Gulf war. The other faction believes that Syria will reverse allegiances in the Gulf war, and therefore it is best to confront Syria in Lebanon now. Both of these factions will enjoy the support of parallel factions in Iran itself.

Hizballah and U.S. Policy

To forestall Hizballah's success, the U.S. should adopt the following policies:

- * Encourage Syria to intensify its pressure on Hizballah, rewarding results, not intent;
- * Indicate support for the security zone in South Lebanon, for if it were to collapse, Hizballah would gain unprecedented prestige.
- * Expand cooperation with Western Europe and Israel in combatting Hizballah terrorism.
- * Consider a more active policy should legal means not adequately deter terrorist activity.

Hizballah and the Sunni Community

Hizballah has tried to reach out to the Sunni population, but despite having Sunni allies in northern Lebanon, the general response from the Sunni community has not been favorable.

PLO-Jordan Competition and Its Implications for the Peace Process

September 15, 1987

Jordan v. the PLO

Relations between Jordan and the PLO are marked by a fundamental clash of strategic interests. To survive, each must seek to subordinate the other to its will. Either Jordan will determine the fate of the Palestinians, and thereby safeguard the existence of the Hashemite regime, or the Palestinians will determine the fate of Jordan, and thereby undermine the foundation of the Hashemite regime.

Jordanian Policy v. PLO Policy

Since at least the late 1940s, standard Jordanian policy has worked to prevent the creation of an independent Palestinian power-base and to defuse a dangerous and irredentist Palestinian nationalism. Moreover, Jordan is the only Arab state with a basic national interest in the survival of Israel. This is because Israel, by opposing Syrian claims to regional dominance and by combatting PLO efforts to maintain a base for military operations along its border, assists Jordan in battling its two most pernicious enemies.

The goals of the PLO run diametrically counter to the goals of Jordanian policy. PLO interests include the revival of Palestinian identity with the aim of creating a Palestinian state; prevention of a Jordanian-Israeli agreement over territorial issues; eradication of the Israeli state; and "Palestinization" of Jordan in order to create a vehicle for the eventual liberation of Palestine.

Coordination and Competition

Despite their fundamental clash of interests, Jordan and the PLO have periodically entered into periods of tactical coordination. This cooperation, however, can never erase the basic division between the two parties. Such division, for example, was evident almost immediately upon the announcement of the Jordan-PLO Accord of February 11, 1985, when each party offered widely divergent interpretations of the idea of "confederation" and the necessity of recognizing Resolution 242.

For Jordan, the concept of "land for peace" and the implicit recognition of Israel contained in Resolution 242 are essential elements for a successful peace process. For the PLO, however, Resolution 242 is itself an impediment to attaining its goals, because it contravenes the PLO's notion of self-determination. According to the PLO, acceptance of Resolution 242 without an amendment recognizing Palestinian rights to self-determination transforms the Arab-Israeli conflict from an existential issue between Israel and the Palestinians to a simple border conflict between Israel and the Arab states.

The Time Factor

Differing perceptions of the urgency of solving the Palestinian issue are at the heart of the Jordan-PLO competition. For Jordan, time is not on the side of the Arabs. Hussein is driven to seek some sort of settlement with Israel before the idea of the forced expulsion of Palestinians from the West to the East Bank predominates in Israeli political thinking. For the PLO, however, time is an asset. The PLO supports arguments about Israel's "demographic timebomb" and the eventual erosion of Israel's ability to combat the Arabs. Moreover, the PLO does not fear the expulsion of Palestinians to Jordan, for that could only assist in the destabilization of the Hashemite regime.

Hussein's West Bank Initiative

Since splitting with Arafat in February 1986, King Hussein has begun working in concert with Israel to undermine PLO dominance on the West Bank and to assert his own political authority. A sign of his success at chipping away at the PLO's position would be a desire on the part of Arafat to resume coordination with Jordan, and thereby defuse the King's West Bank policy. For his part, Arafat's main preoccupation today is not with the peace process but with the more immediate problem of securing an independent base of operations. As a result, the PLO has invested heavily in restoring a political presence in Lebanon.

Jordan, the PLO and the Peace Process

Irreconcilable conflicts between Jordan and the PLO mean that they cannot both be accommodated in the peace process. Success, therefore, requires forcing Arafat to choose between subordination to Hussein and total exclusion from the process. If Arafat is permitted to participate in the process on an equal footing with Hussein, the process is doomed to failure.

The Soviet Role in Jordanian-PLO Competition

Jordan genuinely seeks Soviet participation in the peace process because Hussein does not believe that America on its own will pressure Israel to make territorial concessions. Moreover, Hussein realizes that some form of PLO representation is necessary to legitimize his peacemaking effort and Soviet participation is a tactical maneuver to gain the PLO's acquiescence. For the PLO, however, Soviet participation is perceived as a strategic necessity, for it would help ensure the PLO's participation in the peace process on an equal footing with all other parties.

The National Unity Government After Three Years

October 1, 1987

The National Unity Government

Although the National Unity Government (NUG) has been a “marriage of inconvenience,” it has been a more positive alliance than might appear at first glance. The NUG was formed because of the political reality confronting it, not because of love or admiration between Likud and Labor. However, the government has produced some pleasant surprises, such as the vast improvement of the economy. Another positive consequence of the NUG has been that, despite a somewhat different popular perception, most government decisions have been based upon the merits of the particular issues raised, rather than domestic political considerations. This is especially the case in the area of national security.

U.S.-Israeli Relations

Despite the Pollard affair and the Iran arms sales affair (both of which are, of course, totally different in context and nature), U.S.-Israeli relations are as strong as they have ever been in the past. Although the peace process should remain one of the top priorities, there is a wide spectrum of additional issues of great importance to the promotion of bilateral relations. For example, strategic cooperation, which has been greatly enhanced over the past several years, should continue to be a top priority.

The Peace Process and an International Conference

The Likud and Labor are equally anxious to find a solution to the Arab-Israeli conflict. The Likud's efforts with Israel's Arab neighbors and with Palestinian Arabs concerning a political settlement have been significant but less publicized than Labor's.

While Prime Minister Shamir affirms his support for negotiations, he will not accept negotiations conducted through an international conference. He views the conference as a non-starter, since by design Israel would be isolated and at a disadvantage. Israel would be subject to intense pressure from both friends and adversaries alike, including the United States. The NUG is divided on the issue of an international conference. Vice Prime Minister Peres believes that while Jordan needs an international umbrella to partake in negotiations with Israel, it will quickly move into direct bilateral negotiations.

Several alternative conference proposals are acceptable to Shamir. These include bilateral negotiations with Jordan; a Camp David-style framework for negotiations with the participation of Israel, Jordan and the U.S.; or even a regional conference, including Israel, Egypt, Lebanon, Syria, a joint Jordanian-Palestinian delegation and perhaps Saudi Arabia as well.

Any negotiation must have the support of a substantial majority of Israelis; a slim majority in favor of a certain type of negotiation will not be sufficient. Israel is cognizant that Jordan does not see itself committed by Camp David, in which it did not participate. Hence, although a formula similar to Camp David is needed, the Camp David label does not necessarily have to accompany it. A good deal of thought has been put into the question of the substance of negotiations over the past two months.

It is not yet necessary to address the question of final status because negotiations concerning an interim political settlement have not even begun. Final status will be discussed in the later stages of a settlement. Although negotiations do not appear around the corner, there are ongoing efforts to achieve agreement on the procedures of negotiations.

Expanding on the Egyptian Model

A decade ago nobody believed Sadat would come to Jerusalem. But these calculations were wrong; Sadat did come. Today the peace process needs to be injected with the Jordanian element. Jordan and Israel would both benefit tremendously, in a variety of fields, as a result of a political settlement.

Although bilateral negotiations between Israel and her other Arab neighbors may appear unlikely to some at present, events in the Middle East are unpredictable. Several months or years from now Israel may be engaged in the midst of a negotiated settlement with Jordan. The objective is to see whether a reasonable interim arrangement can be negotiated that would precede final status negotiations (to come at a later period) and that would ensure the support of a substantial majority in Israel. These interim negotiations should be about an autonomy plan based upon the models discussed in the past. This would include a Jordanian role, which has not been fully explored because Jordan did not take part in past negotiations. These interim arrangements, which may include a practical, functional angle, can create a reality that will help the final status negotiations.

The Egyptian-Israeli peace treaty serves as an island of peace. Although the degree to which it is implemented leaves a lot to be desired, the peace treaty exists, is stable, and is the cornerstone of wider peace efforts.

Common Ground on Negotiations

The entire Israeli government is in favor of moving the peace process forward. In fact, the common ground between Shamir and Peres on the substance of the negotiations for an interim arrangement may prove to be impressive. It is the procedures by which negotiations will be attained which are in dispute.

The West Bank and Prospects for the Peace Process

October 15, 1987

A Call for Diplomatic Activism

A negotiated settlement among Israel, Jordan and the Palestinians is the only feasible means for a political solution to the conflict. An international peace conference is a good forum in which to start negotiations. Though the parties may be far apart now, the international conference will provide adequate momentum to the peace process to ensure a positive outcome.

Peace, however, will only be achieved when the U.S. government and Congress put their hearts and minds into actively working for the convening of such a conference. Without Washington's direct and active participation, the conflict will continue indefinitely. For example, the Egyptian-Israeli peace treaty would never have been achieved without active U.S. involvement.

The Urgency for Compromise

Israel's occupation of the territories, now two decades old, serves no party's interests and must cease. Not only have the Palestinian people suffered too long, but the continued occupation of the West Bank and Gaza is corrupting Israeli society. Political accommodation with Israel must be reached. Palestinians, Jordanians and Israelis must forgive, forget and forge a comprehensive solution to the conflict. Today there is a consensus among most Palestinians in the West Bank and Gaza Strip to make peace with Israel. The most discouraging talk comes from those Israelis who talk about transferring Arabs outside the occupied territories.

Palestinian Representation

Palestinian representatives at a peace conference must be appointed by the Palestinians in conjunction with Jordan. No foreign power will be able to assign or delegate Palestinian representation, otherwise the delegates will be considered quislings among their people and will lack authority. However, no settlement can be reached without the full cooperation of Jordan.

Israeli Settlements in the Occupied Territories

Expansion of Israeli settlements in the West Bank is a greater danger to peace in the region than the day-to-day outbursts of violence. The settlements are dismembering the structure of the West Bank and if there is no political solution soon, we will reach the point of no return when a solution will be unattainable. Rather than treat the West Bank and Gaza as occupied territories, Israel should administer them as a trust.

Economic Conditions

The Palestinians in the occupied territories are a people with neither an economy nor an industry. They are totally dependent upon the Israeli market for trade and economic sustenance. Moreover, through the heavy taxes they pay, the Palestinians carry the entire load for financing the occupation themselves. Israel must improve the economic condition of the territories, and the best way to pursue this is by channelling more development funding to the Arab mayors, who hold positions of strategic importance inside the territories.

The Jordanian Development Plan and U.S. Financial Assistance

The East Bank and West Bank share the same future and destiny. In order to strengthen the Jordanian position in the West Bank, it is imperative that financial aid be provided to the Jordanian Development Plan. Such aid will bolster the forces of moderation throughout the territories. A substantial U.S. contribution, of at least \$50 million per year, would go far to improve the political situation in the territories and strengthen moderate Palestinians.

Palestinian Elections

The idea of municipal elections in the territories should be firmly supported. To carry out needed economic and social projects, mayors require the sort of popular backing from their constituents that only elections can provide. Moreover, elections would help point out new, innovative and vigorous leaders among the Palestinian community. In addition, Arabs should run for seats on the Jerusalem City Council. Arabs in East Jerusalem already pay taxes and participate in the political system by voting in municipal elections, so it is only logical that they should run for office in order to have direct representation on the City Council.

The PLO, Palestinians and the International Conference

In order to prove to the world that it is not the obstacle to peace that Israel claims, the PLO should recognize Israel, accept Resolutions 242 and 338, and declare an indefinite truce. Moreover, Palestinians and Jordanians must decide together who will represent the Palestinians on a joint delegation to an international conference.

The international conference is the only viable route to peace; there is no alternative. Yitzhak Shamir's proposal of a regional conference is totally unacceptable, just as is his preference for a "peace for peace" formula rather than the accepted formula of "land for peace."

Iran and Iraq: Imperatives for the U.S. and Israel

December 10, 1987

War Strategies and Possible Outcomes

In response to Iran's focus on ground offensives, Iraq developed a counter-strategy of exploiting its air superiority to attack Iranian oil installations. Iraq's goal was to cripple Iran's source of oil-export revenue, thereby limiting its ability to prosecute the war. To that same end, Iraq also began a series of attacks against shipping in international waters of the Gulf, a policy which "internationalized" the conflict by threatening the freedom of navigation in the Gulf. Tehran's reaction has been to target Iraq's relatively weak financial supporters, primarily Kuwait, hoping Iraq's allies would convince Baghdad to cease its attacks on Iranian oil installations.

As it stands today, there is no chance of an outright Iraqi victory in the war. There are only two possible outcomes – a standoff between the two parties or an Iranian "technical knockout" of Iraq. Iran's overwhelming manpower advantage plus its greater popular commitment to the war effort makes the second option a distinct possibility.

U.S. Interests in the Gulf

An Iranian victory in the war would be a great blow to U.S. interests, both in the Gulf and throughout the Middle East. It should be recalled that the Iranian government has spent at least \$100 million to support the Shi'ite effort to establish an Islamic state in Lebanon. An Iranian victory would give fresh impetus to such efforts and would promote instability throughout the region, which would be to the detriment of U.S. interests. Moreover, the U.S. should be wary not to let the Gulf become easy prey for the Soviet Union, especially since the Soviets' close geographic proximity to the Gulf gives them a great advantage over the U.S. Halting any spread of Soviet influence in the region must remain a top U.S. priority.

Deterring Iran

The increased U.S. military presence in the Gulf and the reflagging of Kuwaiti tankers has helped to deter Iranian actions. The Iranians still perceive the U.S. as a superpower and seem hesitant to incur America's wrath. Iran's reaction to America's retaliatory raid on the Iranian oil platforms in international waters was subdued and Iranian threats of reprisals against the U.S. have gone unfulfilled.

Imperatives for U.S. Policy

Imperatives for U.S. policy in the Gulf include:

- * A realization that the U.S. military presence in the Gulf is inevitable and that it involves a long-term commitment;

- * An understanding that U.S. military actions must be governed by caution and selectivity, in order to prevent unnecessary escalation of hostilities;
- * An effort to ensure that military and technical capabilities, particularly the communication and command structure, function at their highest level of performance, so as to avoid military confrontations, and;
- * A top-priority commitment to achieving a cease-fire agreement. In this regard, to the extent that the Soviets can play a positive and effective role, Soviet help should not be spurned.

Implications for the Arab-Israeli Conflict

As the Amman summit indicated, the Arab-Israeli conflict has clearly lost “top billing” in the region, with the Gulf war and the threat from Iran the most important issues facing both the regional actors and the superpowers. The current situation, therefore, provides valuable room to move the peace process forward. It is incumbent on the U.S. to utilize all its energy to move that process forward.

Israeli Policy toward Iran and Iraq

Israeli policy should be based on the need to improve relations with the core Arab countries. Times have changed since Israel operated under Ben-Gurion’s periphery theory; the Egypt-Israel peace treaty made real the possibility of better relations with the core and the revolution in Iran made relations with the periphery far more problematic.

Thus, it is essential that Israel convince Arab states that it is no longer an ally or supporter of Iran. Specifically, there should be no more weapons sales to Iran. Second, Israel must find ways to test whether Iraqi moderation on the Arab-Israeli front is a “strategy” or merely a “stragem.” Through the good offices of Egypt, Jordan and particularly the U.S., an Iraqi-Israeli dialogue should be promoted. There may be areas of potential cooperation between the two countries. Iraq has a long history of deep and profound enmity toward Israel, but it is Israel’s responsibility in the search for peace to test whether Iraqi attitudes have undergone any change. And third, it is important that Israel prevent any divergence with U.S. policy in its Gulf efforts.

Israeli-Iraqi Rapprochement

Past Israeli-Iraqi contacts on issues such as the proposed Iraqi pipeline to Aqaba have gone nowhere; they should be taken up again in a serious and constructive manner. A useful first step would be for Iraq to cease its propaganda attacks against Israel. Israel, for its part, should reaffirm its cessation of arms deliveries to Iran. As Israel wishes, other issues – including Iraqi nuclear capability – can be discussed in the dialogue. But despite growing belief in the Israeli academic community about the need to test Iraq’s sincerity in a bilateral dialogue, the government’s political echelon remains committed to the Ben-Gurion vision of the long-term benefits of seeking better ties to Iran.

Israel in an Election Year

December 16, 1987

The National Mood

At the core of the Israeli national psyche is the desire to be left alone. The average Israeli is tired of the constant fever pitch of Israeli society and is pleased that, in an odd way, the Shamir government has managed to make Israeli politics "boring." In this light, most Israelis viewed the strike by Israel television and radio as a blessing. Moreover, many Israelis sympathized with the on-duty soldier who failed to react quickly to the recent hang-glider terrorist infiltration. Many shared the soldier's apparent inability to live in a constant state of alert.

Peres-Hussein Understanding

While there was significant progress made between Shimon Peres and King Hussein in their "London Agreement" last spring, they could not agree on how to present their accord to the public. Peres did not believe that he could withstand the political pressure from public announcement of the agreement at the time, and therefore opted not to disclose its details. As a result, Likud was able to undermine Peres' strategy by leaking the substance of the agreement.

Prospects for Israeli Elections

Given the fact that there has been little change in the political allegiances of the Israeli electorate, there is a good chance the elections in November 1988 will produce a similar outcome as the last vote, leading to a continuation of the National Unity Government (NUG). Shamir, in fact, seems to be preparing himself to campaign on a National Unity ticket. Peres, however, needs to distinguish himself from the Unity Government and will try to alter the national debate regarding the peace process. For Peres to be successful, the national debate must be over demographics, not over security. When focused on security, Labor is viewed as unrealistic, but when centered on demographics, it is Likud that appears unrealistic.

Israel and the American Jewish Community

Differences between a secular and a religious vision of Israel threatens to create a great divide between Israel and the American Jewish community. The problem crystallizes around the Knesset debate over the proposed "Who is a Jew" legislation, but it reflects fundamental differences in understanding the role Israel plays in the communal and religious identity of Jews inside and outside of Israel. There is the growing sense that the interests of American Jews and Israelis are not necessarily symmetrical. The recent Jewish Agency elections only reflect the beginning of how this split will manifest itself in the future.

View of the Amman Summit

The Amman summit confirmed the change in Arab priorities that Iran, not Israel, is the preeminent threat to the Arab world. The Arabs understand that Israel has no great expansionist designs, evidenced by its decrease in military spending. Iran, though, does pose a clear threat to Arab territory and does want to undermine the *status quo* Arab states. Also, the diplomatic snubbing of Yasir Arafat at the summit meeting proved that he has lost much of his power to intimidate other Arab leaders. Yet despite a long history of political blunders, Arafat's popularity in the occupied territories remains very high. He is the ultimate "teflon" politician.

The Soviet Union and the Middle East

While there has been much talk about Soviet *activity* throughout the Middle East, there has not been any substantive change in Soviet *policy* toward the region. What would mark a basic change in policy, giving meaning to Gorbachev's *glasnost*, would be renewal of full diplomatic relations with Israel.

The Evolution of the Conflict

Although Rabbi Kahane has become isolated politically, his philosophy and ideas regarding the transfer of Arabs have become legitimate topics of political debate. Indeed, they have begun to gain adherents both within the general public and among a variety of mainstream political personalities as well.

The Arab-Israeli conflict has returned to its origins – a conflict between two people fighting over the same land. The current violence in the West Bank and Gaza Strip is an expression of frustration at the lack of any political vision for settling this conflict. Without any political initiative, violence will continue unabated. In that regard, Shamir's policy of "muddling through" the demographic problem is irresponsible; it is a problem that must be addressed head-on. In the end, Israel must realize that it will always have to live with a certain level of terrorism and is therefore faced with two unpalatable alternatives – terrorism *with* control over the occupied territories or terrorism *without* the problems of controlling the territories.

Reassessing Iran

The Israeli intelligence community has recently undergone a fundamental reassessment of its understanding of the Iranian threat. It has begun to take greater notice of Iran's ability to influence events and trends throughout the region, and especially in Lebanon, where it is spending more money than any other country. Moreover, intelligence analysts now believe that if Iran wins the Gulf war, no Arab country will feel safe enough to enter into a dialogue with Israel. But despite this evolution on the professional level, the political leaders still remain convinced that Khomeinism is only a transitory phase in Iranian and Middle Eastern history.

33. Yitzhak Shamir

On the Eve of the Summit: A View from Israel

November 20, 1987

(The following is the text of an address given by Prime Minister Yitzhak Shamir to a special Washington Institute Policy Forum during his visit to Washington in November 1987.)

Ladies and gentlemen,

I have just concluded a series of very satisfactory and friendly talks with President Reagan, Secretary of State George Shultz and some of their assistants. I had the opportunity to hear reports from Mr. Kampelman on the nuclear arms talks, from Mr. Whitehead on human rights issues and from Mr. Armacost on regional matters that were raised with the Soviets. We conducted a review of our bilateral relations, exchanged views on the situation in the Middle East and discussed subjects that will be raised in the forthcoming summit meeting between the President and General Secretary Gorbachev.

On the latter subject, the question of the right of Soviet Jews to repatriation has figured highly in our talks with the U.S. Administration. I believe we see eye to eye on the substance and on the importance of this matter.

In the context of the new Soviet policy of *glasnost*, or openness, we expect the Soviet government to live up to its international commitments and to permit those Jews who wish to leave the U.S.S.R. and come to Israel to do so.

On a number of occasions, I explained to our friends in the U.S. Administration that Soviet Jews merit special treatment on two counts. First, they are the only national group in the Soviet Union, out of over 100, that has been totally denied any kind of expression in regard to their language, culture, literature or religion. Second, they claim the right of repatriation to the land of their forefathers, to Israel. This right has been recognized and should be accorded to them. We have therefore asked our friends in the West, especially here in Washington, to impress upon the Soviet authorities their obligation to permit all Jews to leave the Soviet Union and come to Israel. Those who remain – or until they leave – should be granted the same rights as other groups, including the right to establish schools, synagogues and other facilities to study Hebrew, exercise their faith and conduct cultural activities.

The American Administration, and especially the President and Secretary Shultz, have reacted very positively to our requests. For this, Israel and the Jewish people owe them a debt of gratitude.

While we wish the summit talks will be successful for the sake of all humanity, we hope that Secretary Gorbachev will come away with the understanding and conviction that Soviet Jews must be given their rights. After so many years of struggling and suffering for these elementary rights, it is high time that Soviet Jewry finally be granted freedom and be permitted to come to Israel. We expect the Soviet

government to adopt a policy that befits a world power and fulfills its undertakings in the field of human rights.

In our talks today, we discussed the situation in the Middle East at some length. The war between Iraq and Iran is nothing less than crazy. Unfortunately, the world has become so apathetic to this senseless and endless carnage, that it has even failed to acknowledge the growing use of chemical warfare.

We strongly support American action to prevent this ugly war from spilling over into the international sea lanes of the Gulf. Like international terrorism, the tendency to wage war on the backs of innocent people, in this case of international shipping, should be checked and prevented by concerted action by the community of free nations.

As you know, we have had to contend with Khomeini's terrorism, directed against our northern border in Lebanon. It is totally devoid of scruples. We have scored some successes in checking it, but clearly we have to maintain a high profile of vigilance to prevent it from striking at our citizens.

It should be remembered that this black terrorism in Lebanon is functioning under a protective umbrella provided by Syria. Without Syrian tolerance and support, they would not have been able to entrench themselves and build up their terror bases on Lebanese soil in proximity to the Syrian border.

The recent Arab Summit conference in Amman took place a short time before the tenth anniversary of President Sadat's visit to Jerusalem. Nine years ago, the same forum decided to condemn Egypt and expel it from the Arab League for having signed the Camp David Accords with Israel. It is, therefore, significant that the Amman Summit decided to permit its member-states to resume formal diplomatic relations with Egypt. It is a vindication of peace, of direct negotiations as the only means of achieving peace in our region, and of the validity and logic of the Camp David Accords.

Since then I have reiterated my call to other neighbors, especially Jordan's King Hussein, to come to the negotiating table and work together with us toward the conclusion of a peace treaty. I am convinced that negotiations will inevitably lead to mutual understanding and agreement, sooner or later.

I am also convinced that an international conference will move us away from peace. It will serve to sharpen and heighten our differences and it will invite the intervention of outside factors that will complicate the situation immeasurably. As long as the international conference idea hovers somewhere on the agenda, our Arab neighbors will hesitate to come forward and talk to us directly. The reason is simple – the conference will enable them to evade the need to take hard decisions and shoulder the responsibility that is necessary in direct negotiations.

Until our neighbors come around to accepting the way of direct negotiations, we are ready to strengthen our bilateral relations with Egypt and deepen the *de facto* peace with Jordan. Now that Egypt is in the process of resuming its formal relations

with Arab states, we expect the Egyptian government to help establish a negotiating framework with Jordan. I am sure President Mubarak knows that we are more than willing to expand the peace process and conclude an agreement with Jordan. Likewise, he appreciates the hard-won experience both our countries have acquired in achieving our peace treaty and in settling the many problems that arose between our countries since then. None of those problems would have found a solution through any means other than direct negotiations. Egypt can resume a leadership role by exercising its influence on Jordan and on the other Arab governments to discard the barren idea of an international conference and to talk with us directly.

Our bilateral relations with the U.S. are excellent. Our special relations with the U.S. derive from our common faith in democracy and the similarity of views toward developments in the international arena. We have occasional differences of view on approaches to certain issues, but both our governments recognize that the common interest we share on basic matters is beneficial to our countries and to the Middle East as a whole. Our strategic cooperation has progressed considerably and is encompassing a wide range of subjects. We continue to hold the view that the U.S. can help us advance the peace process in our region because it enjoys a high degree of trust and credibility among the Middle Eastern states.

As we approach the forthcoming summit conference between President Reagan and Secretary Gorbachev, we pray that the talks will end in success and that an agreement on the limitation of nuclear arms will be reached. All of us have a stake in this vital issue. Speaking for the Jewish people, who are still dispersed in countries of the East and the West, I might add that the prevention of global conflict will be a blessing and an achievement of the highest order.

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