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THE ISRAELI-PALESTINIAN PEACE PROCESS:
FINISHING THE JOB

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The Israeli-Palestinian Peace Process: Finishing The Job

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To prevent further hostilities in the Middle East, the United States continues to promote the Israeli-Palestinian peace talks. This commitment to regional peace directly affects U.S. relations with many Arab countries making it easier to develop and maintain broad security relations with them. Furthermore, peaceful relations between Israel and her neighbors positively influence the regional economy. This study examines the history of Israeli-Palestinian conflicts and assesses the economic benefits that would derive from a timely, peaceful resolution of these conflicts. This paper concludes with a recommendation for establishing such a peace.
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THE ISRAELI-PALESTINIAN PEACE PROCESS: FINISHING THE JOB

In 1948, the Jewish state of Israel was born. Under the Truman administration, the United States became the first country to recognize Israel. As the only democracy in the region, Israel quickly became a strong U.S. ally. The two countries cemented their alliance during a series of wars in the Middle East that threatened the very survival of the Jewish state. For each conflict, the U.S. supplied Israel with the weaponry to defeat the coalition of Soviet-backed Arab states.\(^1\)

In his 1999 National Security Strategy, President Clinton asserted that "every dollar we devote to preventing conflicts, promoting democracy, opening markets, and containing disease and hunger brings a sure return in security and long term savings."\(^2\) This preventive strategy applies especially to Israel and the Middle East. The administration's current policy is to pursue a just, lasting, and comprehensive Middle East peace that will ensure the security and well-being of Israel, that will help the Arab world provide for their security, and that will maintain the free flow of oil.\(^3\) To prevent further hostilities in the Middle East, the United States continues to promote the Israeli-Palestinian peace talks. This commitment to regional peace directly affects U.S. relations with many Arab countries by making it easier to develop and maintain broad security relations with them.\(^4\) Furthermore, peaceful relations between Israel and her neighbors positively impact on the regional economy. This study examines the history of Israeli-Palestinian conflicts and assesses the economic benefits that would derive from a timely, peaceful resolution of these conflicts. It concludes with a recommendation for establishing such a peace.

HISTORICAL PERSPECTIVE

Current adversity between the Israelis and Palestinians can be traced as far back as recorded history. Even so, Jews and Arabs have managed to live together in the territory now known as Palestine for many centuries. However, as the nineteenth century ended, thousands of European Jews began fleeing from anti-Semitism in Europe, seeking refuge in Palestine. This influx of Jews seeking a homeland signaled the beginning of current problems, for it began to upset the demographic balance of Jews and Arabs residing in Palestine. At the onset of World War I, about 100,000 Jews lived in Palestine, compared to 550,000 Muslims\(^5\).

World War I proved a major turning point in the Israeli-Palestinian dispute: On 2 November 1917 the Balfour Declaration, set forth in a letter from the British Foreign Secretary, Arthur James Balfour, to Edmond J. Rothschild, a prominent supporter of Zionism, declared:

His Majesty's Government view[s] with favour the establishment in Palestine of a national home for the Jewish people, and will use their best endeavours to
facilitate the achievement of this object, it being clearly understood that nothing shall be done which may prejudice the civil and religious rights of existing non-Jewish communities in Palestine or the rights and political status enjoyed by Jews in any other country.⁶

Subsequently, the Balfour Declaration was incorporated into the League of Nations mandate established in 1922. Article 4 of the 24 July 1922 mandate states:

An appropriate Jewish agency shall be recognized as a public body for the purpose of advising and cooperating with the Administration of Palestine in such economic, social and other matters as may affect the establishment of the Jewish national home and the interests of the Jewish population in Palestine, and, subject always to the control of the Administration, to assist and take part in the development of the country.

The Zionist Organization, so long as its organization and constitution are in the opinion of the Mandatory appropriate, shall be recognized as such agency. It shall take steps in consultation with His Britannic Majesty’s Government to secure the cooperation of all Jews who are willing to assist in the establishment of the Jewish national homeland.⁷

The new mandate gave the British responsibility for temporary administration of the country. Under this mandate, Jewish immigration expanded, despite Arab opposition, which led to frequent riots and disturbances throughout the mandate period. In 1947 Britain declared the mandate unworkable because of intensified Jewish-Arab violence and turned the problem over to the United Nations.⁸

In the meantime, World War II and the Nazi death camps in Europe aroused sympathy for the Jews in the Diaspora, prompting international support for establishing a Jewish state. The United Nations adopted a Partition Plan in November 1947, which called for dividing the Mandate of Palestine into Jewish and Arab states and for establishing Jerusalem separately as an international city under U.N. administration. In late 1947, the United Nations recommended the political partition of Palestine, assigning about 60% of the territory to a Jewish State.⁹ However, as soon as Israel was declared a state in 1948, it was attacked by its Arab neighbors. The first Israeli-Arab War was over the issues of national rights and territorial rights for Palestine. It gave rise to the Israeli-Palestinian dispute whose essence is the national rights of two peoples to the same territory. The 1948-49 War of Independence resulted in a 50% increase of territory for Israel, including western Jerusalem. It concluded with an armistice agreement between Israel and each of its Arab adversaries. However, no general peace settlement was achieved after this conflict, and violence has continued along the borders to this very day.
After the Independence War, the remaining territories of Palestine remained largely under Arab control, with Jordan controlling the West Bank and Egypt the Gaza strip, except for a few Jewish settlements. Israel established itself in the rest of Palestine until 1967.

Between 1949 and 1967 Arab-Israeli relations were tense, marked by numerous conflicts such as the 1956 Sinai campaign and many border incidents. On 5 June 1967, Israel launched a pre-emptive strike against all its Arab neighbors. The outcome of this 1967 War established Israel as an occupation force in the Sinai Peninsula, Eastern Jerusalem, West Bank, Gaza Strip, and Syria’s Golan Heights. The 1967 War ended with United Nations Resolution 242, which established the basis for the entire peace process today. The UN Resolution was unanimously approved by the Security Council; it reaffirmed the basis for peace between the State of Israel and the Arab countries. It declared:

*UN resolution affirms* that the fulfillment of Charter principles requires the establishment of a just and lasting peace in the Middle East which should include the application of both the following principles: (1) Withdrawal of Israeli armed forces from territories occupied in the recent conflict. (2) Termination of all claims or states of belligerency and respect for and acknowledgement of the sovereignty, territorial integrity and political independence of every State in the area and their right to live in peace within secure and recognized boundaries free from threats or acts of force. UN 242 further affirms further the necessity of guaranteeing freedom of navigation through international waterways in the area; for achieving a just settlement of the refugee problem; for guaranteeing the territorial inviolability and political independence of every State in the area, through measures including the establishment of demilitarized zones. ¹⁰

But the warring parties have held to radically differing interpretations of this resolution. To the Arabs, the term “withdrawal from territories occupied” meant from all territories occupied in 1967. To Israelis, this did not mean return to the 1949 armistice lines; to do so would impact upon Israel’s secure borders. This disagreement still hampers a lasting peace in the region.

Prior to the signing of the Peace Accords by Egypt and Israel in 1979, no Arab country had negotiated peace with Israel. Israel and the U.S. believed an eventual peace agreement with Egypt, the most powerful Arab country, would precipitate an outbreak of peace agreements with other Arab countries. This was indeed a first step towards a peace agreement in the Middle East. The Camp David meetings formally initiated the peace process. But it was President Sadat’s historic visit to Jerusalem in 1977 and the reciprocal visit by Prime Minister Begin to Egypt that created an unprecedented opportunity for peace for the first time in thirty years. President Sadat wanted most to resolve the Jerusalem issue, since Jerusalem is holy to Muslims. Such a resolution would lead to lessening of tensions in Israel and the Arab and Muslims worlds. He claimed that Jerusalem should be under Arab sovereignty and that the
essential municipal functions of the city should be undivided. A joint municipal council, composed of equal number of Arab and Israeli members, would supervise carrying out these functions. In this way the city would be undivided. But Prime Minster Begin of Israel countered that Jerusalem would be one city, belonging to Israel.11 Despite the Israeli-Egyptian peace, a general Arab-Israeli peace remained elusive, although an Israeli-Arab war has become less likely. The eventual Israeli-Egyptian peace agreement called for the withdrawal of Israeli forces from all of Egyptian lands, thereby setting a precedent for Arab expectations, which has complicated peace negotiations between other Arab countries and Israel.

Following the Gulf War of 1991 and the Coalition Force’s success during the conflict, the time was right for the U.S. to restart the peace process. The Madrid Conference was convened by the U.S. and U.S.S.R in October 1991. This was the first direct, bilateral Palestinian/Israeli negotiation. Palestinians, in a joint delegation with Jordan, attended the peace talks with Syria, Israel, and Lebanon. It was at these bilateral talks that the matter of the occupied territories, among other issues, was discussed. Because it marked the beginning of negotiations between Israel and the Palestinians, this was a critical stage in the peace process.

In 1993, these talks led to the “Declaration of Principles,” which resulted in mutual recognition of limited self-rule for Palestinians in the West Bank and Gaza. They also laid the groundwork for a permanent treaty that would resolve the status of Gaza and the West Bank. For the first time, both Israel and Palestine recognized the right of the other to exist. Upon the completion of the “Declaration of Principles”, the signing of the Oslo Accords between Israeli Prime Minister Rabin and Palestinian leader Arafat established long-term goals, including the complete withdrawal of Israeli troops from the Gaza Strip and the West Bank, along with the Palestinians’ right to self-rule in those territories.12

In 1998, after a year-long stalemate, Israeli and Palestinian leaders met in Washington to negotiate a host of issues, which lead to the Wye River Accords. During a 21-hour marathon session mediated by U.S. President Bill Clinton, Prime Minster Netanyahu and Chairman Arafat signed a land-for-peace deal. The agreement called for a crackdown on terrorists, redeployment of Israeli troops from the occupied territories, transfer of 14.2 percent of the West Bank land to Palestinian control, safe passage corridors for Palestinians between Gaza and the West Bank, the release of 750 Palestinians from Israeli prisons, and a Palestinian airport in Gaza. Upon the implementation of the Wye River Accords, a 15-month stalemate impeded progress because the Israeli government alleged that the Palestinians did not observe their agreement to fight terrorism. Israel further declared that the Palestinians continued to incite violence within the territories which were subject to transfer. At the same time, Prime Minister
Netanyahu continued to build new settlement in the occupied territories. Finally, on 13 September 1999, Israeli Prime Minister Ehud Barak – who defeated Netanyahu on a promise to move ahead with peace talks – signed a deal with Arafat to implement a modified version of the Wye accords.¹³

Finally, in July 2000 after fifteen days of negotiations, efforts to arrive at a final peace treaty again stalled mostly because of the Jerusalem issue. President Clinton invited Barak and Arafat to a three-way summit at Camp David. No agreements were reached, but this led to several further negotiations. Then major disturbances began during the last part of September 2000. Both sides contributed to this unrest as the peace process seemed near closure. But due to the nature of the negotiations and the unwavering position of both the Israelis and Palestinians on the status of Jerusalem, violence in Israel, especially in the occupied territories, continued.

Beginning with the Balfour Declaration in 1917 and continuing through the establishment of Israel as a nation, the issues of a Palestinian state and displacement of the Palestinian people have not been resolved. Britain led the Arabs to believe that a new Palestinian State would be created among the new Arab States. But the British claim that they had no such intent. Rather, the British simply supported establishment of a Jewish State within Palestine – no more or no less.¹⁴ This British-Palestinian confusion is the source of the Israeli-Palestinian problem, which is compounded by the fact that the 1948-49 war and the 1967 war created a Palestinian refugee crisis. The Israeli/Palestinian problem is the heart of the bigger problem—The Arab/Israeli crisis. In 1979, with the signing of the Egyptian/Israeli peace accords, the Middle East averted a major war in this region since Egypt, as the Arab superpower, signed a peace deal with Israel. Following these accords, negotiations commenced on the issue of a solution to the Palestinian issue. Once this issue is resolved, the other Arab nations should be more amenable to broker a peace accord. The heart of the problem is: Why did Israel give back all of its occupied lands to Egypt, yet have denied the Palestinians the Gaza Strip and West Bank? Subsequent negotiations have almost always failed because Israel wants to retain some parts of these lands for security reasons or because it is unwilling to give up sovereignty over Jerusalem, whereas Palestinians demand sovereignty over all the land they occupied in 1967. Should the Israelis relinquish their claim to these territories? Or should the Palestinians yield them up once and for all?¹⁵
POLICIES OF PAST PRESIDENTS

Since the conclusion of the Camp David Peace Accords in 1979, four U.S. Presidents have been involved in Israeli-Arab peace negotiations: Carter, Reagan, Bush, and Clinton. President Jimmy Carter wanted to create opportunities for peace, rather than waiting to respond to the next crisis. He saw the conclusion of the 1973 War as a favorable time to initiate a peace agreement because it was the first time both sides, Egypt and Israel, had relied on the United States to broker a cease-fire without the former Soviet Union being involved. President Carter was successful at the peace negotiations in the Middle East because he maintained neutrality during the negotiation process. On the other hand, the Arab perception that President Clinton found Israel is what eventually led to the downfall of peace negotiations in July 2000. President Carter felt that a peace settlement would create a domino effect throughout the region. So with the signing of the peace agreement by Israel and Egypt, he believed other Arab countries would be sure to follow. They did not. However, conflict to the east of Israel was averted through the Camp David Peace Accords.

President Reagan focused on building up the U.S. military while seeking to end the Cold War between the United States and the former Soviet Union. Therefore, he did not want to commit many U.S. resources to the Middle East region unless a quick completion of a peace agreement was imminent. As a result, Israeli/Arab peace negotiations remained at a standstill during the Reagan era.

Likewise, the Middle East was not one of President Bush’s priorities until issues with Iraq arose, leading to the Gulf War. Prime Minister Rabin of Israel felt the Gulf War proved the U.S. would intervene in the Middle East to protect its oil and national security interests, which resolve in turn increased Israel’s deterrent capability:

I am convinced our deterrent capability ha(s) increased as a result of the crisis in the Gulf, if only indirectly and because the U.S. demonstrated its readiness to act resolutely. The fact that this time the U.S. stood firm and was ready to become involved against an aggression in the Middle East adds somewhat to Israelis’ overall deterrence. It discourages initiation of war in the region, though I do not know for how long.16

It was in fact the Coalition and the unity of effort displayed against Iraq – along with Israel’s cooperation in staying out of the conflict (even after several Scud missiles were fired by Iraq during the Gulf War) – that led to the Oslo Peace Agreements in 1993. The Israelis now felt assured that the United States would not just talk about a presence in the Middle East, but
would follow through, if necessary. Prime Minister Begin was thus ready to begin direct talks with the Palestinians.

Finally, President Clinton is very supportive of the peace process and of Israel. In an interview on Israeli television, President Clinton stated he would do anything he can, including convening another meeting, to help the parties reach an agreement. Middle Eastern leaders feel that President Clinton has focused on this region more than any other president. He, along with Prime Minster Barak, clearly articulated U.S./Israeli policy in July 1999:

I intend to work closely with our Congress for expedited approval of a package that includes not only aid to Israel, but also assistance to the Palestinian people and Jordan in the context of implementing the Wye River agreement... Our policy is based on the following: We are committed to the renewal of the peace process. It is our intention to move the peace process forward simultaneously on all tracks bilateral, the Palestinian, the Syrians, and the Lebanese, as well as the multilateral. We will leave no stone unturned in our efforts to reinvigorate the process, which must be based upon direct talks between the parties themselves, and conducted in an atmosphere of mutual trust.

No other president has been so involved in the peace process since President Carter brokered the initial peace agreement between Israel and Egypt in 1979.

President G.W. Bush will have an important role in the peace negotiations. He will be challenged to review the peace process after the current state of affairs between Israel and the Palestinians has settled down. It will take a new leader to complete this process.

BENEFITS OF THE PROCESS

There are four major reasons why the United States is involved in the Middle East peace process. First, the cultural attachment of the United States to Israel, which began in the last 19th century, is very strong. This connection grew stronger after World War II and Nazi atrocities. Second, access to oil in this region is a component of U.S. national interests, since the Middle East supplies over 70% of the oil for the world. Third, the potential for American business is high in this region. Last, stability in the region means less conflict, thereby reducing U.S. involvement militarily and otherwise. A solid peace treaty could avert a major war in the area because of the potential alliances through a signing.

The United States' paramount national security interest in the Middle East continues to be maintaining the unhindered flow of oil from the Persian Gulf to world markets at stable prices. Nearly two-thirds of the world's proven reserves of petroleum lie beneath the Persian Gulf and the countries around it. Additional reserves in North Africa and elsewhere bring the total for the Middle East as a whole to more than 70 percent.
Furthermore, various threats to regional peace, ranging from belligerent nations themselves to terrorist organizations in this region, warrant undiminished U.S. support of the peace process. A viable peace treaty between Israel and the Palestinians could be the cornerstone for lasting peace in the Middle East.

Several preliminary and supporting peace agreements have been signed, notably those between Egypt and Israel in 1979 and Jordan and Israel in 1994. Further, the unilateral withdrawal of all Israeli Defense Forces (IDF) from Southern Lebanon, ending an 18-year presence there, has contributed to the peace process. This domino process all began with the signing of the peace agreement between Israel and Egypt.

A successful Israeli-Palestinian peace agreement would help stabilize the region, thereby defining the real threats to Israel – which are Iran and Iraq. Neither Iran nor Iraq recognizes Israel as a nation state; both support efforts to undermine its position in the Middle East. Israel continues its military build-up in response to potential military threats from these two countries, along with Syria. Added to these threats are Hamas and Hezbollah – two militant groups dedicated to the destruction of the state of Israel. Currently, these organizations are based in countries that do not have a peace agreement with Israel. Peace agreements, initially with Palestine and then with other Middle Eastern countries, would conceivably decrease state-sponsored terrorist activities, further enhancing regional stability.

The Persian Gulf continues to be a primary focus of military planners, since it is one of two areas where a major conflict may most likely occur. U.S. economic and strategic interests in the Persian Gulf, where significant U.S. forces are deployed, would suffer if the peace process is derailed. The ability and willingness of Arab governments to join the U.S. in an effective multilateral strategy to handle a crisis with Iraq are very much affected by the prospects of Israeli-Palestinian peace and by regional confidence in U.S. foreign policy.

Major threats in the region are not only Iraq and Iran but also terrorists groups in the region. For example, on 31 December 1999, Hezbollah’s Secretary General Sayyid Hassan Nasrallah declared at a rally in Beirut’s southern suburbs that "Israel is the enemy, and it will never be a neighbor or a nation." He further threatened that "On this last day of the century, I promise Israel that it will see more suicide attacks, for we will write our history with blood." At virtually the same time, Iran’s spiritual leader Ayatollah Ali Khamenei stated at a gathering in Tehran on Jerusalem Day that the only way to resolve the Arab-Israeli conflict was for Israel to be destroyed. Bound by a comprehensive peace agreement, the coalition of Arab forces could control such terrorist activities and counter this kind of rhetoric with a commitment to peaceful settlement of regional disputes.
Over one-third of all U.S. foreign aid goes to the Middle East. For example, Congress allocated $15.3 billion for foreign aid in FY2000. Much of it went to the Middle East: $4.1 billion to Israel for military support and economic assistance; $1.325 billion for Egypt; and with the signing of the Wye River Accords, $400 million in economic assistance for the Palestinian areas in the West Bank and Gaza; $200 million to Jordan.24 This aid was initially designed to secure a lasting comprehensive peace agreement between Egypt and Israel.

This same process should be used in brokering a peace agreement between Israel and the Palestinian people. First, the U.S. must sustain its commitment to a democratic Israel. Second, the U.S. should promote regional stability by helping other Arab countries sustain development and market oriented economies. Finally, the United States should encourage all parties to diffuse conflict in the region by initiating various alliances within the region. These alliances could reduce the prospect of conflict in the Middle East. With the Madrid Conference as the catalyst for the initial negotiations between Israel and the Palestinians, major changes would occur in the region.

The conclusion of the Madrid Conference in October 1991 initiated bilateral and multilateral negotiation between Israel and some Arab countries. Whereas the bilateral track seeks to resolve the conflicts of the past, this multilateral track focuses on current and future issues of the Middle East. The goal of the multilateral talks is two-fold: First, they seek solutions to regional problems. Second, they serve as a confidence-builder for promoting peace in the region. In order to achieve that aim, five working groups have been established in the areas of environment, arms control and regional security, refugees, water, and economic development.25 These groups thus address the most perplexing Middle Eastern problems.

Furthermore, regional economic development working groups have been established to build up the occupied territories. These working groups are addressing the issues of infrastructure, trade, finance, and developing tourism in the region of the West Bank and Gaza. The groups have initiated projects on high-tech infrastructure, railways and ports, motor transportation, civil aviation, financial currency, stock exchanges, and regional trades. They have also established regional centers for banking, tourism, and a robust chamber of commerce.26 Their efforts have stimulated economic growth and reduced economic disparities. They have also fostered integration of the regions into the global markets.

A Refugee Working Group is seeking to resolve the refugee problem and improve current living conditions. This Working Group is addressing two pressing problems: (1) Electricity Grids Link-Up: The goal is to link the national electrical grids of Egypt, Israel, Jordan, Saudi Arabia, and the Palestinians. Their grid link-up would benefit a population of 300 million people who live
in the Middle East. (2) Water Rights: Due to the lack of water resources in the Middle East, access to available sources is a major issue. Cooperation on joint water projects fostered by the peace process could resolve the water problem for the entire area within twenty years.\textsuperscript{27} Peace was on the horizon with the signing of the initial peace accords, which provided the framework for this region to flourish. But it has not yet come to pass. However, the detailed planning of these working groups holds some promise for a lasting peace and for a long-sought regional stability.

A Peace agreement between the Palestinians and Israel could bring about enormous economic growth in the region. To promote economic growth in the West Bank and Gaza strip, United States Agency for International Development (USAID) focused on credit programs for business, improving the competitiveness of Palestinians products, and expanding employment opportunities.\textsuperscript{28} The USAID is assisting with the funding of the Gaza Industrial Estate and planning for three more Industrial estates. When fully operational, the four estates will employ about 80000 people.\textsuperscript{29} More jobs and new access to markets could bring in various industries and expand trading in the area. Subsequent investments could help stabilize the region and maintain the peace. Dollars now spent in preventing conflicts could be used to open up markets and bring long term-term prosperity to the region. However, in the months since the uprising the latter part of 2000, the economy of the West Bank and Gaza have been devastated. A United Nations report stated that within two months after the violence erupted the Palestinians have lost more than $500 million in wages and sales. The fighting has halted business ventures into this region. Commercial activity will not return until the fighting stops.\textsuperscript{30}

Following a peace agreement, the U.S. and international community would have to continue funding the regional economic growth. But such funding would be substantially decreased over time as the region is stabilized. Compensation for the Palestinian refugees will cost a lot initially, as much as $137 billion. Reimbursements would be determined by an international court and probably linked to the amount of compensation awarded to holocaust survivors.\textsuperscript{31} Further, development of the Palestinian economy could cost another 25 billion dollars.\textsuperscript{32}

The peace accords between Israel and the Palestinians have already stimulated economic growth in the area. The Gaza Industrial Estate, which opened in 1998, rapidly expanded to 30 companies and employs 1200 people. Many more companies would come to the area. But, until a peace agreement is signed, these companies are not willing to commit to the region. A peace agreement could pave the way for more trade agreements. Similar to the
European Union, cooperative economic accords among the nations of this region would benefit the entire Middle East along with the rest of the world.

MAJOR ISSUES:

Since the Camp David II Accords, three major issues remain before any lasting peace can be reached in the Middle East. These are referred to as the "final status" issues. They concern refugees, borders/security, and Jerusalem.

REFUGEES

The Palestinians have been displaced twice from Israel. The first displacement occurred in 1948 after the Israel Independence War, and the second after the 1967 Six-Day War. Following the 1948 War, the United Nations Relief and Works agency for Palestine Refugees in the Near East (UNRWA) was established by the United Nations. Under the UNRWA's operational definition, Palestinian refugees are those people who between June 1946 and May 1948 lost their homes and means of livelihood because of the Arab-Israeli War. The number of registered Palestinian refugees has grown from 914,000 in 1950 to more than 3.6 million in 1999. An influx of so many Palestinians into Israel would be unacceptable from an Israeli viewpoint because it would tip the Jewish-Arab demographic in the Palestinians favor. Currently there are 59 refugee camps throughout Jordan, Syria, Lebanon, and the occupied territories. Although Palestinian self-rule is assured in many locations throughout the Israeli-occupied territories, the Palestinian refugee problem persists. Many Palestinians want to return to their original homes. The issue is further complicated because many refugee homes in the West Bank and the Gaza Strip are now part of Israel proper in the form of Jewish settlements in this region. Despite Palestinian desires to reclaim original homesteads, the Israelis want the refugees to live in the land that will be called Palestine: The Gaza Strip and parts of the West Bank.

BORDERS/SECURITY

The security of Israeli settlers currently living in the West Bank and Gaza is a major issue. Today some 155,000 Israeli settlers live in the West Bank, along with 6,000 in Gaza. Israel wants to annex areas that are heavily populated by Israeli settlers out of concern for their security. Furthermore, the Israelis want to continue occupying areas within the Jordan River Valley because it provides Israel with an early warning of any impending strike from other Arab countries. Without a strong presence in the Jordan River Valley, Israelis remain vulnerable.
JERUSALEM

No issue in the conflict between Israel and the Palestinians is more emotional than that of Jerusalem. Judaism's holiest site and Islam's third-holiest site as well as Christian holy sites are all located within this holy city's boundaries. Until 1967, half of the city of Jerusalem was under Jordanian control. The city was reunified after Israel drove Jordan out of the West Bank following the 1967 War. The Palestinians want Jerusalem as their capital, but Israel insists that the city remain undivided and under its control, with the right of religious access guaranteed to all.

RECOMMENDATION

The United States, along with other allies, must remain actively involved in the Middle East peace process. The United Nations and other Middle Eastern countries should participate as partners in the process, but they would not lead it. The peace process is doomed unless the United States and other regional leaders continue their diplomatic efforts. The U.S. should remain committed to its strategic goal of ensuring a just, lasting, and comprehensive Middle Eastern peace that attends to the concerns of both the Israelis and the Palestinians.

The United States can employ several means to accomplish its strategic ends. Along with its allies, the United States can apply diplomatic pressure to persuade both Israel and the Palestine Authority to make acceptable compromises. The U.S. and the international community should offer a substantial economic package as incentive to reach an agreement. Finally, an international peacekeeping force could be committed to the most troublesome areas, ensuring the implementation of an agreed-upon peace.

The U.S. and the international community should broker compromises on three key issues. The United States should remain neutral on these issues, since the Arab world perceives the United States as pro-Israeli. The first issue involves the status of Jerusalem. For the past eight years, this has been the key obstacle to a successful peace agreement. One compromise would be for East Jerusalem to become a unified, international city under the control of an international commission. This commission would govern the city and function much the way the MFO (Multi-national force and Observers) does in the Sinai. At the same time, Israel would cede sovereignty over the Temple Mount, including Al Aksa and the Dome of the Rock, but the Palestinians would refrain from conducting archaeological digs at this site. At the same time the Palestinians would give up the fight for the refugees to return to Israel. The Western Wall, along with the Jewish Quarter of the Old City, would stay under Israeli control.
Thus, the Arab neighborhoods of Jerusalem would become part of the Palestinian State. If this issue can be resolved, the other issues should fall into place.

A successful peace agreement requires a second compromise to address Israel's security concerns. To alleviate Israeli fears about security along its borders, the U.S. could provide access to intelligence assets to monitor the Jordan River Valley, along with the Golan Heights area. Furthermore, the agreement must include regional confidence and security-building measures to develop mutual trust between all the parties. Military-to-military operations, along with joint patrolling by both countries would be a start. During this confidence-building process, an international monitoring force could serve as a honest broker to ensure cooperation between both sides.

The final compromise concerns the refugees. Israel and the international community will have to agree to pay some compensation for Palestinian property seized in 1948 and 1967. Furthermore, Israeli settlements should be limited and consolidated in the occupied territories. These settlements would then be annexed to Israel. Other lands would be given to Palestine, probably in the Negev, to compensate for the loss of this Palestinian land and to broaden the Gaza strip, to ensure the amount of land is equal to the land lost after the 1967 War. Furthermore, Israel, along with other Arab countries, would agree to absorb a certain number of refugees on humanitarian grounds. A commission would be established to determine the requirements. All other Israeli settlers living inside Palestinian-controlled areas should be given the choice of moving or accepting the protection of the Palestinian authorities. American/international financial aid would be predicated on the Palestinian commitment to continuing security operations. These measures should pressure leaders of both countries to reach a final agreement on the ultimate disposition of refugees. At the very least, these measures would allow the peace process to go forward, rather than to stall it.

There are various means by which the United States can keep the process from failing. As part of the Jerusalem solution, an international peace-keeping force would be deployed to establish a stable and secure environment. The United States and the international community should provide foreign and economic aid to both sides once a comprehensive agreement is reached. Trade incentives with other countries could also be used as a "peace dividend" for both Israel and Palestine. Further, if no agreement is forthcoming, the international community could use trade sanctions against both Israel and Palestine to coerce the two participants back to the negotiation table. If one country then remains noncompliant, then impose additional sanctions on that participant. Lastly, the international community should continue to espouse the economic and political benefits of this agreement.
Stability in the Middle East remains an important U.S. national interest. U.S. economic and strategic interests in this area would suffer if the Israeli-Palestinian peace process fails. Attitude and policies of Arab governments toward the United States are very much affected by the prospects of a peace agreement between all parties, especially between the Israeli and Palestinian factions. Thus, the United States must continue assisting Israel and the Palestinians in pursuing a lasting and comprehensive Middle East peace. This will benefit both the region and the world. The U.S. must sustain its commitment to peace in the Middle East.

CONCLUSION

The United States and the Middle Eastern countries have invested a great deal of time and effort in trying to reach a peace agreement. Now is the time to ensure that it is accomplished. A successful policy leading to a lasting and comprehensive Middle East peace will culminate with the signing of a peace agreement. The United States, along with the international community, must remain engaged, not as the sole leader but as one of the leaders brokering the peace agreement. The Strategic Assessment of 1999 predicted that if the peace process is initiated and not accomplished, acts of terrorism and civil disobedience will increase in Israel and could result in reverberations against citizens in the United States.

A successful peace agreement could yield tremendous economic benefits to the U.S. and the rest of the world. When and if a peace agreement is signed, the economic prosperity of this area will be increased. During times of conflict, the economic environment is diminished, if not destroyed.

The long term benefits of a peace agreement will have long-term benefits to our citizens. The United States should stay involved until the end of the agreement, no matter how long it takes. As long as the United States is committed and enjoys Arab support, the agreement will stand a chance of success.

WORD COUNT: 6,140
ENDNOTES

1 “America In the Middle,” *Scholastic Update: (16 September 1994): 15


3 Ibid. 42.


5 Malcomb B. Russel, *The Middle East and South Asia* (Harpers Ferry, West Virginia: Stryker-Post, August 1999), 120.


8 Ibid.

9 Malcomb, 120.


16 Makovsky, 103.


21 “America in the Middle,” Scholastic Update (16 September 1994): 2 [database on-line]; available from UMI ProQuest Direct, Bell and Howell, UMI publication no. 03766004.


23 Ibid.


29 Ibid.


32 Ibid.


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Line. Available from UMI ProQuest Direct, Bell and Howell, UMI publication no. 03766004.


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