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"The Arab-Israeli Peace Process"

By Kenneth W. Stein

For almost all of 1998, the Arab-Israeli peace process was analogous to a driver putting his foot on the accelerator while the car remained in neutral. The drive wheels spun but the car failed to advance. Its engine made a lot of noise but often spewed toxic waste. Diplomats could breath but the air was pungent with stagnation. Only in the autumn did the air temporarily clear. The year was spent haggling over three major issues: the terms and degree of Israel's second major territorial redeployment in exchange for Palestinian Authority (PA) implementation of security-related matters; the fulfillment of understandings previously stipulated in the Oslo accords, but not yet fully put into effect; and whether to carry out a second withdrawal at all prior to a decision about the final borders between Israel and the future Palestinian entity. The major diplomatic success of the year was the signing of the Wye River Memorandum (WRM) in October.

For Israeli Prime Minister Binyamin Netanyahu, the fate of Israeli withdrawal and other Israeli commitments previously made to the Palestinians hinged inextricably on the PA's behavior on security matters. Moreover, important segments of his fragile ruling coalition were adamantly opposed to any further withdrawals. Netanyahu cited several factors to justify or excuse not moving faster on the Palestinian-Israeli track: PA President Yasir 'Arafat's lack of commitment to disarming Palestinians who violently opposed both Israel and the Oslo accords; Netanyahu's razor-thin parliamentary majority, which repeatedly threatened (and eventually caused) the downfall of his government; and more broadly still, his total opposition to the establishment of a Palestinian state. In a real sense, the 1993 and 1995 Oslo accords were a recognition by the late Israeli prime minister Yitzhak Rabin that the conflict with the Palestinians could only be solved through the division of historic Palestine, bringing about the separation of Israelis from Palestinians. There was a certain inevitability to the ultimate establishment of a Palestinian state. By signing subsequent agreements with the Palestinians, successive Israeli governments were shaping the dimensions and controlling the evolutionary pace of the Palestinian state. Since Netanyahu opposed the purpose of Oslo, he worked diligently to slow down its implementation and minimize the territorial size of such a state.

Land for security, not land for peace, was Netanyahu's mantra. In his view, since the Palestinians did not reciprocate sufficiently on security matters, progress on the Palestinian track was negligible. As in 1997 (see MECS 1997, pp. 81-92), through the status of his office and the inability of leaders in the Arab world, Europe, or the US to prod him to move faster, he controlled the content of the Palestinian-Israeli track and hence the pace of the peace process. Netanyahu understood that 'Arafat's political future was linked to the Oslo accords, and that the Palestinians could not militarily threaten Israel's existence: Netanyahu knew that 'Arafat could not abandon Oslo, for this would alienate the pro-negotiating supporters in the Arab world, especially Egypt, and create a chasm with Europe and the US, thereby leaving the Palestinians without even impartial patrons. This knowledge allowed Netanyahu to continually threaten Oslo's abrogation, leaving 'Arafat with little to show for his recognition of Israel.

Netanyahu's resistance to moving faster in 1998 made progress on the Palestinian-Israeli track or other tracks impossible. The Palestinian-Israeli track dominated the other negotiating tracks and other aspects of Israel's relations with Arab states. The year's diplomacy was dotted with summit meetings, periodic visits to the region by politicians and diplomats, private and public initiatives, and substantive discussions in Washington, the Middle East, and Europe, Each time, more words were uttered than progress made. Netanyahu made procrastination about a further withdrawal an art form. Ms most common explanation was a sincere belief that the Palestinians did not adhere to their side of the bargain in the Oslo accords: fundamentally, this translated into the PA not doing enough on security matters and www.PDFonFly.com

failure to sufficiently revise or amend the PLO Charter. He offered to link the next interim withdrawal with final status talks, then sought to consider giving the Palestinians less land, but configured in contiguous areas; and in midyear, he suggested Israelis conduct a referendum on whether another withdrawal should take place. He subsequently proposed an international conference to talk about withdrawal, while offering to transform some of the land contained in the American-proposed plan of a 13% withdrawal into a nature preserve. Netanyahu rode these ideas through July; then he used the political calendar to further delay an agreement or withdrawal -- the regular summer recess of the Knesset through the US congressional election campaign where candidates spoke openly on behalf of Israeli security requirements. These transient ideas and mechanisms, some sincere and some not, bought him time, but they also cost him political currency both at home and abroad until the Wye summit at the end of October. As in 1997, the Syrian-Israeli track remained diplomatically guiet, though several public and private initiatives reportedly identified the conditions or principles necessary to resume direct talks abandoned by Damascus and Jerusalem in February 1996. Likewise, there was little movement on the Lebanese-Israeli track; absence of progress was tied directly to the impasse in Syrian-Israeli negotiations. However, vocal efforts were periodically made by Israeli politicians to evaluate or initiate a unilateral withdrawal of Israeli forces from Lebanon, although no such withdrawal took place. Throughout the year, Netanyahu preferred to risk ill will and even confrontation with Washington, rather than jeopardize his ruling coalition. By midsummer, Netanyahu's attitude was assailed at home and abroad; his coalition government was teetering on the issue of an additional withdrawal. In July, Likud leader Ariel Sharon expressed his fear, only realized in December, "that this withdrawal of 13% will bring about the government's downfall."1

Other politicians, military analysts, and even some ministers in his own government vigorously opposed his unwillingness to implement a second withdrawal. Some Likud members disagreed with Netanyahu's blanket opposition to the establishment of a Palestinian state. Netanyahu's public disagreement in June with the Israeli chief of staff about whether another withdrawal should take place and whether it would be in Israel's best security interests was demonstrable proof of the discord between the political and military Elites in Israel. "While not visible in 1998, the willingness of Netanyahu's former cabinet members and former generals to oppose his inaction indicated the depth which career military officials and former political allies disapproved of his management style, and his handling of national security matters in general, and the Palestinian track in particular.

By the end of the year, Netanyahu's narrow government coalition could no longer withstand such domestic criticism. In avoiding a no-confidence motion, Netanyahu agreed to early parliamentary and prime ministerial elections, to be held in May 1999.

At the UN, Arab-Israeli matters, like foreign policy discussions in Washington, had to share time and attention with unsettled conditions in the Balkans, periodic crises over Iraq, and a wide array of other pressing Third World issues. The UN remained a forum where Israeli views were roundly condemned. For their part during the year, European ministers and the European Union (EU) in general were demonstrably more active and noticeably opposed to Netanyahu's slow diplomatic pace. France wanted to broker a Syrian-Israeli agreement. To that end, French Prime Minister Jacques Chirac and Syrian President Hafiz al-Asad met in Paris in July. By contrast, during Britain's presidency of the EU in the first half of 1998, British Prime Minister Tony Blair wanted to catalyze the American-led negotiating effort but not replace it. Ploddingly, the EU Middle East negotiator, Miguel Moratinos, other European ministers, and UN officials tried but failed to broker agreements about Israeli withdrawal from Lebanon and find points of departure to restart Syrian-Israeli talks. By the end of the year, Damascus and Jerusalem reportedly achieved some understanding, if not benchmarks, for the possible resumption of the Syrian-Israeli track.2 Multilateral discussions between Israel and a host of Arab and non-Arab states, germinated after the 1991 Madrid Middle East peace conference and lapsed in 1997, remained virtually moribund in 1998.

Throughout the year, the distrust between 'Arafat and Netanyahu remained palpable. Each verbally sniped at the other; each tried to enlist supporters from the Middle East, Europe and the US to defend their respective views about how much land should be provided to the Palestinians and when, and over the broader issue about the establishment of a Palestinian state. As in 1997, they met only rarely, and under a cloud of mutual mistrust. Even at the Wye River Summit in October, their meetings were relatively few. Looming ahead for Israeli and Palestinian negotiators was the 4 May 1999 deadline -- the date set for completion of final www.PDFonFly.com

status talks, and the date on which the Palestinians sought to declare statehood, with or without an agreement. Netanyahu did not believe that a sovereign Palestinian state was an historic imperative and announced in the last days of December 1998: "If he ['Arafat] declares the establishment of a Palestinian state unilaterally, it will mean the annulment of the Oslo accords."3

Even if 'Arafat and Netanyahu had agreed to the outlines of final status talks, exhibited mutual trust, avoided procrastination and implemented prior commitments, they, along with US President Bill Clinton, were distracted by respective domestic political concerns that at times threatened leadership capacities. The Lewinsky scandal consumed much of the attention of the American presidency. Throughout the year, Netanyahu battled against an antagonistic domestic media, public opinion and his own ministers who continued to resign or carp at his actions as prime minister. His foreign minister resigned in early January and he did not appoint a replacement until just prior to the Wye River summit in October. In July, Netanyahu survived three no-confidence motions in the Knesset on his handling of the peace process, but was eventually forced to can for new elections at the end of the year. As for 'Arafat, his leadership style also came under severe attack, due to repeated claims of corruption, autocracy and fiscal mismanagement of the PA. Nonetheless, he successfully parried threats to his rule from anti-Oslo Palestinian groups. Support given to Shaykh Ahmad Yasin of the Palestinian Islamic opposition movement, Hamas, during a tour of the Arab Gulf states and Egypt in the spring reminded 'Arafat that his policies and style of rule were openly being questioned. From the right flanks of their respective political spectrums, both Netanyahu and 'Arafat were constantly criticized for even talking to each other. At the end of the year, with the signing of the WRM and with active American engagement in monitoring security matters, 'Arafat clamped down on anti-Oslo groups, especially Hamas (see chapter on the PA).

Other regional and international issues deflected attention from the peace process. In general, the Arab world expressed public anger at Washington for its handling of Irag and the ongoing political and economic squeeze applied to Saddam Husayn's regime. Washington remained unhappy with Iran's continued acquisition of military technology and supplies, which had the potential to destabilize the region, and especially the oil-rich Arab Gulf states that were dependent upon American military assistance for their security. Throughout the year, Israelis too remained uneasy at Russia's continuing interest in providing arms and technology, especially to Syria and Iran. Israeli-American agreement on handling Iraq, Iran, and Russian arm sales to the Middle East, and their determination to prevent the proliferation of weapons of mass destruction (biological, chemical, and nuclear), sustained the depths of the Israeli-US strategic relationship. Those overlapping US-Israeli strategic interests outweighed Washington's disapproval of Netanyahu's management of the negotiations on the Palestinian-Israeli track. Clinton's domestic worries and Secretary of State Madeleine Albright's full diplomatic plate relegated the day-to-day peace process service to the State Department's bureaucrats. Their year was spent either cajoling the parties to deal directly with one another or, when necessary, putting band-aids on a problem where the only likelihood of long-term healing could be derived from the internally generated political courage of the patients.

When the year commenced, the Israeli Cabinet held serious discussions about linking territorial withdrawals to security matters. During periodic flurries of diplomatic activity, it appeared that 'Arafat and Netanyahu could resolve their diplomatic impasse, implement the next withdrawal and apply Palestinian security commitments. However, expectations for a breakthrough dissipated quickly after Netanyahu's visits to Washington in January and May, the canceled 'Arafat-Netanyahu-Clinton summit in Washington in May, and their unproductive and brief summit at the end of September.

The last three months of 1998 provided Oscar-like diplomatic drama, but not Nobel-type results. The Wye River summit was preceded by the appointment of former defense minister Ariel Sharon as Israel's foreign minister, an obvious Netanyahu sop to domestic groups opposed to additional withdrawals. The summit witnessed the unexpected participation of a physically weak but emotionally spirited King Husayn. Clinton's deep personal involvement resulted in an 'Arafat-Netanyahu agreement, including pledges to fulfill previous commitments, schedule additional withdrawals, and involve CIA officials in the monitoring of Palestinian adherence to security responsibilities. The WRM was followed in December by Clinton's historic visit to Gaza, where he witnessed an additional Palestinian refutation of the PLO Charter (see chapter on the PA). But diplomatic motion did not bring about movement. As throughout the entire year, mutual skepticism of one another's intentions transcended the Wye throughout the entire year, mutual skepticism of one another's intentions transcended the Wye throughout the entire year.

River summit. At year's end, despite frequent efforts by many diplomatic engineers, the Palestinian-Israeli track had moved at a snail's pace. For the year there was more restiveness, deviousness and delay than peace in the peace process. The mutual rancor and disappointment, which had created a negative dynamism in 1998, carried over into 1999. All eyes turned to the Israeli elections scheduled for May 1999 with all those who held Netanyahu responsible for the stagnation in the peace process hoping for his defeat.

Until the WRM, foreign officials demonstrated continued interest in urging and trying to broker a Palestinian-Israeli agreement for a second redeployment and were dismayed by their failure. In February Secretary of State Albright scolded Netanyahu and 'Arafat in Jerusalem, noting that the stall in the negotiating process was "for a long time -- frankly far too long."4 She continued, " I am sick and tired of hearing you give me a pile full of complaints about the other guy, and that is not going to help us get to the point where we can make tough decisions."5 In March, her frustration was even more vivid. She told American Jewish leaders that "the peace process is coming to an end and the United States will withdraw from continuing mediation efforts between the sides."6 She and other US officials articulated deep disappointment that Israel was offering too little to the Palestinians and at too slow a pace. Meeting in London on 4 May, Netanyahu told Albright that, for security reasons, Israel could not accept America's proposed three-stage plan for withdrawal from 13% of the West Bank and accompanying Palestinian actions.

Its details remained essentially the outline of what the Israeli prime minister had accepted five months later at the October Wye River summit. A long-held axiom in Arab-Israeli negotiations would hold true again with the WRM: yesterday's rejected idea is tomorrow's accepted plan.7 In June, Netanyahu's defense minister, Yitzhak Mordechai, reportedly told the prime minister: "The entire world is against us where the process with the Palestinians is concerned."8 Lack of progress on the Palestinian-Israeli track affected the US-Israeli relationship; but there was no break, just caustic disapproval. By midyear, the American administration had virtually endorsed the PA's position about the necessity for an additional 13% withdrawal. By year's end, the administration was close to endorsing the eventual establishment of a Palestinian state. But Washington also adopted Netanyahu's mantra that the Palestinians had to meet their commitments on security. Nonetheless, US officials said they had "no intention of pressuring Israel [because] Israel is a close and cherished ally."9 Sharp disagreements throughout the year between American and Israeli officials did not affect Washington's broader commitments to Israel's long-term security. There was no reassessment of the US-Israeli relationship as there had been during the Ford administration (1975); public rancor between Washington and Jerusalem during the Carter administration (1977-79) was not as public or frequent; and there was no threatened refusal to provide financial assistance as occurred in the matter of loan guarantees during the Bush administration (1989-1990).

Because no real progress was made in the peace process, Israel's relations with Egypt and Jordan continued to deteriorate. Likewise, relations with moderate Arab states that did not have treaty relations with Israel but had accepted the PLO's historic recognition in 1993 also worsened. Egypt repeatedly supported Palestinian efforts to attain additional Israeli territorial withdrawals, but Cairo was careful that its criticism of Israel remained below the threshold that might otherwise have threatened Egypt's economic and military ties to Washington. Until Wye the Jordanian role in the negotiating process was limited. The king articulated his own brand of noble frustration in meetings with Netanyahu and in writing, as he had done the previous year. During the second half of the year, King Husayn underwent cancer treatment at the Mayo Clinic in the US (see chapter on Jordan). Crown Prince Hasan managed affairs of state; although sustaining cordial contacts with Israeli leaders, he too admonished Netanyahu for unnecessary procrastination. Only at the end of the year did King Husayn play an active and pivotal role in the negotiating process with a dramatic appearance at the Wye River summit.

Arab leaders were uniformly angry with what they perceived as Netanyahu's repeated footdragging. Similarly, the Arab press focused on Netanyahu for what was viewed as his intentional obstruction to any additional territorial withdrawals. Indicative of Arab disapproval of Israel's handling of the peace process was the failure to hold a regional economic conference in 1998, after four consecutive annual meetings. Though Arab leaders were dismayed at Netanyahu's policies, no collective Arab political action against Israel materialized. No Arab summit conference was convened, in part because Arab leaders could not agree on who should be invited to participate, but also because a common Arab policy toward Israel could neither be forged nor adequately implemented (see chapter on inter-Arab relations). When the <u>Somerated by the PDFonFly.com</u> year started, a sullen Arab realization had taken hold: since taking office in June 1996, said one commentator, Netanyahu "had managed to reshape every aspect of the peace process."10

While individual Arab leaders were consistent in their criticism of Israeli inactions and support for redeployment, collective Arab action was limited to political advice and criticism of 'Arafat. At the end of the year, Faysal al-Husayni, who held the Jerusalem file for the PA, did not believe that the convocation of an Arab summit would be useful in attaining Israeli withdrawals because Arab destiny, he said, was "under threat by Arab divisions."11 Arab media commentators sharpened attacks against their own leaders for cowering to Israeli power. Editorial and opinion writers blasted their own leadership for incompetency, especially inability and unwillingness to apply any kind of pressure on Netanyahu.12 For example, while the Egyptian and Saudi media roundly criticized 'Arafat's political ineptitude,13 the official Syrian media pleaded with King Husayn to halt normalization.14 Arab inaction in assisting the Palestinians against Israel was also viewed in a broader context of a general deficiency of Arab leaders. "The Arabs' failure to stand up to Israel," wrote Palestinian scholar Hisham Sharabi, "reflects a far more deep-rooted problem: the bankruptcy of an entire generation of Arab rulers and their despotic and corrupt regimes."15

Throughout the year, as in 1997, Washington's unyielding policy toward Iraq was criticized by most Arab states and the Palestinians. Profound disagreement with Washington over continued sanctions and attacks against Iraq adversely affected the ability of Arab leaders to give their full attention to defending Palestinian positions in the peace process. In February and December, when Washington's confrontation with Iraq appeared to be leading to the use of force against Arab leaders, Egyptian President Mubarak tried especially hard to dissuade the Americans. Palestinian and Arab antagonism toward the US for its Iraqi policy spilled over, as it had in previous years, to the Arab-Israeli sphere. They saw the US as giving unwarranted and unequivocal support to Israel and applying the standard of international norms which was intentionally designed to punish the Iraqi people, not Saddam. Further disturbing to Arab governments was that the periodic crises over Iraq during the year also deflected US pressure on the Netanyahu government.

A vast majority of the Israeli public lined up behind Netanyahu in defense of Israel's national security during the February US-Iragi crisis. At those moments, the internal debate in Israel about the peace process, and especially criticism of Netanyahu, abated until the crisis with Iraq cooled. Israelis were particularly vexed when Palestinians demonstrated over public support for Saddam, reminding them of similar, but much larger-scale reactions, during the Gulf War. Reality was thus brought home to Israeli doves, in case they had forgotten, that merely reaching understandings with some Arab states and the Palestinians did not herald an era in which Arab states and societies would uniformly embrace Israel. For the PA, the periodic US-Iraqi confrontation had a similar salutary effect. Though 'Arafat censored media, radio and television outlets in an effort to curtail public protest against a potential US strike against Iraq, the Palestinian street vented pent-up frustration about economic woes and Israel's failure to carry out further withdrawals. It was also estimated that Palestinian demonstrations released anger otherwise against 'Arafat's rule.16 The Israeli chief of staff, Lt.-Gen. Amnon Lipkin- Shahak, estimated that 'Arafat was not in control of the street, and that violence could thus break out without his initiative, as it had in late 1987 at the outset of the Intifada (Palestinian uprising in the West Bank and Gaza against Israeli rule [see MECS 1987, pp. 263-681). If "there is no movement on the peace process," he declared, "we can expect riots in the territories. Terrorist attacks are also possible."17 Throughout the year, the likelihood of violence and terror were part of Israeli intelligence assessments. However, there only a few sporadic clashes between Palestinians and Israelis. Several Palestinians were killed in March and in May. The March killing of three Palestinians at a roadblock in Hebron was a mistake, and Netanyahu apologized. Violence perpetrated by Hamas activists against Israelis in 1998 was very low (see chapter on the PA), with a spate of attacks occurring toward the end of the year as a militant Palestinian reaction to the WRM.18

Nevertheless, there were no major violent incidents between Palestinians and Israelis. Compared to the four previous years since the signing of the Oslo accords, there was a dramatic decline in terrorist attacks against Israelis. Another sum of positive change throughout the year was the regular exchange of information between Palestinian and Israeli security services with the assistance of the CIA station chief at the US Embassy in Tel Aviv. Whereas at the beginning of the year, American involvement in security monitoring was generated by www.PDFonFly.com informal, by year's end, the CIA role in cementing Palestinian and Israeli security ties had been made overt. The appointment by the Wye Agreement of the CIA as American judge and mediator in a security monitoring role was of critical significance; reminiscent of the placement of American civilians in the Sinai in September 1975, as part of the Israeli-Egyptian interim agreement.19 It may have also set a precedent for possible future American monitoring of an Israeli-Syrian agreement on the Golan Heights. A silver lining to the Netanyahu-'Arafat personal distance evolved with the sustained and regular contacts by second echelon Palestinians and Israeli political and military officials. They carried on discussions when neither Netanyahu nor 'Arafat were inclined to do so, which for all intents and purposes meant most of the time.

Israeli and Palestinian public opinion polls suggested that both publics were more willing to reach accommodation with the other side than were their leaders. According to the Tel Aviv University Steinmetz Center's monthly Peace Index, at the beginning of the year, an absolute majority of the Jewish Israeli public was convinced that the peace process had come to a halt; by the end of the year, more than half of the Israeli public supported the signing of a permanent agreement with the Palestinians, which would "include the recognition of a Palestinian state and evacuate the territories."20 Among Palestinians in the territories, polls conducted by the Center for Palestine Research Studies three weeks after the conclusion of the WRM indicated that three-quarters of those interviewed supported the peace process -- the highest percentage in favor since December 1996.21

Absence of real political progress had no negative effect on the economic condition of Palestinians living in the territories. In fact, they improved in 1998 relative to previous years. According to the United Nations Educational, Scientific and Cultural Organization (UNESCO) quarterly report, while the working age population grew, unemployment rates in Gaza and the West Bank were at their lowest rates since 1995- the gross domestic product (GDP) and gross national product growth rates were 3% and 5.5% respectively -- the highest since 1994.22 According to Israeli military statistics, the number of days in 1998 that Israel was closed to Palestinian workers was only five. Days of closure occurred when Israeli security forces anticipated violence or after violence against Israelis actually occurred. By comparison, there were 92 days of closure in 1996 and 63 in 1997.23

THE PALESTINIAN-ISRAELI TRACK

1998 was a year of important anniversaries and, therefore, stock taking by Arabs and Israelis alike. Israel celebrated fifty years of statehood, while many Palestinians and Arab commentators looked back at what they had lost. For them, 1948 was the nakba (disaster). Most Arabs were resigned to Israel's existence. Nevertheless their common lament concerned Israel's preeminence in the region and their inability to do much to substantially alter that reality. Their embrace of Israel was not one of love, but pragmatism. While Israelis had little trouble in accepting Egyptian, Jordanian, Syrian and even Palestinian national aspirations, much of the Arab world accepted Israel because they "needed" to do so, rather than "wanting" to do so. Egypt under Sadat "needed" a peace treaty with Israel to have Sinai returned; after Saddam's invasion of Kuwait, Arab Gulf states "needed" American military assistance to protect their regimes and sovereignty against foreign invasion. They accepted Israel as part of the package of aligning with the US, the only superpower after the Cold War which could undergird their vitality as regimes. Israel's civilian presence in the West Bank and Gaza became increasingly large-scale and permanent, thereby leaving the Palestinians with less hope than ever of achieving a territorial national home in Palestine. Consequently, Yasir 'Arafat did not want to recognize Israel but "needed" to do so, test the Palestinian dream of statehood forever remain a dream. 'Arafat understood that the key to fulfilling Palestinian national aspirations was to be found with the Israeli prime minister and not with Arab regimes that provided only rhetoric. disharmony and no real military option. Like Sadat, 'Arafat was able to harness American engagement and ultimately support for their national aspirations, in this case the establishment of a Palestinian entity or state. In March 1977, US President Jimmy Carter said the Palestinians should have a homeland and was pilloried by Israelis and the American Jewish community for saying so.24 More than twenty years later, in May 1998, US First Lady Hillary Clinton made a similar statement and was barely wrapped on the knuckles.25 In two decades, Arab-Israeli negotiations had changed dramatically in favor of a pragmatic accommodation. Talking about a Palestinian state was no longer taboo; right-wing Israeli officials, who would never have spoken about such a possibility in 1978, remarked publicly in 1998 that such a state was a possibility.26 In 1998, Israelis celebrated their golden anniversary with an enormously strong economy and powerful military machine; however, economic indicators in Generated by www.PDFonFly.com unemployment and GDP had risen and leveled off, respectively, in part due to the stagnation of the peace process. Israel's existence as a state was well established. But joy at celebrating their fiftieth anniversary was tempered by continued uncertainty about true intentions of some Arab leaders, and 'Arafat's commitment to his security obligations in the Oslo accords, as well as wrenching divisive social issues (see chapter on Israel).

Arabs and Israelis alike were still uncomfortable with one another. There was still grudging discomfort with each other. The key issue remained: reconciling Israel's security requirements, deemed vital to its existence, with the satisfaction of Palestinian political aspirations. Reconciliation of those basic facts had come a long way since the signing of the Egyptian-Israeli Camp David accords twenty years earlier. Egypt and Jordan now had treaties with Israel- the PLO recognized the Jewish state; and a limited acceptance of Israel by other Arab states was a reality. But progress on the Palestinian- Israeli track faltered because Israeli and Palestinian leaders held diametrically different views about the final outcome of political negotiations. Whereas in 1978, Egyptian and Israeli leaders had reasonably close estimates of what their final agreement would look like -- the return of Sinai for a peace treaty --Palestinian and Israeli leaders could not agree on whether there would be a Palestinian state, let alone its dimensions and prerogatives. Preparing for separate meetings in London in May, 'Arafat emphatically stated that a state was "our right, and we're going to declare it." Netanyahu replied that Israel "cannot accept and must not accept the formation of a new Iraq or a new Iran ... We must ensure that a final settlement is achieved by ensuring that the Palestinian entity does not have an army that could threaten us or weapons that could be hurled from the mountains into our cities below."27 In their negotiations twenty years earlier, Sadat and Begin basically understood Sinai would be exchanged for a peace treaty. There was no such understanding in 1998 because Netanyahu did not accept an exchange of land for unfulfilled security requirements, let alone the turning over of land to Palestinian control.

In 1978, a doggedly determined White House was prodding two very strong political leaders; in 1998, a distracted White House had to cajole managers of highly-fragmented domestic constituencies. And unlike the Sadat-Begin negotiations brokered by Jimmy Carter, where no time limit was set (at least until their September 1978 meeting), the Israeli-Palestinian talks were complicated by a self-imposed limit of 4 May 1999 for completion of final status talks. 'Arafat and Netanyahu differed on several levels. Netanyahu sensed no urgency in reaching an agreement with 'Arafat and the Palestinians; he saw no need to take a risk in changing or being proactive to accelerate Arab attitudinal changes toward Israel. He did not believe that Israel should divest itself of territory for promises and especially those not sufficiently kept, at least to his standard. He did not regard the possible transfer of territory to the Palestinians as a means of placing more Palestinians under Palestinian rule, but rather as having direct implications "for the defense of the Jewish state."28 In his 1996 political campaign for prime minister, Netanyahu vehemently opposed the Oslo accords. He had not negotiated them, but inherited them; he was not therefore enthusiastic about applying them either in letter or spirit. For him, implementation of the Oslo accords did not advance either peace or the personal security of Israelis. In July 1998, Israel's ambassador to the US called the accords "a big disappointment; in retrospect, it was a mistake."29 Moreover, a great deal of time continued to be spent on ensuring that the other side adhere to agreements and promises made but not yet kept. It seemed that every time US special Middle East peace negotiator Dennis Ross visited the Middle East, he was either haggling over a percentage point of territory that Israel might consider turning over to the Palestinians, or umpiring a dispute about some unfulfilled part of the Oslo agreements.

In 1978, the Palestinians did not accept the Camp David accords because only political autonomy was to be applied to the Palestinian areas and no territory was to be assigned to Palestinian physical control. The Oslo II accords, however, referred specifically to three Israeli further interim redeployments (FRD), withdrawals, in addition to the territory (27% of the West Bank and Gaza) transferred to full or partial Palestinian control. The Likud under Netanyahu accepted the concept of sharing historic British-mandated Palestine when it signed the 1997 Hebron accords; it reaffirmed that view when it agreed in the WRM to further withdrawals from the West Bank. The first Israeli withdrawal took place in November-December 1995, when Israel withdrew from six of the seven major West Bank cities and towns prior to the election of a Palestinian legislative council and the election of 'Arafat as president of the PA. FRDs were to take place in three phases at six-month intervals (see MECS 1995, p. 45; 1996, pp. 48-49). According to the Oslo II accords, the FRDs were to be "commensurate with the assumption of responsibility for public order and internal security by the Palestinian police." It was from this Generated by www.PDFonFly.com commitment that Netanyahu evolved the concept and mantra of reciprocity, which were applied as his barometer for initiating further territorial withdrawals in the West Bank. The agreement expressly stipulated that Israel alone was to determine the depth and timing of the withdrawals, hence Israel was continuously irritated at any foreign-made formula on the subject, which it considered a violation of its decisionmaking prerogative. The Palestinians, on the other hand, were eager for outside help in pressing Israel to be more forthcoming.

The schedule for territorial withdrawals was interrupted by the Shimon Peres-led Israeli Government's postponement of withdrawals from Hebron after the February and March 1996 terrorist attacks against Israelis. Netanyahu's election in May 1996 and subsequent reluctance to go forward with the withdrawal delayed it further. The original Oslo timetable also noted that final status talks were to be initiated by May 1996 and completed by May 1999. However, the process was already seriously behind schedule. Under American tutelage, the two sides agreed in January 1997 on the withdrawal from most of Hebron. Israel also agreed to a symbolic withdrawal -- an additional 2% of the West Bank as the first FRD, which the PA refused to accept. Accompanying the agreement were letters sent to Palestinian and Israeli leaders from Secretary of State Warren Christopher, in which he stipulated that the FRDs from the US would be completed by "mid-1998." In March 1997, the Palestinians rejected Israel's proposal for a second withdrawal, citing its size as insufficient.30 Throughout 1998, the second FRD was under rancorous discussion between Israeli, Palestinian and American negotiators. It culminated in the 23 October 1998 WRM, which was "born out of Israel's [long-standing] refusal to implement the second redeployment."31 The WRM was the proposed second FRD.

Throughout the year, Israeli ministers individually and the cabinet collectively engaged in serious discussions about additional territorial withdrawals from the West Bank. Points of focus and contention pertained to the depth of the next withdrawal and its relationship to the final status dimension of a Palestinian entity or state. The original Oslo accords suggested a linkage between the nature, depth and scope of the third FRD and final status talks because that FRD required Israel to redeploy into "specific military locations" and "settlements." Although the operative mechanism in the Oslo accords was periodic Israeli withdrawals without regard to final status negotiations, each stage was viewed as helping shape the final borders between the emerging Palestinian entity, Israel and Jordan. Israelis debated whether a third FRD was avoidable, whether security zones should be widened between Palestinian enclaves, and how many and which of the 144 settlements would be 'extra-territorial islands' within PA areas. The resignation on January 4 of David Levy as foreign minister (over an unrelated issue; see chapter on Israel) removed from the cabinet a relatively moderate voice about implementing another territorial withdrawal. Netanyahu's coalition majority shrank to 61-59. Netanyahu's coalition members, both in the cabinet and in the Knesset, threatened to vote against any withdrawal proposal that would give the PA more than 10% of additional land to the Palestinians.32 A week prior to Netanyahu's meeting with Clinton in Washington on 20 January, the Israeli Cabinet agreed unanimously on some fifty measures which the PA had to meet prior to any further FRD. These were defined in four broad categories: completing the process of revising the Palestinian National Charter (see MECS 1996, pp. 42-43, 151-53); fighting terror and preventing violence; strict adherence to the number of Palestinian police allowed under the Oslo agreements; and ceasing all PA activities in Jerusalem. Palestinian compliance would be monitored by an inter-ministerial Israeli Cabinet committee. The political effect of the cabinet decision was to tie (intentionally) Netanyahu's negotiating hands prior to meetings with US officials; in essence, Israel's unwillingness to apply another FRD was placed at the feet of Netanyahu's coalition partners, who were adamant against additional territorial withdrawals. The PA denounced both the Israeli actions. The US Government remarked that the long list of Palestinian obligations "was not helpful because it displayed an in-your-face attitude" that demonstrated the lack of trust between the parties.33 Days prior to Clinton's meetings with Netanyahu and 'Arafat in Washington, 'Arafat declared that the Palestinians were ready to start the Intifada anew. "Our people," 'Arafat further declared, "are a people of martyrs."34 Notwithstanding the palpable Israeli-Palestinian tension on the eve of the Clinton meetings, Palestinian and Israeli security organs shared intelligence information that resulted in a raid by Palestinian security officials on a Hamas bomb factory in Nablus. As it would for most of the year, the Arab media line was that Netanyahu was a procrastinator; after the Washington talks, said pan-Arab writer Bilal al-Hasan, "Last week's back-to-back talks ... failed to achieve anything of note. They ended -- as has become customary with the Americans -- with an 'agreement to continue talking,' no more and no less. "35

FRD to discussion of the final settlement between Israel and the Palestinians was raised for the first time. 'Arafat saw this linkage as evidence of Israel's unwillingness to carry out any additional withdrawals. Rather than just mediating, Clinton offered his own FRD proposal to Netanyahu and 'Arafat. He suggested a three-stage second FRD to be carried out over several months, covering at least an additional 10% of the West Bank. Concurrently, final status talks would be accelerated. Clinton's proposal would leave the PA in full control of 12% to 16% of the West Bank and in partial control of 30% to 33%. Neither 'Arafat nor Netanyahu supported Clinton's plan, though Netanyahu accepted the notion of 'reciprocity' inherent in Clinton's proposals.

Netanyahu made it clear after the January effort to obtain an Israeli withdrawal that 'Arafat's threats would not be tolerated. Responding to 'Arafat's promise to "renew Intifada violence and declare a Palestinian Arab State." Netanyahu told the board of governors of the American Jewish Committee in February that if 'Arafat "actualizes his threats the Oslo agreement will be considered null and void, not just violated."36 Meanwhile, alongside the verbal volleys, informal PA-Israeli contacts continued under the aegis of US Ambassador to Israel, Edward Walker. These discussions focused on how to open the new Gaza airport and expand the Gaza port, move forward in establishing a commercial-industrial zone adjoining the Gaza Strip, and institute safe passage between the West Bank and Gaza. All four of these issues were outstanding from earlier agreements. In early March, three Palestinians were killed by Israeli soldiers as they apparently tried to run a roadblock near Hebron in the village of Dura. Their deaths sparked demonstrations in Hebron and Ramallah. Palestinian security officers worked with their Israeli counterparts to curb the violence. Netanyahu called 'Arafat and sent his condolences.

By the end of the month, the Israeli Cabinet "defiantly warned the US against making public a new peace initiative," noting that the American demand for a 13% turn-over of additional land to the Palestinians over a three-month period was "unacceptable."37 While the Netanyahu government worked to avoid US pressure, European governments and Arab leaders urged the US to take their idea public. Netanyahu argued that if the US made a proposal public, then 'Arafat would end up negotiating with the US rather than Israel. When Ross left Israel at the end of March, Netanyahu had flatly rejected the American proposal for a 13% withdrawal. Washington did not give up, attempting to pressure Netanyahu while simultaneously threatening to throw up its diplomatic hands in surrender. As James P. Rubin, the State Department spokesperson, said, "If the two sides aren't prepared to make the hard calls, the catalyst [the US] can only do so much."38 As if to deflect attention from American-Israeli differences on the Palestinian-Israeli track, Israel reopened internal debate on its costly presence in southern Lebanon by formally accepting a twenty-year-old UN Resolution (Security Council Resolution 425 of 19 March 1978) which called for Israel to withdraw from Lebanese territory (see MECS 1977-78, p. 190). Discussions on an Israeli pullout from Lebanon were spearheaded by Defense Minister Yitzhak Mordechai. Mordechai had traveled to the US and France in previous months, to try to find a formula for an Israeli-negotiated pullout, "With appropriate security arrangements" which would include the restoration of Lebanese government authority and responsibility for guaranteeing that its territory not be used as a base for armed attacks against Israel.

Three weeks later, British Prime Minister Blair, on the heels of a not-so-pleasant visit to Israel and the Palestinian territories by his foreign minister, suggested that talks on the Palestinian-Israeli track be revived in London, but still based upon the 13% US withdrawal proposal. US Vice President Gore urged both Netanyahu and 'Arafat to move the peace process forward. Gore's urgings, Ross's diplomatic trench work and Albright's spring efforts were not successful. In the spring, the US was disappointed and warned of the dire negative consequences of Netanyahu's non-acceptance of the American ideas; "failure to put the process back on track," said a State Department spokesperson, "will carry with it grave risks of disillusionment and violence in the Middle East."39 In criticizing Netanyahu's rejection of the Clinton administration's latest proposals, Carmi Gillon, former director of Israel's General Security Service from 1994-1996, noted that ... Arafat will not be able to keep jailing terrorists and still maintain credibility among Palestinians unless he can deliver an Israeli withdrawal... if the impasse continues, everyone will lose -- except for the fanatics of Hamas. "40

While future events in the region proved such dire predictions to be exaggerated, the next verbal explosions came from Washington. The day after Albright's separate meetings with 'Arafat and Netanyahu in London, Speaker of the House of Representatives, Republican Newt, PDFonFly.com

Gingrich, in reference to Israel's fiftieth anniversary celebrations, sarcastically declared "Happy Birthday. Let us blackmail you [Israel] on behalf of 'Arafat."41 The next day, First Lady Hillary Clinton, speaking to a group of Arab and Israeli teenagers, said that she believed "it will be in the long-term interest of the Middle East for Palestine to be a state."42

Ross quickly returned to the area, the State Department declared that it was not pressuring Israel, and Albright sought to patch up the bad feelings that had surfaced between the US and Israel. The White House spokesperson put his spin on Albright's sentiments by saying her effort was "not about frustration, anger, exasperation, [but about] persistence."43 Concurrent celebrations marking Israel's fiftieth anniversary both in the US and Israel were tempered by the stagnating peace process; Palestinians, who remembered their dispersion during and after Israel's creation, were equally disgruntled with the political stalemate.

On the way home from London in May, Netanyahu met with Egypt's President Mubarak in Alexandria to brief him on the diplomatic situation. Summer doldrums characterized the peace process. For the month of June, Netanyahu debated the possibility of conducting a national referendum on the next FRD; that idea fizzled but it bought the prime minister time. A majority of Israelis believed that both of Netanyahu's ideas -- a referendum and convening an international conference -- were raised for the purpose of "killing time."44 In July, Israel Defense Minister Mordechai and 'Arafat's deputy, Mahmud 'Abbas (Abu Mazin), met several times under the auspices of the US Ambassador to Israel. These discussions focused on reconfiguring the 13% US proposal, revising the PLO Charter, Israel's possible release of security prisoners, and the resumption of talks between smaller working groups on a wide variety of issues. These discussions were followed by meetings in early August between 'Abbas and Yitzhak Molho, a trusted Netanyahu adviser and interlocutor on peace process matters. Molho had additional meetings with Ahmad Quray' (Abu 'Ala), the speaker of the Palestinian Legislative Council (PLC). Before going into summer recess at the end of July, the Knesset sent Netanyahu a warning with the first reading of a bill to dissolve the Knesset. The previous month, because of corruption charges voiced against the cabinet, 'Arafat faced the possibility of a no-confidence vote from the PLC. Resignations of eighteen members of his cabinet, however, postponed the non-confidence vote.

US officials continued to urge continuous, direct PA-Israeli talks. In June, CIA director George Tenet met with Israeli and Palestinian officials in Israel and in the PA areas to promote greater Israeli-PA security cooperation. Ross returned to the region in early September after a fourmonth absence; at the end of the month, Secretary Albright met with Netanyahu in New York, just prior to a brief 28 September Clinton-'Arafat-Netanyahu meeting at the White House. These talks and the visit to the region in early October by Albright, Ross, Tenet and Assistant Secretary of State Martin Indyk were aimed at laying the groundwork, and narrowing as many gaps as possible for the Wye River Summit in October. The issues under discussion included: Israel's opening of the industrial zone in Karni's for the Palestinians- the PA's establishment of an anti-incitement committee; and the establishment of "people-to-people" programs to foster relationships between individual Israelis and Palestinians.45

Wye River Memorandum (WRM)46

Israel, the PA, and the US ended nine days of intense discussions with the signing of the WRM on 23 October 1998. Constructed under a US-imposed media blackout, this was the longest set of continuous summit-level Arab-Israeli negotiations since the seventeen days at Camp David in 1978.

A set of high-powered delegations had been assembled on all sides. In addition to Netanyahu, Israeli participants included Defense Minister Mordechai, newly-appointed Foreign Minister Ariel Sharon, and Industry and Trade Minister Natan Sharansky. The US team included Albright, Ross and CIA director Tenet. President Clinton joined the talks intermittently at the outset, but then spent more than seventy hours in them. On the Palestinian side, the participants were 'Arafat, Sa'ib 'Urayqat, Abu Mazin, Abu 'Ala -- all veterans of the preceding five years of talks and agreements. King Husayn joined the talks at a critical juncture, rising from his sick bed. His appearance at the White House signing ceremony "magnified his prestige as a peacemaker" and his life-long struggle to protect Jordan's territorial integrity. It would be the king's last official international diplomatic act, the placing of his personal seal on the WRK before passing away in February 1999.47

Originally scheduled to last four days at the Wye Conference Center in Maryland, on the eastern shore of the Chesapeake Bay, the summit lasted twice as long. Its goal was to find a way to finish the interim agreement, and break the year-long diplomatic stalemate. In practice, this meant settling the terms of the long-delayed Israeli withdrawal and linking it to specific Palestinian anti-terrorism steps. In addition, there was a need to preempt a possible explosion, diplomatic and otherwise, on 4 May 1999, the deadline initially set for the completion of final status talks and the date upon which the Palestinian leadership had proclaimed throughout 1998 that the establishment of an independent Palestinian state would be declared. The Palestinian threat made Netanyahu even more reluctant to institute any kind of withdrawal prior to 4 May 1999. Netanyahu's reluctance was fed by his complete mistrust of 'Arafat, which the latter reciprocated. The Wye talks produced an agreement in spite of this mutual lack of trust.

From a longer-term perspective, Oslo and its implementation agreements were aimed at partitioning British-mandated Palestine; the WRM too followed this path. It represented political voices of the broad center (if one could put Netanyahu and 'Arafat into the same camp) while domestic opponents of each criticized the agreement. The "overworked ornithology of hawk and dove"48 in Israel had to be discarded too- Netanyahu was seen as a quisling to the ideological right and settler movement for agreeing to implement the 13% withdrawal he had consistently rejected. 'Arafat was immediately criticized in the Palestinian street for becoming, if not "Israel's Wyatt Earp," then certainly the "US deputy who became the unanimously anointed sheriff." On 17 November, the Knesset approved the WRM by a 75-19 vote with 9 abstentions and 16 MKs not voting. By comparison, the 1978 Camp David accords were passed by a parliamentary vote of 84, with 19 abstentions.

The Wye talks breathed some life into the Palestinian-Israeli track. Still, they constituted no more than a US-sanctioned Israel: renegotiation of the terms of the January 1997 Hebron Protocol, which had also aimed at resolving outstanding interim period issues. The WRM did not replace former agreements -- it placed responsibility on Israel to withdraw and the Palestinians to meet their security commitments. The single greatest difference in this agreement was the extraordinarily expanded role for the US. In terms of long-term effect, the WRM halted the disputatious slide in Israeli-American relations.

Convened as it was so close to the 3 November US general elections, it was not likely (and Netanyahu knew this before going into the summit) that the Clinton administration would risk giving the impression that either he or his administration was putting pressure on Israel to make unwanted concessions. Ironically, all year the Israeli Government worked feverishly all year against all symbolic and practical efforts to grant any semblance of statehood to the Palestinians; yet the very manner in which the Wye Summit talks were conducted accorded to 'Arafat a rank equivalent to that of head of state.49

The talks at Wye were difficult, meetings intermittent, and the atmosphere repeatedly colored by tension. Israeli and PA teams set up subcommittees to address four contentious issues: safe passage between the West Bank and Gaza, the opening of the Gaza airport, security, and the PA economy. Israel wanted an extension of the May 1999 deadline, but the PA refused- the PA demanded mention of the third FRD, iterated in the 1997 Hebron Protocol; Israel demanded a reduction in size of the Palestinian police as stipulated in Oslo II (September 1995). Compounding the environment of distrust, four days into the talks, a Palestinian injured 64 Israelis in an attack in Beersheba, causing Netanyahu to suspend all but the security talks. The day after the attack, Clinton became more deeply involved in the talks. Later on, Netanyahu threatened to leave and enlist the support of the American Jewish community if the US delivered a withdrawal ultimatum to Israel. By the evening of 22 October, agreements were reached on the PLO Charter revisions, the arrest of Palestinians wanted by Israel, Israeli release of Palestinian prisoners, and a timetable for implementing the next withdrawal -- this one in three stages. According to the agreement, Israel's return of additional land over twelve weeks was to leave the PA in full control of 18.2% of the West Bank (Area A, in the parlance of Oslo II), and in partial control of 21.8% (Area B). The WRM also included Israeli pledges to open the Karmi industrial zone, adjoining the Gaza Strip, in a timely manner; revive talks on safe passage; resume talks on opening the Palestinian port at Gaza; and reach conclusions on a variety of outstanding legal disputes with the PA. Both sides agreed to prevent all acts of terrorism, crime, hostilities and incitement. The specific PA obligations, with precise dates attached to their completion, included: submission of a work plan to the US for combating "terrorist organizations"; the resumption of full security cooperation with Israel; and the outlawing of organizations or wings of organizations that incited violence; the apprehension of individuals suspected of violence; the prohibition and collection of illegal arms; the issuing of a decree prohibiting all forms of incitement; and the provision of a list of all PA police in conformity with previous agreements. Both sides agreed to resume final status talks immediately, with the goal of completing them by 4 May 1999, and to refrain from taking any unilateral steps that would change the status of the West Bank and Gaza 50 Seven committees were to be formed under the agreement; the negotiating mechanism of generating collaborative structures was meant to resolve differences, bypass, when necessary, the obstreperous 'Arafat-Netanyahu relationship, and commit a raft of personalities to agreements so that they could not be easily undone in some unilateral fashion at a future date. Some of the details of the agreement were contained in side letters to the agreement sent by Albright to Netanyahu and 'Arafat and four other letters of clarification sent by US officials. In other words, the WRM contained many generalities and few specifics; the American letters attached to the WRM contained the specifics. The vague nature of the WRM, surrounded with detailed exceptions in side letters, added to the rancor in the months following because specifics were intentionally omitted from the agreement itself. The US, already with a quarter-century of experience in the Arab-Israeli peaceseeking and peace-making process, now dramatically added peace enforcement to the American commitment. In addition to being the mediator, Washington became the umpire. Since voluntary implementation of the Oslo accords had not worked and had caused so much tension between the two sides, Washington handcuffed Palestinians and Israelis to American monitoring of day-to-day actions and political behavior. The US had repeatedly stated during the year that if the two sides were not willing to reach mutual agreements it would withdraw from the process. However, the WRM ensured just the opposite: it required unprecedented and prolonged American involvement in peacekeeping.

As compared to previous documents negotiated through Washington or its intermediaries, the US was mentioned more often as an active participant in peace-making than in any previous Arab-Israeli agreement, going as far back as the first Egyptian-Israeli Disengagement Agreement in 1974. The US role included being briefed regularly on the progress of redeployment; having the Palestinians share with the US their planning of a counter-terrorism work plan; monitoring of counter-terrorism through biweekly meetings with the Palestinians; judicial supervision about the prosecution and punishment of suspected terrorists; US assistance to the PA in carrying out the collection of illegal weapons; participation in a trilateral committee to prevent arms smuggling; participation in a trilateral committee to monitor and make recommendations to prevent incitement; participation in a trilateral committee which would meet not less than biweekly to assess current threats and deal with impediments to security cooperation- direct American technical assistance and monitoring of the Palestinian police- US preparedness to facilitate permanent status talks after the WRM entered into force on November 2; US monitoring of Palestinian and Israeli requests for arrest and transfer; and the witnessing of the final revocation of the PLO Charter by President Clinton in December at a session of the Palestine National Council (PNC) in Gaza.

At least at the signing ceremony in Washington, the tone of Israeli and Palestinian statements was generally positive. 'Arafat, for example, declared, "I assure you that we are all committed to the security of every child, woman and man in Israel ... no Israeli mother will be worried if her son or daughter is late coming home."51

However, once they returned to the Middle East, the two leaders resumed their verbal sniping at one another. Moreover, the contents of the entire WRM could have been suspended indefinitely or scrapped if a jeep carrying Israeli soldiers on 29 October near Gaza had not rammed a Hamas suicide bomber's car just prior to hitting its intended target of a school bus of Israeli children. The explosion killed one of the soldiers and wounded three others. A week later, two members of the Islamic Jihad group exploded their car bomb near a Jerusalem market, killing two Palestinians and wounding two dozen Israelis. Despite these attacks by opponents of the peace process, the PA nonetheless moved forward in seeking to meet its commitments signed under the WRM. On 30 October, the PLO Executive Committee ratified the WRM and reaffirmed a January 1998 'Arafat letter to Clinton confirming the revision of the PLO Charter in 1996. On 7 November, full security cooperation with the Israelis was resumed. Less than a week after the signing, Netanyahu proceeded with a decision to fortify thirty-three existing settlements prior to the beginning of the scheduled redeployment, approved the construction of thirteen by-pass roads which required confiscation of Palestinian land, and ordered confiscation of land for settlement expansion. The government also began accepting bids for construction of housing units at Har Homa on Jerusalem's southern edge.52 Though settlements were not mentioned in the WRM, these acts confirmed that Netanyahu was going to assert Israel's prerogatives as he understood them. He also postponed ratification of the WRM by the cabinet and Knesset in part, he claimed, because PA security commitments were incomplete. It also indicated that Netanyahu had his own definition of what constituted a unilateral act: expanding existing settlements, in his view, was an Israeli prerogative, not a unilateral act of the kind prohibited in the WRM. On 5 November, Netanyahu convened his cabinet and threatened not to implement the FRD unless the PA convened the full PNC to revoke the PLO Charter.53 He said, "If they vote to annul the provisions [of the Charter], we will say they did their part;... if not, we simply will not give them the territory."54 The Israeli Cabinet ratified the WRM on November 11 by an 8-4 vote with 7 abstentions.

Verbal upbraiding of one another intensified in subsequent days. Israel said that it would annex West Bank land if a Palestinian state were unilaterally declared; three days after the Israeli Cabinet vote, 'Arafat stated that it was his right to declare an independent state and followed that with a radio address on 15 November that the Palestinians should retain the option to stage a new Intifada if Israel blocked their access to Jerusalem. Israeli Foreign Minister Sharon then called on Jewish settlers to "grab every possible hill before the withdrawal of Israeli troops begins."55 In the meantime, the Clinton administration shifted its attention to the Iraqi crisis (see chapters on Iraq, and the US and the Middle East).

Reaction to the WRM in the US, Israel, among Palestinians, and in the Arab world was mixed. To be sure, a majority of both Israelis and Palestinians supported it. In Israel, about 70% were in favor. (The more religious the Israeli respondents were, the less supportive they were of the WRM.)56 Among Palestinians, 59% of those interviewed three weeks after the signing were supportive, while 35% opposed; 57% thought that Israel gained more from it than the PA, and 78% thought the PA would implement the agreement, while only 19% thought the Israelis would stick to their committments.57 The newly-expanded role for the US was evaluated, for the most part, positively; however, there was trepidation from Arab sides that the US would act in a pro-Israeli fashion, while some in the Israeli press feared pressure from a renewed activism from Washington and conflict stemming from the CIA role as arbiter. American analysts doubted whether it was a positive development for the US to be so engaged as mediator and judge. Slivers of hope and optimism were noted in some editorial opinions, but cynicism about what was achieved and skepticism about what came next tended to dominate Arab media responses.

The Israeli media response was varied. Ma'ariv editor Ya'acov Erez noted that Netanyahu showed that he was "capable of jettisoning his rigid principles ... to abandon the hawkish Greater Israel philosophy." Senior analyst Ron Ben-Yishai in Yedi'ot Aharonot praised "American involvement in all stages of security implementation [because when] it comes to security nothing else really matters" for Israel.58 The Israeli religious-nationalist paper Hatzofeh's lead editorial a few days after the signing expressed fear that Clinton and the US were too closely aligned with the Palestinians; it forecast "a return of American policy of the early 1970s, characterized by coercion and manipulation of aid."59 All too quickly, Netanyahu's opponents on the left and right alike attacked him for signing an agreement: for some it was too little to late, for others it was too much. Those to his right on the political spectrum labeled him a "traitor," the same term used to describe Yitzhak Rabin in the months prior to his assassination (see MECS 1995, pp. 357-58).60 By signing the WRM he divided the Israeli national camp from within. Worry for Netanyahu's well-being led Israel's domestic security service, the Shin Bet, to enhance security around the prime minister's residence in Jerusalem and to ask the Israel police and the State Prosecutor's Office to take tough action against rightwing activists who made inflammatory statements against the prime minister.

Criticism in the Arab press of the agreement abounded. Many columnists attacked 'Arafat personally. Some viewed the WRM as an indication of Palestinian and Arab political weakness vis-à-vis Israel; others, a sign of caving in to US political pressure and giving the "despised CIA a mandate to target the legitimate right of the Palestinian people to resist occupation."61 Fear was expressed that the CIA would help 'Arafat crack down on political opponents of Oslo, thereby liquidating anti-'Arafat and anti-normalization supporters. For those in the Arab world that had opposed Oslo from the start because it was based on the recognition of Israel, the WRM was condemned, for it reignited the much hated prospect of further normalization. Said Gulf columnist 'Abd al-Malik Sulayman, normalization with Israel "before the establishment of a comprehensive peace was a serious error."62 Edward Said, an historic opponent to 'Arafat's acceptance of the Oslo accords, scathingly noted that the WRM neither gave the "Palestinians more freedom nor allowed the US and Israel to 'help' Palestinian

independence." On the contrary, he argued, with the PA's help, "conditions under which Palestinians live [would] remain docile and [would be] taken care of in the best colonial manner."63 The Jerusalem-based al-Quds said that the WRM put both sides in difficult positions, but because "the whole process is in Israel's hands, it must demonstrate genuine interest in peace."64 In Jordan, articles in the two leading daily papers regretted the agreement. An al-Dustur commentator feared that the Palestinians, by making security concessions to the Israelis, had given up their last bargaining card without Israel having committed to any detail in final status negotiations. Al-Ra'y praised the Palestinians for taking control of their own future, while at the same time, reminding readers that the "Palestine question is still an open wound on the Arab body."65 Reactions in the official and semiofficial Egyptian media were mixed as well. An article in al-Akhbar said that "any step toward achieving peace in the Middle East is a gain"; and al-Ahram noted the political gains for the Palestinians because a "Likud government is being forced to withdraw from parts of the West Bank."66 Another article in al-Akhbar vilified Netanyahu, calling him a brilliant Shylock, who gave a gripping performance at Wye because he "exploits the plot, squeezes every moment, and, through deceit, wins the day. His artistry is immortal."67 Not unexpectedly, the official Syrian press was uniformly negative. Tishrin said the WRM "lacks credibility," itself a rather mild remark in the normal pantheon of caustic remarks usually reserved for Israel and Israeli leaders. Meanwhile, Muhammad 'Ali Buza commented in al-Thawra that 'Arafat had "offered huge Palestinian concessions and accepted the usurpation of Palestinian rights."68 Agreeing that the WRM was a Palestinian concession, the left-wing Lebanese paper al-Safir noted with cynicism that it was "actually the crowning of a downhill Palestinian march that started years ago."69 An editorial in Saudi Arabia's al-Jazira preferred to "side with the optimists and wait to see the results. "70

In Washington, Alabama Senator Richard Shelby said it was troubling that the CIA was altering its mission because it would not only put Americans in "danger," but alter the traditional CIA role by bringing its activities "out into the open." US National Security Adviser Sandy Berger disagreed with Shelby's interpretation, claiming instead that the CIA would not become judge and enforcer, but "help to facilitate [Palestinian-Israeli] cooperation."71 Many influential American analysts were skeptical of the WRM's long-term effectiveness. Although it brought about Palestinian-Israeli comity, it also required a "heavy investment of [American] diplomatic prestige"72 to support the implementation phase of how Palestinians and Israelis would share the West Bank. Expressing extreme skepticism about the agreement, one former Reagan administration official estimated that the WRM is "likelier to produce war than peace" and endanger rather than promote US interests.73 While praising Netanyahu for "bringing the Israeli hawks into Oslo," a New York Times editorial fervently hoped that the Israeli prime minister would also evolve "a vision of Israel at peace."74

Netanyahu set a somber tone when the Knesset ratified the agreement on 17 November, saying, "This is not a day of jubilation."75 David Levy, who had resigned in January as foreign minister, remarked that "with certainty I can say that this agreement could have been obtained a year ago ... and we wouldn't be left with a bitter taste in our mouths."76 An opponent of the Oslo process, Likud MK Benny Begin, said that Netanyahu had "acted like a dishrag"; another MK, Hanan Porat, who also believed that its giving up any territory of the "Land of Israel (Eretz Yisrael)" was disastrous, mocked Netanyahu for "running whining after his American nanny." The leader of the right-wing Land of Israel Front, made up of MKs from various parties, pronounced Netanyahu finished, the Likud party irrelevant, and the ideological backbone of their Land of Israel movement broken.77 The Likud and the Israeli right splintered during the following two weeks, as they searched for a leader other than Netanyahu. It appeared inevitable that his government would be toppled by a no-confidence motion from a combination of political opponents from the left and the right who felt he had given too much, or too little and too late at Wye, and others aggrieved by his autocratic style of government. On 21 December, Netanyahu preempted them and called for new elections in spring 1999.

The first stage of the scheduled withdrawal was carried out on 20 November. Ten days later, the PA donor's conference of forty-five countries met in Washington, where more than \$3.2bn. was pledged to aid the PA for the coming five years, including \$400M. for 1999 from the US. Of the \$4.2bn. pledged for the 1993 to 1998 period, only \$2.5bn. was actually received by the PA.78 Lebanon and Syria were conspicuous by their absence; neither did they attend the 1993 post-Oslo donor conference.

completely, nor without rancor or mistrust. On 24 November, Israel and the PA finalized procedures for opening the Yasir 'Arafat Gaza International Airport. The terms and conditions of the airport's use characterized the absence of Israeli trust in the PA. Israel controlled the airspace, approved flight schedules, oversaw security, and held the prerogative to ban use of the airfield to whomever it wished. Israeli personnel were not permitted to search 'Arafat's plane or sit in the control tower. 79 As required by Wye, the Palestinians broadcast a decree on 19 November against anti-Israeli incitement, without defining incitement. Before the end of the year, the trilateral anti-incitement committee met four times but failed to reach a mutually agreeable definition of "incitement." "While the committee met, Netanyahu became "enraged" by 'Arafat's announced intention to declare a Palestinian state with Jerusalem as its capital, and by Palestinian executive committee member Abu 'Ala's remark in which he called on his people to "fight the settlers with force."80

On 2 December, the Israeli Cabinet laid down three conditions for implementation of the second phase of withdrawal. First, the PA was to explicitly clarify its commitment to the WRM. Israel insisted that neither prisoners with blood on their hands nor Hamas members were to be released. Second, that the PA explicitly announce both the abandonment of its intention to unilaterally declare a Palestinian state, and its commitment to the principle of continuing negotiations until the achievement of a permanent settlement. And third, the PA would immediately halt the acts of incitement and violence and immediately punish those responsible.81 The cabinet's decision to threaten postponement of the next phase of withdrawal was tied directly to maneuverings in the Knesset, in which Netanyahu sought to woo right-of-center politicians away from support for early elections or the government's dissolution (see chapter on Israel).

The most highly charged and contentious issue concerned the release of Palestinian prisoners. In fulfilling its obligation to release Palestinian prisoners, Israel released 150 common criminals -- not the first third of 750 political detainees which 'Arafat had intended. The demonstrations gave Netanyahu an additional excuse to suspend implementation of the Wye timetable. PA violations were explained by Foreign Minister Sharon to Clinton, Albright and Ross in Washington on 8 December in an effort to have Washington accept Israel's explanation of the suspension of Wye, prior to Clinton's scheduled visit to Gaza. Weapons confiscation by the Palestinian security forces began after the period of voluntary return of weapons ended on 6 December. Searches of homes and refugee camps ensued, in a PA effort to demonstrate its intent to fulfill its obligations prior to the scheduled Clinton visit.

President Clinton went ahead with his visit to Israel and the territories; whether intended or not, it gave him a brief respite from the bubbling impeachment scandal. The primary goal of his visit was to demonstrate Washington's commitment to the implementation of the WRM's obligations to contain the renewed Netanyahu-'Arafat animosity, and specifically to witness Palestinian refutation of their Charter provisions which called for Israel's destruction. Clinton arrived in Israel on 12 December, the day the US House of Representatives approved four counts of impeachment against him. Netanyahu was told by the Americans during this visit that he needed to carry out the second phase of the next redeployment by 18 December as required.

Under the WRM the PLO executive and central councils were required to reaffirm 'Arafat's January 1998 letter to Clinton listing 26 of the 33 articles of the PLO Charter, which the PNC was said to have annulled on 22 April 1996. The 124-member central council voted 81-7, with 7 abstentions to approve 'Arafat's letter. Then on 14 December some 1,000 Palestinian figures, including some 450 of the 700 PNC members, overwhelmingly approved, by a show of hands, the nullification of the charter. No exact count of the vote was taken and no new charter was drafted. After the vote was taken, Clinton told the Palestinians gathered that they deserved a "chance to determine their own destiny on their own land,"82 a declaration just short of calling for Palestinian self- determination. While in Israel and the territories, Clinton, the American delegation, and Israeli and PA teams witnessed the ceremonial opening of the Karni industrialized zone, where 20,000 jobs were designed to eventually be created.83 Clinton met with Netanyahu and 'Arafat at the Erez border crossing the next day, trying to have both of them adhere to the Wye timetable; he particularly wanted Netanyahu to affect another withdrawal. Clinton apparently reprimanded Netanyahu for calling on 'Arafat to renounce plans to unilaterally declare a Palestinian state, saying "neither side should stop the other from weighing what their vision of the future is."84 Immediately upon returning to the US, Clinton prepared for another attack against Iraq, a policy that had been crystallizing since late August

There was strong reaction to the Clinton visit and the charter revocation act. Damascusbased opponents of the peace process sought to crystallize their opposition to the charter decision, but could not agree on their continuing internal debate on whether they should form a formal opposition to 'Arafat within the PLO or opt to wrest full control of the PLO, as Palestinian Islamists argued.85 Criticism of the charter revision process in portions of the Arab press was fierce. An editorial in al-'Arab regretfully asserted that 'the PLO leadership no longer has a national cause ... inalienable rights have been turned into a set of negotiable demands ... defending the right of the Palestinians to exist on their native soil has been turned into a matter of finding somewhere for a relatively small proportion of them to have 86 According to a leader in Bahrain's al-Khalij, the practical outcome of Clinton's visit was "the public renunciation of three-quarters of the Palestinian National Charter, and Washington's de facto acceptance of Netanyahu's new demands and his postponement of the second withdrawal."87 Among some Palestinians, Clinton's tacit recognition of their national aspirations created a festive mood. It was dashed, however, at the Erez border crossing summit when Netanyahu reaffirmed his list of demands from the PA and continued suspension of the WRM's implementation until they met those requirements. Commenting on Clinton's trip and the revocation of the charter provisions which had called for armed struggle against Israel, an editorial in al-Quds al-'Arabi said that the president's visit had aroused great expectations among Palestinians, but they "evaporated even before his plane took off for Washington."88

Israeli commentators generally took the view that nothing had changed in Palestinian attitudes toward Israel with the charter revision meeting, and that the absence of a joint communique or photo opportunity of the three leaders at the Erez meeting indicated just how distant Netanyahu and 'Arafat remained in outlook.89 At the time, Israeli commentator Shimon Shiffer believed that only 'Arafat was a victor from Clinton's visit. Eight months later, another Israeli analyst, Aluf Ben, asserted that it was Netanyahu who "forged the path to an alliance between the US and the PA, which reached its peak in Clinton's visit to Gaza."90 An editorial in Ha'aretz in December 1998, a paper harshly critical of Netanyahu's leadership, asserted that he had "brought the peace process to a condition of complete hopelessness ... [and] managed to create walls of mistrust with the Palestinians so that even after he signed the WRM, it is not being implemented."91

Final status talks were to run simultaneously with the implementation of the commitments made in the WRM; however, only a few preliminary discussions, dealing with procedural matters, were held in November and December. On 20 December, the Israeli Cabinet voted to impose a general freeze on Wye's implementation: further withdrawals and final status talks were suspended; security cooperation, however, continued uninterrupted into 1999. The next day, Netanyahu called for new elections, preempting the parliamentary no-confidence motion.

By year's end, discussions on the myriad, thorny final status issues -- the future of Jerusalem, the disposition of Jewish settlers and settlements, Palestinian refugees inside and outside the West Bank and Gaza Strip, water, border demarcations, and the nature of the Palestinian-Jordanian-Israeli relationship -- had not begun. It was as if the Israelis and Palestinians were on a freighter without a destination. Their ship carried so much incendiary cargo that no defined harbor could accept their weighty political baggage. Brashly, in October the US took on the role of tug master. By the end of the year, Clinton, Netanyahu and 'Arafat faced troubles in the domestic environment: Clinton stared impeachment in the face; Netanyahu confronted former staunch right-wing supporters who thought he was a traitor; and 'Arafat still had not corralled the militant and radical opponents to Oslo. The day before Christmas, Shaykh Aluned Yasin, the Hamas founder and spiritual leader, called on his listeners "to continue on our path of holy war," at a rally celebrating the eleventh anniversary of his movement.92 As 1999 began, 'Arafat and Netanyahu remained fundamentally poles apart about their political destination and the expected time of arrival. 'Arafat, the Palestinians and the Arab world demanded an independent state; Netanyahu refused to hear anything of it.

The year had ended where it had begun: the Netanyahu government making demands of the PA in the security realm and requiring reciprocity prior to additional withdrawals. Frustration among US officials over what they viewed as the Israeli Government's dilatory policies resulted by year's end in a definite American drift toward open support for Palestinian national aspirations, as well as a greater commitment to pull both sides forward, albeit kicking and screaming. All sides were aware that the course of the Israeli- Palestinian peace process awaited the outcome of Israel's upcoming 1999 elections.

Jordanian-Israeli Relations

The Jordan's commitment to its peace treaty with Israel was absolute, the substance of the Jordanian-Israeli relationship was somewhat hollow and fraught with problems. Relations between Amman and Jerusalem were still cool at the beginning of 1998, following Israel's botched assassination attempt of Hamas leader Khalid Mash'al in Amman the previous September (see MECS 1997, pp. 94, 478-80). King Husayn met in London with Netanyahu in November 1997 in an effort to patch up relations. This meeting was followed by subsequent visits to Amman by Israeli officials in early 1998. While most security and trade coordination was resumed by the beginning of the year, the atmosphere remained chilly. Netanyahu's comments in February that Israel had no intention of withdrawing from areas of the Jordan Valley caused Husayn to send Netanyahu a letter declaring the statement an insult to his kingdom and a direct attempt to avoid Israel's committments.93 In rnid-February, Israel's "Ciechanover committee," charged with investigating the Mash'al affair, concluded that the head of the Mossad intelligence agency, Dani Yatom, had not properly supervised the operation, but did not criticize Netanyahu nor refer to the violation of Jordanian sovereignty. Yatom's resignation and replacement by Ephraim Halevy, a long-time participant in Jordanian-Israeli talks, warmed relations between Amman and Jerusalem considerably. Husayn had told the Netanyahu government that cooperation between their intelligence services would not resume until Yatom was dismissed.94 Netanyahu's domestic opposition condemned the unwillingness of the Ciechanover Report to lay responsibility for the deterioration of relations with Amman at Netanyahu's feet. During the first ten days of March, Husayn met with Israeli ministers Natan Sharansky and Ariel Sharon to discuss trade and water issues. It was immediately followed by Crown Prince Hasan's meeting with Netanyahu in Tel Aviv, where Hasan hailed a "new beginning" in Jordanian-Israeli relations.95 In the late winter and early spring, at least four meetings were reportedly held on water-related issues. Israel subsequently agreed to allow Jordan greater reservoir facilities in Lake Tiberias than originally indicated in their October 1994 peace treaty (see MECS 1994, pp. 55, 413).

By early spring, however, relations had again become chilled. "Israel should understand," said Marwan Mu'ashshir, Jordan's ambassador to Washington, "that it is putting at risk ... Jordanian coexistence with Israel by sticking to the status quo and that is not in Israel's interests."96 In May, King Husayn refused to meet Netanyahu; in July, a Jordanian parliamentarian told the EU that "Jordan is currently freezing, without announcement, its dealings with Israel ... until Israel changes its policy toward the peace process."97 Jordan and Israel did continue discussions on commercial issues such as the establishment of a joint industrial zone, what imports might pass through Haifa and 'Aqaba ports, and aviation and agricultural trade matters. Crown Prince Hasan lamented that economic dividends from the peace treaty with Israel still had failed to materialize. A particularly sore point was trade with the PA areas. According to official 1998 Jordanian figures, Jordan exported goods worth less than \$25m. to the PA areas, compared to Israeli exports to Palestinian markets of nearly \$2bn. in the same year.98

Prior to the Wye Summit, newly-appointed Israeli Foreign Minister Sharon and Netanyahu visited Amman; Sharon subsequently paid a courtesy call on King Husayn at the Mayo Clinic. Overall for the year, Jordanian contacts with Israel were directly influenced by the impasse on the Palestinian-Israeli track. After participating in the Wye Summit signing ceremonies, Husayn returned to the Mayo Clinic; on 29 December, he left for Jordan, claiming he had been cured of cancer (see chapter on Jordan). He died on 7 February 1999.

Egypt and the Peace Process

From the signing of the Oslo accords through 1998, Egypt continuously prodded Israel to reach accommodation with the PA. Cairo undertook vigorous efforts to find ways to implement the accords; it also forcefully undertook diplomatic forays aimed at Israeli policies, many of which went beyond scalding verbal attacks on the Israeli Government's general procrastination in making additional withdrawals. In 1998, as in previous years, Cairo calibrated its criticism of Israeli policies so that it never reached a proportion that might cause the US Congress to consider halting the \$2.2bn. in annual military and economic assistance (see MECS 1997, pp. 96, 333-34). Cairo's disagreement with Washington about the use of force against Iraq was also carefully worded to avoid incurring Washington's anger or alienation (see chapter on Egypt). Without alternative funds available to help its economy and from the military

modernization, Egypt's diplomatic disagreement with Washington and Israel was limited and, according to one Arab editorial, always susceptible to American and Israeli "extortion."99

Egypt's diplomatic theme after 1994 was directed at the rush by other Arab states toward normalization with Israel. Israel's economic strength, it feared, meant that Middle Eastern economies would be dominated by the Jewish state; in 1996, Cairo attacked Israel mercilessly for not signing the Nuclear Non-Proliferation Treaty (NPT) (see MECS 1995, pp. 49-50, 64-65); and in 1997, it worked assiduously and to lessen the importance of the November Middle East and North Africa Economic Summit in Doha (see MECS 1997, pp. 95-96; 122-25). In May 1998, Egypt, with the support of French President Jaques Chirac, considered convening a new international conference to restart the peace process, an idea opposed by Washington. Inter-Arab discussions coordinated by Cairo failed to reach agreement on who would come to such a conference and at what stage. As for an Arab summit, agreement could not be reached on the agenda for such a meeting or who should be invited (see chapter on inter-Arab relations).

Notwithstanding Egypt's continuous attempts to reach accommodation with the Palestinians, President Husni Mubarak had fewer meetings with 'Arafat, King Husayn and Syria's President Hafiz al-Asad than in 1997. In 1998, more so than in any previous year since the Oslo accords were signed in 1993, the states contiguous to Israel seemed to be burdened with a wide variety of pressing domestic issues that vied for attention. 'Arafat, Husayn, Asad and Mubarak had full domestic plates, not the least of which for each were issues of political succession (see respective country chapters). Though the Egyptian media continued to be antagonistic toward Israel, there seemed to be a lack of pervasive government-inspired zeal against Israel, which was so characteristic of the previous three years. Egypt was still a fervent cheerleader of renewed Arab-Israeli diplomacy and prominent source for consultation, but Cairo could not step into the intermediary role held by the US, even when Washington proclaimed they were fed-up with 'Arafat and Netanyahu. A lessening of the Egyptian media's sharp attacks against Israeli policies and leaders may have been an unexpected by-product of a general Egyptian government crack-down on its press early in the year (see chapter on Egypt). As compared to 1994, when Egypt served as an active peace coordinator and interlocutor between 'Arafat and Rabin (MECS 1994, pp. 275-76), the effect of the WRM was to further marginalize Cairo's active role as log-jam breaker and bridge to Palestinian-Israeli compromises. Moreover, with his own prestige rising in international diplomacy, and with intermittent but nonetheless direct contacts with Israeli negotiators, 'Arafat did not need to rely upon Cairo as before. Nonetheless, throughout the year, the Mubarak government offered suggestions to 'Arafat on how to manage his thoroughly uncomfortable relationship with Netanyahu; this included a suggestion in August not to accept any Israeli withdrawal unless it was the 13% as suggested by the Americans. Such a policy suggestion kept the Palestinian position fully in concert with Washington.

During the year, Mubarak met with Asad three times to review what might be done to restart Syrian-Israeli negotiations on the basis of where they ended in February 1996, before the elections which brought Netanyahu to power. Additionally, Mubarak consulted with King Husayn on a variety of issues related to the peace process. At the conclusion of their January meeting, Mubarak and Asad urged the US to withhold Israel's \$3bn. in annual assistance as a lever.100 At their tripartite summit in Cairo in July, Mubarak, 'Arafat, and Husayn issued a communique rejecting Israel's plan to expand Jerusalem's boundaries.101 Mubarak's government repeatedly requested that the EU and the, US put pressure on Israel, while trying to find some formula that might increase inter-Arab harmony. In May, thirty leading business professionals created the Cairo Peace Movement to increase business, educational, and cultural exchanges between Arabs and Israeli moderates in order to improve Israeli public opinion of the Arab world. Meanwhile, coincidental to the celebration of Israel's fiftieth anniversary, 800 people participated in a demonstration against Israel.102

Throughout the year, Egypt's media and leadership unanimously condemned Netanyahu's policies toward the Palestinians. In September, the editor of al-Ahram lambasted the Israeli leadership in a strongly-worded front page editorial. According to Ibrahim Nafi', Israel "is not interested in reviving the peace process [and] ... will not be deterred from pursuing state terrorism." Referring to the statement by Ariel Sharon that Israel would renew its attempt to kill Hamas leader Khalid Mash'al, Nafi' said that this was the "real nature of Israel's ruling Likud, while his fellow ministers and prime minister prefer to deceive, maneuver, and conceal their true intentions."103 When the implementation of Wye looked problematic, any notions that

Israel's relations would improve with Arab states that had either diplomatic or treaty relations with Israel was dashed. Tensions between Israel and Egypt remained high until the end of the year, with the Mubarak government clearly going out of its way to be friendly to Netanyahu's domestic political opponents, especially after the announcement of new Israeli elections in the spring.

THE ISRAELI-LEBANESE AND ISRAELI-SYRIAN TRACKS

At the year's outset, Israeli Defense Minister Yitzhak Mordechai attempted to instigate a process which would lead to an Israeli withdrawal from south Lebanon. Detailed by the government in 1997 to find a solution to Israel's presence in the Lebanese quagmire, Mordechai sought an agreement with the Lebanese authorities that would enable an Israeli exit from southern Lebanon on the condition that Israel's security be guaranteed. 104 Israel had occupied parts of south Lebanon since March 1978, and declared repeatedly that its presence there was necessary to protect its civilian population on its northern border. In 1978, the PLO was in control of southern Lebanon and the Lebanese Shi'ite Islamist Hizballah did not exist. Israel invaded the Lebanese south in "Operation Litani" to remove the PLO from its northern border where it routinely attacked Israel's northern settlements and organized raids against Israeli civilians. The immediate event that prompted Israel's invasion was a February 1978 attack by PLO agents, who arrived by sea from Lebanon, on a bus traveling from Haifa to Tel Aviv, which killed thirty-five of its passengers (see MECS 1977-78, pp. 187-91).

1997 had been a dreadful year for Israel in southern Lebanon: 39 IDF soldiers were killed in south Lebanon; 73 more died en route to Lebanon when two military helicopters collided. To break the diplomatic log-jam, Mordechai declared that Israel was finally willing to accept UN Security Council Resolution 425, which had been passed twenty years earlier on 19 March 1978. Israel's formal acceptance of the resolution was a change in policy- Mordechai, however, also stressed that Israel was not seeking a treaty with Lebanon, merely an understanding that the Lebanese authorities would police the Lebanese south in exchange for an Israeli withdrawal. Mordechai's diplomatic initiative was offered in a New Year's Day interview in al-Watan al-'Arabi. 105

Resolution 425 contained four key elements: a call for Israel's immediate withdrawal from Lebanon to the recognized international border; restoration of international peace and security to the south; aid for the Lebanese Government to restore its control over the Lebanese south; and the creation of UNIFIL, which would monitor implementation of the resolution. Mordechai said that Israel was prepared to accept and implement withdrawal based upon the Israeli Foreign Ministry's legal brief that the concept of "international peace and security" meant restoration of effective Lebanese Government rule to the area.

Arab response was largely skeptical. Analysts reasoned that the Netanyahu government desired to avoid the image of a country which ignored all UN resolutions and peace agreements, get the Lebanese diplomatic track moving to ease the pressure on the Palestinian and Syrian tracks, postpone action in implementing another withdrawal on the West Bank, and provide a remedy which would end the war of attrition and resulting Israeli casualties in south Lebanon.106 Noted British commentator and historian Patrick Seale declared that "Israel wants the Lebanese Army to deploy up to the international frontier, to disarm Hizballah, to prevent a attacks on northern Israel, and to protect those Lebanese who collaborated with Israel in the so-called security zone -- in brief, it wants Lebanon to act as its policeman in the north."107 Syria was particularly opposed to any Israeli action that would encourage a separate Lebanese-Israeli understanding which might isolate Syria and take from Damascus a valuable negotiating card with Israel, namely, its ability to make Israel bleed in Lebanon through its support for Hizballah. "Linkage between the Syrian and Lebanese tracks," wrote one commentator, "is therefore a nonnegotiable."108 French involvement in trying to broker an agreement was therefore not supported by Damascus.

In March, two other former Israeli generals joined the debate about a unilateral withdrawal from Lebanon, and arguments on the pros and cons of the idea crossed party lines. Infrastructure Minister Ariel Sharon suggested that the IDF pull back in stages. Labor leader Ehud Barak said that Israel could not leave 'the security zone' with the Lebanese Army taking over, "unless there is a settlement with Beirut."109 Barak believed that without Syria giving a green light to an Israeli-Lebanese understanding it would not materialize.

Unlike the Palestinian-Israeli track, dominated by Washington, third-party diplomatic activity dealing with Lebanon was primarily carried out through European capitals and European intermediaries, much of it with Washington's endorsement. These included EU special envoy Miguel Moratinos, French, Spanish and British officials. It also included visits by Mordechai and Netanyahu to Europe in March and several visits by European officials to Israel between March and June.

In early April, Moratinos asserted that Israel's intentions were serious, following his meeting with Mordechai,110 but Damascus nixed Israel's efforts to decouple the southern Lebanon question from Syria's broader interest of Israeli withdrawal from the Golan Heights. Asad simply could not promise to rein in Hizballah, one of his most powerful negotiating cards, without an Israeli commitment to evacuate the Golan Heights as well.

There was no visible movement on the Syrian-Israeli track in 1998. Sporadic media reports, denied repeatedly by Israeli authorities, said that private Israeli-Syrian exploratory talks were taking place. The head of Israel's northern command suggested in February that Asad preferred to obtain the Golan back without war but believed that doing so through diplomacy with the Likud government was virtually impossible. His estimate was that if Asad tried to recapture it through war, "Israel would kick the hell out of the Syrians," and therefore he did not believe that Israel was "close to a violent clash with the Syrians."111 For the year, Asad argued against the normalization of relations between the Arab world and Israel.112 The Israeli Government, for its part, retained the same position it had in 1997, namely that Israel would not enter talks with the Syrians based on a precondition that it was willing to come down from the Golan Heights. Said the Israeli prime minister at the end of July, this had been "the essence of the problem of restarting the negotiations for two years."113 Within Israel, Netanyahu reportedly met with Labor leader Barak on numerous occasions to discuss "how to conduct future negotiations with Syria."114

This otherwise dormant track momentarily awoke at three intervals in the late spring and summer. First, Syrian Foreign Minister Shar' met with Albright in Washington in May. Second, in June, Lebanese Prime Minister Rafig Hariri and the EU Moratinos hinted that efforts were underway by France, the UN and the US that could lead to a resumption of Israeli-Syrian and Israeli-Lebanese talks.115 Rumors swirled regarding restarting the Syrian-Israeli track through a French initiative about the time of Asad's July visit to France -- his first visit to a Western nation in twenty-two years. It was reported that prior to Asad's visit, Chirac had consulted with Netanyahu directly and through intermediaries, especially National Security Adviser Uzi Arad. A "declaration of intentions" was devised that would establish the framework for restarting the Israeli-Syrian track, consisting of (1) Israel's acceptance of Syria's centrality to regional peace; (2) Israel's agreement to resume talks with Lebanon and Syria based on the land-for-peace formula; (3) Israel's agreement that talks must take into consideration the progress reached during the time of the Labor government; (4) Syria's acknowledgment that Israel's main objective was security; (5) Israel's acknowledgment that Syria's priority was the return of the Golan; and, (6) agreement of both sides that the goal of negotiations was comprehensive peace.116 Whether these ideas were specifically presented by Chirac to Asad is unclear, but an effort was made to find a venue to restart Damascus-Jerusalem discussions. In Israel, the Knesset passed the first reading of a bill in July that would require an absolute majority of 61 members and a majority in a public referendum to approve any territorial withdrawals or changes in status on the Golan Heights. Syrian Vice President Khaddani, in rejecting the Israeli proposal to withdraw from Lebanon, continued to articulate the traditional Syrian view that the only means to confront the "Zionist enterprise" was to work for Arab unity.117 The Syrian-Israeli track was publicly dormant during the second half of the year, but reportedly active through three distinct channels: Moritanos, Omani Foreign Minister Yusuf bin 'Alawi, and Ronald Lauder, an American supporter and close confidant of Netanyahu.

According to Israeli senior military correspondent Ze'ev Schiff, the Omani mediation efforts between Israel and Syria began toward the end of 1997. This effort was joined by Arad, with meetings taking place in Europe, Switzerland, India and elsewhere. The aim of the talks remained the formulation of a set of principles upon which negotiations could reconvene. Beginning around the second half of 1998, Lauder held seven or eight meetings, including a meeting at an unspecified time with Asad in Damascus.118 The efforts continued through the Wye conference ceasing only at the end of the year after new Israeli elections were announced.

WYE RIVER MEMORANDUM 23 OCTOBER 1998

[Following is the text of the Interim Agreement signed 23 October 1998 at the White House by Palestinian Authority (PA) Chairman Yasir Arafat and Israeli Prime Minister Benyamin Netanyahu and witnessed by US President Bill Clinton in the presence of Jordan's King Hussein. Mideast Mirror, 26 October 1998.]

The following are steps to facilitate implementation of the Interim Agreement on the West Bank and Gaza Strip of 28 September 1995 (the "Interim Agreement") and other related agreements including the Note for the Record of 17 January 1997 (hereinafter referred to as "the prior agreements") so that the Israeli and Palestinian sides can more effectively carry out their reciprocal responsibilities, including those relating to further redeployments and security, respectively.

These steps are to be carried out in a parallel phased approach in accordance with this memorandum and the attached time fine. They are subject to the relevant terms and conditions of the prior agreements and do not supersede their other requirements.

1. FURTHER REDEPLOYMENTS (FRDs)

A. PHASE ONE AND TWO FURTHER REDEPLOYMENTS

1. Pursuant to the Interim Agreement and subsequent agreements, the Israeli side's implementation of the first and second FRD will consist of the transfer to the Palestinian side of 13% from Area C as follows:

a. I% to Area A; b. 12% to Area B.

The Palestinian side has informed that it will allocate an area/areas amounting to 3% from the above Area B to be designated as Green Areas and/or Nature Reserves. The Palestinian side has further informed that they will act according to the established scientific standards, and that therefore there will be no changes in the status of these areas, without prejudice to the rights of the existing inhabitants in these areas including Bedouins; while these standards do not allow new construction in these areas, existing roads and buildings may be maintained.

The Israeli side will retain in these Green Areas/Nature Reserves the overriding security responsibility for the purpose of protecting Israelis and confronting the threat of terrorism. Activities and movements of the Palestinian police forces may be carried out after coordination and confirmation; the Israeli side win respond to such requests expeditiously.

2. As part of the foregoing implementation of the first and second FRD, 14.2% from Area B will become Area A.

B. THIRD PHASE OF FURTHER REDEPLOYMENTS

With regard to the terms of the Interim Agreement and of Secretary [of State Warren] Christopher's letters to the two sides of 17 January 1997 relating to the further redeployment process, there will be a committee to address this question. The United States will be briefed regularly.

II. SECURITY

In the provisions on security arrangements of the Interim Agreement, the Palestinian side agreed to take all measures necessary in order to prevent acts of terrorism, crime and hostilities directed against the Israeli side, against individuals falling under the Israeli side's authority and against their property, just as the Israeli side agreed to take all measures necessary in order to prevent acts of terrorism, crime and hostilities directed against the Palestinian side, against individuals falling under the Palestinian side, against individuals falling under the Palestinian side's authority, and against their property. The two sides also agreed to take legal measures against offenders within their jurisdiction and to prevent incitement against each other by any organizations, groups or individuals within their jurisdiction.

Both sides recognize that it is in their vital interests to combat terrorism and fight violence in accordance with Annex I of the Interim Agreement and the Note for the Record. They also recognize that the struggle against terror and violence must be comprehensive in that it deals with terrorists, the terror support structure, and the environment conducive to the support of terror. It must be continuous and constant over a long term, in that there can be no pauses in the work against terrorists and their structure. It must be cooperative in that no effort can be fully effective without Israeli-Palestinian cooperation and the continuous exchange of information, concepts, and actions.

Pursuant to the prior agreements, the Palestinian side's implementation of its responsibilities for security, security cooperation and other issues will be as detailed below during the time periods specified in the attached time fine.

A. SECURITY ACTIONS

1. Outlawing and Combating Terrorist Organizations:

a. The Palestinian side will make known its policy of zero tolerance for terror and violence against both sides.

b. A work plan developed by the Palestinian side will be shared with the US and thereafter implementation will begin immediately to ensure the systematic and effective combat of terrorist organizations and their infrastructure.

c. In addition to the bilateral Israeli-Palestinian security cooperation, a US-Palestinian committee will meet biweekly to review the steps being taken to eliminate terrorists cells and the support structure that plans, finances, supplies, and abets terror. In these meetings, the Palestinian side will inform the US fully of the actions it has taken to outlaw all organizations (or wings of organizations, as appropriate) of a military, terrorist or violent character and their support structure and to prevent them from operating in an area under its jurisdiction.

d. The Palestinian side will apprehend the specific individuals suspected of perpetrating acts of violence and terror for the purpose of further investigation, and prosecution and punishment of all persons involved in acts of violence and terror.

e. A US-Palestinian committee will meet to review and evaluate information pertinent to the decisions on prosecution, punishment or other legal measures which affect the status of individuals suspected of abetting or perpetrating acts of violence and terror.

2. Prohibiting Illegal Weapons:

a. The Palestinian side will ensure an effective legal framework is in place to criminalize, in conformity with the prior agreements, any importation, manufacturing or unlicensed sale, acquisition or possession of firearms, ammunition or weapons in areas under Palestinian jurisdiction.

b. In addition, the Palestinian side will establish and vigorously and continuously implement a systematic program for the collection and appropriate handling of all such illegal items in accordance with the prior agreements. The US has agreed to assist in carrying out this program.

c. A US-Palestinian-Israeli committee will be established to assist and enhance cooperation in preventing the smuggling or other unauthorized introduction of weapons or explosive materials into areas under Palestinian jurisdiction.

3. Prevention Incitement:

a. Drawing on relevant international practice and pursuant to Article XXII (1) of the Interim Agreement and the Note for the Record, the Palestinian side will issue a decree prohibiting all forms of incitement to violence or terror, and establishing mechanisms for acting systematically against a expressions or threats of violence or terror. This decree will be comparable to the existing Israeli legislation which deals with the same subject.

b. A U.S.-Palestinian-Israeli committee will meet on a regular basis to monitor cases of possible incitement to violence or terror and to make recommendations and reports on how to prevent such incitement. The Israeli, Palestinian and US sides will each appoint a media specialist, a law enforcement representative, an educational specialist, and a current or former elected official to the committee.

B. SECURITY COOPERATION

The two sides agree that their security cooperation will be based on a spirit of partnership and will include, among other things, the following steps:

1. Bilateral Cooperation:

There will be full bilateral security cooperation between the two sides which will be continuous, intensive and comprehensive.

2. Forensic Cooperation:

There will be an exchange of forensic expertise, training and other assistance.

3. Trilateral Committee:

In addition to the bilateral Israeli-Palestinian security cooperation, a high-ranking US-Palestinian-Israeli committee will meet as required and not less than biweekly to assess current threats, deal with any impediments to effective security cooperation, and coordination and address the steps being taken to combat terror and terrorist organizations. The committee will also serve as a forum to address the issue of external support for terror. In these meetings, the Palestinian side will fully inform the members of the committee of the results of its investigations concerning terrorist suspects already in custody and the participants will exchange additional relevant information. The committee will report regularly to the leaders of the two sides on the status of cooperation, the results of the meetings, and its recommendations.

C. OTHER ISSUES

1. Palestinian Police Force:

a. The Palestinian side will provide a list of its police to the Israeli side in conformity with the prior agreements.

b. Should the Palestinian side request technical assistance, the US has indicated its willingness to help meet those needs in cooperation with other donors.

c. The Monitoring and Steering Committee will, as part of its functions, monitor the implementation of this provision and brief the US.

2. PLO Charter:

The Executive Committee of the Palestine Liberation Organization and the Palestinian Central Council will reaffirm the letter of 22 January 1998 from PLO Chairman Yasir Arafat to President Clinton concerning the nullification of the Palestinian National Charter provisions that are inconsistent with the letters exchanged between the PLO and the Government of Israel on 9-10 September 1993. PLO Chairman Arafat, the Speaker of the Palestine National Council, and the Speaker of the Palestinian Council will invite the members of the PNC, as well as the members of the Central Council, the Council, and the Palestinian heads of ministries to a meeting to be addressed by President Clinton to reaffirm their support for the peace process and the aforementioned decisions of the Executive Committee and the Central Council.

3. Legal Assistance in Criminal Matters:

Among other forms of legal assistance in criminal matters, the requests for arrest and transfer of suspects and defendants pursuant to Article II (7) of Annex IV of the interim Agreement will www.PDFonFly.com

be submitted (or resubmitted) through the mechanism of the Joint Israeli-Palestinian Legal Committee and will be responded to in conformity with Article II (7) (f) of Annex IV of the Interim Agreement within the 12 week period. Requests submitted after the eighth week will be responded to in conformity with Article II (7) (f) within four weeks of their submission. The United States has been requested by the sides to report on a regular basis on the steps being taken to respond to the above requests.

4. Human Rights and the Rule of Law:

Pursuant to Article XI (1) of Annex I of the Interim Agreement, and without derogating from the above, the Palestinian police will exercise powers and responsibilities to implement this Memorandum with due regard to internationally accepted norms of human rights and the rule of law, and will be guided by the need to protect the public, respect human dignity, and avoid harassment.

III. INTERIM COMMITTEES AND ECONOMIC ISSUES

1. The Israeli and Palestinian sides reaffirm their commitment to enhancing their relationship and agree on the need actively to promote economic development in the West Bank and Gaza. In this regard, the parties agree to continue or to reactivate all standing committees established by the Interim Agreement, including the Monitoring and Steering Committee, the Joint Economic Committee (JEC), the Civil Affairs Committee (CAC), the Legal Committee, and the Standing Cooperation Committee.

2. The Israeli and Palestinian sides have agreed on arrangements which will permit the timely opening of the Gaza Industrial Estate, They also have concluded a "Protocol Regarding the Establishment and Operation of the International Airport in the Gaza Strip During the Interim Period."

3. Both sides will renew negotiations on safe passage immediately. As regards the southern route, the sides will make best efforts to conclude the agreement within a week of the entry into force of this memorandum. Operation of the southern route will start as soon as possible thereafter. As regards the northern route, negotiations will continue with the goal of reaching agreement as soon as possible. Implementation will take place expeditiously thereafter.

4. The Israeli and Palestinian sides acknowledge the great importance of the port of Gaza for the development of the Palestinian economy and the expansion of Palestinian trade. They commit themselves to proceeding without delay to conclude an agreement to allow the construction and operation of the port in accordance with the prior agreements. The Israeli-Palestinian committee will reactivate its work immediately with a goal of concluding the protocol within sixty days, which will allow commencement of the construction of the port.

5. The two sides recognize that unresolved legal issues adversely affect the relationship between the two peoples. They therefore will accelerate efforts through the Legal Committee to address outstanding legal issues and to implement solutions to these issues in the shortest possible period. The Palestinian side will provide to the Israeli side copies of a of its laws in effect.

6. The Israeli and Palestinian sides also will launch a strategic economic dialogue to enhance their economic relationship. They will establish within the framework of the JEC an ad hoc committee for this purpose.

The committee will review the following four issues:

- a. Israeli purchase taxes;
- b. Cooperation in combating vehicle theft;
- c. Dealing with unpaid Palestinian debts;

d. The impact of Israeli standards as barriers to trade and the expansion of the AI and A2 fists. The committee will submit an interim report within three weeks of the entry into force of

this memorandum, and within six weeks will submit its conclusions and recommendations to be implemented.

7. The two sides agree on the importance of continued international donor assistance to facilitate implementation by both sides of agreements reached. They also recognize the need for enhanced donor support for economic development in the West Bank and Gaza. They agree to jointly approach the donor community to organize a ministerial conference before the end of 1998 to seek pledges for enhanced levels of assistance.

IV. PERMANENT STATUS NEGOTIATIONS

The two sides will immediately resume permanent status negotiations on an accelerated basis and will make a determined effort to achieve the mutual goal of reaching an agreement by 4 May 1999. The negotiations will be continuous and without interruption. The United States has expressed its willingness to facilitate these negotiations.

V. UNILATERAL ACTIONS

Recognizing the necessity to create a positive environment for the negotiations, neither side shall initiate or take any step that will change the status of the West Bank and the Gaza Strip in accordance with the Interim Agreement.

ATTACHMENT: TIME LINE

This Memorandum will enter into force ten days from the date of signature.

Done at Washington, D.C. this 23rd day of October 1998

For the Government of the State of Israel (Signed Prime Minister Netanyahu)

For the PLO (Signed Chairman Arafat)

Witnessed by: The United States of America (Signed President Clinton)

TIME LINE NOTE

Parenthetical references below are to paragraphs in "The Wye River Memorandum" to which this time line is an integral attachment. Topics not included in the time line follow the schedule provided for in the text of the memorandum.

- 1. Upon Entry into Force of the Memorandum:
- a. Third FRD committee starts (I (B));
- b. Palestinian security work plan shared with the US (II (A)(1)(b));
- c. Full bilateral security cooperation (II (B)(1));
- d. Trilateral security cooperation committee starts (II (B)(3));
- e. Interim Committees resume and continue; Ad Hoc Economic Committee starts (III);
- f. Accelerated permanent status negotiations start (IV).
- 2. Entry into Force -- Week 2:
- a. Security work plan implementation begins (II (A)(1)(b)); (II (A)(1)(c)) committee starts;
- b. Illegal weapons framework in place (II (A)(2)(a)); Palestinian implementation report (II (A) (2)(b));

c. Anti-Incitement Committee starts (II (A)(3)(b)); decree issued (II (A)(3)(a));

d. PLO Executive Committee reaffirms Charter letter (II (c)(2));

e. Stage 1 of FRD implementation: 2% C to B, 7.1% B to A. Israeli officials acquaint their Palestinian counterparts as required with areas; FRD carried out; report on FRD implementation (I(A)).