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# The Middle East Peace Process: prospects after the Palestinian Presidential Elections

There is renewed optimism that the Middle East peace process can be revived after five years of Israeli-Palestinian violence and deadlock in negotiations. The formation of a new national unity government in Israel that is committed to withdrawing from Gaza and parts of the West Bank, coupled with the change of Palestinian leadership following the death of Yasser Arafat, has provided the impetus for a reduction in violence and a tentative return to cooperation and negotiation.

This paper looks at the central issues in Israel's relations with its Arab neighbours and the efforts in recent decades to secure a comprehensive regional peace. It goes on to examine the prospects for the peace process and the wider region at a time of unprecedented political change.

Tim Youngs

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## Summary of main points

The Arab-Israeli conflict dates back over fifty years and its origins can be traced back over centuries and millennia. The conflict, which at its heart involves a struggle for control of land and resources, can be divided into two strands. The first involves the dispute between Jews and Palestinians over the territory of what was formerly British Mandate Palestine, which now forms Israel and the occupied Palestinian territories in the West Bank and Gaza. The second relates to Israel's disputes with Syria and Egypt, from which it seized territory during the conflicts of 1967 and 1973, and with Lebanon, which it invaded in 1983.

Some of these issues have been resolved. Israel returned the Sinai peninsula to Egypt under a comprehensive peace agreement in 1978 and it signed a peace treaty with Jordan in 1994. Negotiations with Syria during the 1990s came close to a breakthrough on the Golan, but stalled on the question of border demarcation. Israel withdrew unilaterally from southern Lebanon in 2000, but despite UN confirmation of the withdrawal, sporadic clashes between Israeli troops and fighters from the Lebanese Hizbollah militia continue along the border.

Progress has also been made on the Israeli-Palestinian track. Under the 1993 Oslo Accords, the Palestinians were granted self-rule in parts of the West Bank and Gaza for a five-year interim period. The process foundered, however, in the second half of 2000 during failed negotiations on a final peace agreement that sought to resolve the contentious issues of the territory and borders of a future Palestinian state, and the status of Jerusalem, the Jewish settlements and the Palestinian refugee population.

Five years of violence and mutual recrimination ensued. Palestinian militants carried out gun and suicide bomb attacks on Israeli civilian and military targets. Israel reoccupied large areas of Palestinian-controlled territory, assassinated suspected militants, and imposed tight restrictions on Palestinian movement. In the face of international condemnation, it also began construction of a security barrier in the West Bank to halt incursions by militants.

Since late 2004 there has been renewed optimism that the violence can be halted and the peace process revived. The shift in mood has occurred as a result of several factors, including, most notably, changes in leadership on both sides. In the Palestinian territories a new leadership opposed to violence has emerged following the death of Yasser Arafat, and in Israel a new national unity government has stressed its commitment to withdraw from Gaza and parts of the West Bank from July 2005. Tentative cooperation has resumed between Israel and the Palestinian Authority and both sides have pledged to halt the violence. Palestinian militant groups have pledged calm until the end of 2005 if Israel continues to withdraw from Palestinian areas and to release prisoners.

This paper examines the central issues in the Arab-Israeli conflict and the main developments in recent decades. It then looks at the prospects for the peace process and the political changes underway in the wider region.



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# I Background to the conflict

The Arab-Israeli conflict has been a dominant feature on the geopolitical landscape of the eastern Mediterranean for over fifty years. In essence, the conflict involves a struggle for land and resources, although that element is often obscured by a complex overlay of emotive religious, historical, political, economic and environmental issues that continue to resonate beyond the region.<sup>1</sup> Consequently, the conflict has assumed an international significance that is greater than the raw statistics, in terms of casualties, manpower and military materiel, might suggest.<sup>2</sup>

Two broad strands to this conflict over land can be discerned: the first involves the struggle between Jews and Palestinian Arabs for what, from 1920 to 1948, had been the territory of British Mandate Palestine; while the second relates to the subsequent disputes between Israel and the neighbouring Arab states.

## 1. The '1948 Issues'

The first strand has deep historical roots dating back millennia, during which period the territory of Judea and Palestine fell under the rule of successive empires. British administration during the Mandate period encouraged the immigration of diaspora Jews, who were fleeing persecution in Europe and Russia.<sup>3</sup> The Jews claimed historical and religious attachment to the territory, from whence much of their population had been exiled by the Romans in the first and second centuries AD.

The Jewish influx encountered resistance from the existing Palestinian Arab majority, resulting in violence and conflict.<sup>4</sup> By early 1947 the British Government acknowledged that it had failed to reconcile the two sides' competing claims and asked the United Nations General Assembly to propose a solution. A partition plan was devised whereby Palestine would be divided into seven sections, albeit united economically: three sections

<sup>1</sup> Language has become an important tool for all sides in the conflict, with certain words and phrases becoming imbued with particular meaning or significance. Any use of such words or phrases in this paper should not be taken as endorsement or criticism of the parties' positions.

<sup>2</sup> An estimated 65,000 people have died in over five decades of Arab-Israeli conflict, compared with, for example, more than 100,000 in Algeria since 1992, over 400,000 in Angola between 1975 and 1999, and up to 3.3 million deaths during the six-year conflict in the Democratic Republic of Congo. Source: Micheal Clodfelter, *Warfare and Armed Conflicts: A Statistical Reference to Casualty and Other Figures, 1500-2000* (Second Edition), 2002

<sup>3</sup> The influx began in the late 19<sup>th</sup> Century, but accelerated after the British Foreign Secretary stated in a 1917 letter (known as the 'Balfour Declaration') that his Government viewed "with favour the establishment in Palestine of a national home for the Jewish people". The letter also pledged that nothing should be done to "prejudice the civil and religious rights of the existing non-Jewish communities in Palestine". The proposal was subsequently incorporated into the terms of the 1920 League of Nations Mandate, despite considerable Arab misgivings.

<sup>4</sup> In 1881 there were approximately 400,000 Muslims, 42,000 Christians, and 13,000-20,000 Jews in Palestine. The Jewish section of the population increased from around 8% in 1918 to 18% by 1931 and to 30% by 1939. Justin McCarthy, *The Population of Palestine: Population History and Statistics of the Late Ottoman Period and the Mandate*, New York, 1990, p.26 & pp.35-36.

comprising just over 50% of the territory would be allocated to the Jews and three to the Palestinian Arabs, with the seventh, Jerusalem, to be administered as a neutral and demilitarised *corpus separatum* (separate entity) by a UN-sponsored administration.<sup>5</sup> The plan was accepted by the Jewish leadership, but rejected by the Arabs,<sup>6</sup> and by early 1948 violence between the two sides had escalated sharply.

During the ensuing Arab-Israeli War of 1948-49 Jewish forces secured control over 78% of the territory of Mandate Palestine, from which the State of Israel was formed. The remaining 22%, in the Gaza Strip and the West Bank, was taken by Egypt and Transjordan (later Jordan) respectively. The holy city of Jerusalem was divided between Jewish West Jerusalem and the Arab east of the city. The 1948-49 War also led to massive population movements. Hundreds of thousands of Palestinians fled their homes, or were driven out, and sought refuge in the West Bank and Gaza and in neighbouring countries.<sup>7</sup> This occurred alongside an influx of Jews into Israel from across the Middle East.<sup>8</sup>

These ‘1948 issues’ that arose from the first Arab-Israeli War, namely control of the territory of Mandate Palestine, the status of Jerusalem, and the fate of the displaced Palestinian population, have been only partially addressed and resolved. The difficulty with the 1948 issues is that their successful resolution requires the reconciliation of competing claims to the same territory, to which both sides have historical, emotional and religious ties.

## 2. The ‘1967 Issues’

The second strand to the conflict involves the disputes after 1948 between Israel and its neighbours, none of which recognised the new Jewish state’s right to exist. Decades of low-level hostilities ensued, interspersed with periods of full-scale armed conflict. The first of these occurred in 1956 when Israel, acting in concert with France and the United Kingdom, attempted to seize control of the Sinai peninsula and the Suez Canal from Egypt. However, it was the Six-Day War of June 1967, which was to have a more lasting impact on the region. Israel, claiming it faced a threat of imminent attack from hostile neighbours, launched a devastating strike against Syria, Jordan and Egypt. Israeli forces gained complete control over the territory of Mandate Palestine by seizing the West Bank of the River Jordan, East Jerusalem and the Gaza Strip, precipitating a further outflow of

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<sup>5</sup> As set out in UN General Assembly Resolution 181 of 29 November 1947. The full text is available on the UN web site at <http://www.un.org/Depts/dpa/ngo/top10.htm>

<sup>6</sup> The Arabs argued that the plan was biased in favour of the Jews who constituted one-third of Palestine’s population, yet would be granted over half the territory, including areas with significant Arab populations.

<sup>7</sup> “The number of Palestinians who either fled or were driven out across the borders was estimated by the United Nations at 726,000 in 1949. [...] Israeli estimates are lower, Palestinian ones higher.” Rosemary Hollis, *The World Today*, Vol.56, No.6, June 2000

<sup>8</sup> Some were seeking to participate in the formation of the new Israeli State; others were expelled from countries such as Iraq or were fleeing persecution.



Palestinian refugees.<sup>9</sup> The conflict also led to increased radicalism within the nationalist umbrella grouping, the Palestinian Liberation Organisation (PLO),<sup>10</sup> a radicalism that manifested itself through a series of international terrorist attacks and hijackings in the early 1970s.

During the 1967 conflict Israeli forces also occupied parts of Syrian and Egyptian territory on the strategic Golan Heights and the Sinai peninsula. In the 1973 Yom Kippur or Ramadan War Israel struggled to contain a surprise Arab attack aimed at reclaiming these territories. Syrian and Egyptian forces, belatedly reinforced by Jordan, were eventually pushed back beyond their original start lines, but at heavy cost to Israel in personnel and prestige.

The two issues of the Golan and Sinai, which arose as a result of Israel's attempts to secure itself against what it perceived to be hostile neighbours, can be termed the '1967 issues'. In a similar vein, Israel invaded its northern neighbour Lebanon in 1978 and 1982, ostensibly to halt Palestinian guerrilla attacks along its northern border. After the bulk of the PLO was expelled from Lebanon, Israeli forces withdrew to a self-styled 'security zone' in the south of the country. In contrast to the 1948 issues, Israel has few historical or religious ties to the Golan, Sinai or southern Lebanon, and for most Israelis the dominant consideration has been one of ensuring their country's security.

### **3. Sporadic progress (1978-1990)**

In the decades prior to 1991 diplomatic efforts to resolve these various issues had met with varying degrees of success. There was greater progress on the 1967 issues between Israel and its Arab neighbours. Israel's occupation of the Sinai was ended under a US-mediated agreement in 1978 and Egypt became the first Arab government to recognise Israel. A UN-monitored disengagement agreement ensured the Golan sector remained quiet, although the underlying dispute lay unresolved and Syrian-Israeli rivalry continued in southern Lebanon, where Israel and its allies clashed regularly with the Shi'a Muslim guerrillas of the Iranian and Syrian-backed Hizbollah movement (the 'Party of God').

There was little tangible progress on the Israeli-Palestinian track, with the 1948 issues of Jerusalem, the West Bank and Gaza, and the status of the Palestinian refugee population resisting resolution. A key stumbling block was the lack of mutual recognition between Israel and the PLO. Israel refused to negotiate with an organisation that had made extensive use of terrorist methods against Jewish targets at home and abroad. For

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<sup>9</sup> "In the Arab-Israeli war of 1967, some three hundred thousand Palestinians fled from the West Bank and Gaza to Jordan, Syria, Egypt and elsewhere. Of these, nearly two thirds were first time refugees, designated 'displaced persons' and the remainder were 1948 refugees who moved for a second time." Rosemary Hollis, *The World Today*, Vol.56, No.6, June 2000

<sup>10</sup> The PLO's declared aim was the establishment of an independent Palestinian state in the whole of Mandate Palestine. In 1969 Yasser Arafat, the head of the dominant Fatah faction, was appointed Chairman of the PLO.

Palestinians in the West Bank and Gaza, resentment of the Israeli occupation was deepened by the appropriation of land for the construction of Jewish settlements, which the international community had declared to be illegal under international law.<sup>11</sup> In 1987 Palestinian frustrations boiled over with the outbreak of the 'Intifada' or uprising, a six-year campaign of violent demonstrations and civil disobedience in the West Bank and Gaza. Israel responded with a heavy security clampdown.

## **II The Peace Process (1991-1999)**

### **1. Madrid – a symbolic breakthrough (1991)**

By 1991 the dynamics in the eastern Mediterranean were undergoing a fundamental transformation. One of the primary drivers for change was the increased prominence of the United States in Middle Eastern affairs following the liberation of Kuwait and the decline of the Soviet Union. Shifts in attitude were also apparent among the parties to the conflict, with a growing realisation that the region's economic, social and political development had been hampered by the absence of peace. In Israel there was a realisation that military means could contain but not resolve the Intifada and that Israel's conventional military dominance alone could not guarantee its security against the emerging threats posed by weapons of mass destruction and terrorism. This was mirrored on the Palestinian side by a growing recognition within the secular PLO that armed struggle and the use of terrorist methods had damaged the Palestinian cause internationally. Furthermore, the PLO's dominant position domestically was coming under threat from the Islamist militants of Hamas, whose extensive welfare programmes and hard-line military stance were growing in popularity. The result was a gradual shift by the PLO leadership towards acceptance of a 'two-state solution', involving the establishment of a Palestinian state in the West Bank and Gaza. In effect, the PLO was accepting Israel's right to exist within its 1948 borders, and renouncing the Palestinians' claim to the 78% of Mandate Palestine that now lay within the state of Israel.

The changes paved the way for the Madrid conference in October 1991, which sought to establish a comprehensive and lasting peace in the Middle East. Co-sponsored by the United States and Soviet Union, this groundbreaking multilateral conference brought together representatives of all the main parties to the conflict – Israel, Syria, Lebanon, Jordan and the Palestinians (the latter as part of a joint team with Jordan) – in a process of direct negotiations.

Underlying the process was an acceptance by all sides that any lasting settlement would have as its basis the principle of 'land for peace', as enshrined in UN Security Council Resolutions 242 of 1967 and 338 of 1973. Israel would hand over territories captured

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<sup>11</sup> See pages 24-26 for the position of the international community on the construction of Jewish settlements in the West Bank and Gaza.

from its neighbours in return for a comprehensive peace settlement in the region and recognition of its right to exist.<sup>12</sup>

The Madrid conference and the ensuing bilateral and multilateral negotiations were rich in symbolism but yielded little of substance. They did, however, serve an important role in building mutual confidence between the parties and paving the way for more significant progress in the coming years.

## **2. Oslo – a substantial breakthrough (1993)**

The first breakthrough of substance came on the Israeli-Palestinian track. In August 1993 it emerged that secret bilateral negotiations between the PLO and Israel had yielded agreement on mutual recognition and the establishment of Palestinian self-rule in the West Bank and Gaza Strip.<sup>13</sup>

To overcome the lack of Palestinian state institutions, the resulting set of agreements and understandings foresaw a five-year interim period during which Israel would carry out a phased hand-over of parts of the West Bank and Gaza to a fledgling Palestinian Authority (PA). At the end of the interim period a fully independent Palestinian state was to be established. The architects of what were known collectively as the Oslo Accords hoped the phased process would build confidence and allow the remaining 1948 issues on the agenda, such as Jerusalem, Jewish settlements in the West Bank and Gaza, and the Palestinian refugee population, to be resolved through final status negotiations towards the end of the interim period.

The details of the interim phase were elaborated in a series of further agreements during 1994 and 1995, although delays and disagreements forced an extension of the original five-year timetable by one year to May 1999.

The first stage, as set out in the ‘Agreement on the Gaza Strip and the Jericho Area’ of 4 May 1994, involved the transfer of part of Gaza<sup>14</sup> and Jericho to the Palestinian Authority. A 9,000 strong Palestinian police force assumed responsibility for public order and internal security within these areas. Control of education and culture, health, social welfare, tourism and taxation were transferred under an additional accord on 29 August

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<sup>12</sup> In Resolution 242 the Council stressed the “inadmissibility of the acquisition of territory by war” and called for Israel to withdraw “from territories occupied” during the conflict, in return for a comprehensive peace treaty and recognition of Israel’s right to exist. The full text of the Resolution can be found online via: <http://www.un.org/documents/sc/res/1967/scres67.htm>

<sup>13</sup> The letters on Israeli-PLO recognition and the ‘Declaration of Principles’ on the establishment of Palestinian self-government are available at <http://www.israel.org/mfa/go.asp?MFAH00pz0> and <http://www.israel.org/mfa/go.asp?MFAH00q00> respectively.

<sup>14</sup> Israel retained control of around one third of the Strip, including Jewish settlements and an area of military installations along the Gaza-Egyptian border.

1994,<sup>15</sup> but progress on other issues stalled later that year as violence flared and opposition to the process increased.

Despite these difficulties, there were signs of an improvement in Israel's relations with Syria and Jordan. President Hafez al-Assad of Syria reasserted his willingness to work towards peace, and on 26 October 1994 Jordan, no longer constrained by the need to keep in step with the Palestinians, concluded a formal peace treaty with Israel, which defined the joint border and normalised relations.<sup>16</sup>

On the Palestinian track, the transfer of control over labour, trade and industry, gas and petrol, insurance, postal services, statistics, agriculture, and local government was agreed under a protocol of 27 August 1995,<sup>17</sup> but it was the 'Interim Agreement on the West Bank and the Gaza Strip' of the following month that constituted the most significant expansion of Palestinian self rule.<sup>18</sup> Under the terms of the agreement, which incorporated and superseded the earlier agreements, Israel undertook to withdraw from a further six West Bank towns (Bethlehem, Jenin, Kalkilya, Nablus, Ramallah and Tulkarem), with a partial withdrawal from Hebron planned within six months.

The agreement set out the detailed provisions for the establishment of Palestinian self-rule, with the West Bank divided into three areas that gave Israel and the Palestinian Authority varying degrees of overlapping control and jurisdiction:<sup>19</sup>

- **Area A** covered the main towns of Jenin, Nablus, Tulkarem, Kalkilya, Ramallah, Bethlehem and Jericho and contained around 26% of the Palestinian population. Within this area the Palestinian Authority was given full responsibility for internal security and public order as well as full responsibility for civil affairs.
- **Area B** comprised most Palestinian towns and villages in the West Bank and contained around 70% of the Palestinian population. As with Area A, the Palestinian Authority assumed full civil authority and had responsibility for maintaining public order, while Israel retained overriding security responsibility.
- **Area C** covered the remaining lightly populated areas of the West Bank, sites of strategic importance (mainly in the Jordan Valley), and the Jewish settlements. Within these areas Israel retained full responsibility for security and public order, and jurisdiction over civil matters relating to territory. The Palestinian Authority assumed responsibility for all other civil spheres.

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<sup>15</sup> The 'Agreement on Preparatory Transfer of Powers and Responsibilities' is available at <http://www.israel.org/mfa/go.asp?MFAH00q90>

<sup>16</sup> The 'Treaty of Peace between the State of Israel and the Hashemite Kingdom of Jordan' is available on the King Hussein of Jordan web site at <http://www.kinghussein.gov.jo/peacetreaty.html>

<sup>17</sup> The 'Protocol on further Transfer of Powers and Responsibilities', is available at <http://www.israel.org/mfa/go.asp?MFAH00ru0>

<sup>18</sup> The 'Interim Agreement' is available at <http://www.israel.org/mfa/go.asp?MFAH00qa0>

<sup>19</sup> A map of the West Bank as of March 2000 can be found on the FMEP website at [http://www.fmep.org/images/maps/map0007\\_1.jpg](http://www.fmep.org/images/maps/map0007_1.jpg)

The Israeli Civil Administration that had previously exercised authority in the areas now under Palestinian control was dissolved, while the Israeli military government under the Ministry of Defence's Office of Co-ordination and Liaison (MATAK), retained responsibility for administering some civil functions in Area C.

A framework was also agreed for the election of an executive President of the Palestinian Authority<sup>20</sup> and an 82-member Palestinian Legislative Council.

### **3. The process slows (1995-1998)**

Sporadic outbreaks of violence during 1994 and 1995 coincided with a growth in opposition to the peace process among both Israelis and Palestinians. In Israel elements to the right of the political spectrum had become increasingly strident in their criticism of their government's approach, with some advocating violence to halt the handover of land to the Palestinians. On 4 November 1995 Israeli Prime Minister Yitzhak Rabin was assassinated in Tel-Aviv by Yigal Amir, an Israeli student opposed to the hand-over of territory to the Palestinians. The assassination shocked Israeli society deeply and provoked condemnation of those within Israeli politics who had advocated violence to halt the process. Mr Rabin's premature death also inflicted a grave blow on the prospects for peace and removed from the process one of its key architects.

In the immediate aftermath, however, progress continued. The planned Israeli withdrawals from the West Bank were concluded in December 1995 and the Palestinian legislative and presidential elections took place as scheduled in January 1996. Mr Arafat was elected president with 88.2% of the vote, while his Fatah movement won 55 of the 88 seats in the Palestinian Council. International observers declared the elections to be generally free and fair, although some irregularities were reported. Members and supporters of Fatah secured most of the prominent posts in Mr Arafat's cabinet, prompting complaints from opponents that Fatah was intent on dominating the political scene and weakening the influence and powers of oversight of the new Council.

In Israel, the post of prime minister had been assumed by Foreign Minister Shimon Peres, who favoured a different approach to that of his predecessor. Under Mr Rabin steady but significant progress had been made on the Syrian track, but the main focus was the negotiations with the Palestinians. Mr Peres, who had previously not been privy to the detail of the Syrian negotiations, decided to shift the focus from the Palestinian to the Syrian track, with the aim of reaching agreement on a peace settlement within six months.<sup>21</sup> To achieve this goal, Mr Peres decided against bringing forward the Israeli elections scheduled for October 1996. Three rounds of intensive Syrian-Israeli talks

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<sup>20</sup> The title 'president' was the subject of some discussion, as the Arabic word 'ra'ees' can be translated as 'chairman', 'head' or 'president'. For the sake of consistency, the term 'president' will be used in this paper.

<sup>21</sup> More detail on the Syrian track is provided in Section III from page 19 below.

ensued at the Wye Plantation in Maryland, USA, between December 1995 and March 1996, before sustained domestic pressure led Mr Peres to reverse his previous decision and call early elections. The Israeli delegation indicated its intention to reopen talks once the elections had taken place.

During early 1996 relations between Israel and the Palestinians deteriorated sharply. In early January the Israeli foreign intelligence service, Mossad, was widely suspected of involvement in the assassination of Yahya Ayyash, a leading operative within Hamas, which was observing an informal cease-fire at the time.<sup>22</sup> The attack was followed by a wave of suicide bombings in Jerusalem, Ashkelon and Tel-Aviv during late February, which left over fifty Israeli civilians dead. The Israeli government responded by postponing the planned withdrawal from the West Bank town of Hebron.

The bombings undermined support for both the peace process and for Mr Peres, who saw his popularity in the polls begin to ebb away. Tension also mounted in southern Lebanon after a series of Hizbollah attacks on Israeli targets. There was speculation that the upsurge in raids by Hizbollah was linked to frustration in Damascus at the suspension of the peace talks and the revelation that Israel and Turkey had signed a military co-operation agreement. Israeli forces responded with a sustained two-week campaign of air and artillery attacks on targets across Lebanon. The campaign, code-named Operation 'Grapes of Wrath', initially won significant support among Jewish Israelis. However, the death of over one hundred Lebanese civilians in what Israel said was an inadvertent artillery strike on a UN compound prompted strong international condemnation and damaged Israel's relationship with its Arab neighbours. The deaths also alienated the sizeable Israeli Arab electorate, a factor that was to play a key role in the election.<sup>23</sup> A cease-fire agreement was signed on 26 April 1996, under which Israel and Hizbollah agreed not to attack civilians or civilian settlements and infrastructure.

The election was close, with no single party winning an overall majority in the Knesset. The crucial result, though, came in the newly instituted prime ministerial election, in which the opposition Likud leader, Binyamin Netanyahu, secured a narrow victory over Mr Peres with just over 50% of the vote.

Israel's Arab neighbours reacted with caution, then dismay: Mr Netanyahu had stood on a platform of 'peace with security', saying that he would retain the Golan and oppose the establishment of a Palestinian state. He also suggested he might reconsider some of Israel's existing agreements with the PA. Further tension was caused by an Israeli decision to open a tunnel exit to Jerusalem's disputed Temple Mount under the Islamic sites on the Haram al-Sharif, a move deemed highly provocative by Palestinians. Rioting ensued in the West Bank and relations deteriorated as Palestinian police clashed with

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<sup>22</sup> See for example BBC News website, 17 April 2004, [http://news.bbc.co.uk/2/hi/middle\\_east/3556809.stm](http://news.bbc.co.uk/2/hi/middle_east/3556809.stm)

<sup>23</sup> Around 16% of the Israeli electorate were Israeli Arabs.

Israeli troops. American mediation helped to secure a cease-fire, but relations between the two sides remained fraught. By late 1996 the peace process was widely perceived to be in crisis, given the Israeli Government's resistance to the Hebron withdrawal and the announcement of further Jewish settlement construction on the West Bank.

Strong international pressure for a resumption of negotiations led to a revised agreement on a partial Israeli withdrawal from Hebron in January 1997.<sup>24</sup> Essentially the same as the defunct 1996 agreement on Hebron, it provided for the effective partition of the town. Israeli forces would withdraw from 80%, but would retain control of the Jewish settlement with its 400 settlers in the remaining 20%. The agreement left the Palestinian Authority with full control of 2.8% of the West Bank (Area A), and with civil authority over a further 25% (Area B).<sup>25</sup>

The Palestinians undertook to address Israeli security concerns by dismantling Hamas and Islamic Jihad terrorist infrastructure in PA-controlled areas. Mr Arafat also agreed to complete the revision of the Palestinian Covenant to ensure the removal of all articles relating to the destruction of Israel.

The Israeli cabinet approved the agreement after a long and bitter debate, during which Mr Netanyahu warned that failure would result in the dissolution of the governing coalition and the formation of a government of national unity with Labour.

Attention then turned to the next phase of Israeli redeployments from the West Bank. The Hebron agreement included Letters of Assurance, which stated that further withdrawals, required under the 1995 Interim Agreement, would be carried out in three stages between March 1997 and August 1998, a year later than originally specified. After Hebron, however, it was to be nineteen months before agreement was reached on the next stage.

Palestinian hopes for a substantial Israeli withdrawal from up to 30% of territory were dampened by Mr Netanyahu's insistence that Israel would consider withdrawing from only a further 9.5%. The two sides also disagreed over the total area that should be handed over to the Palestinians in advance of final status negotiations. Mr Arafat believed the Palestinian Authority should be granted control of 90% of the West Bank, while Mr Netanyahu said Israel would only withdraw from 50%, keeping the Jordan Valley, the desert east of Jerusalem and other "specified military locations".<sup>26</sup>

In the months that followed, disputes over security and the Palestinian Covenant undermined efforts to push the process forward. Particular controversy surrounded the

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<sup>24</sup> The 'Protocol concerning the redeployment in Hebron' is available at <http://www.israel-mfa.gov.il/mfa/go.asp?MFAH00q10>

<sup>25</sup> *Financial Times*, 17 October 1998

<sup>26</sup> *Independent*, 15 January 1997

Israeli decision to complete the ring of settlements around East Jerusalem by starting construction at a new site, Har Homa. Following a wave of Hamas bomb attacks in July 1997, Israel repeated its charge that the Palestinian Authority was reneging on its security commitments. The Palestinians countered with the accusation that the Israelis were seeking to deflect attention from the debate over redeployments. The situation deteriorated further in September 1997, when Israel made a failed bid to assassinate a senior Hamas official, Khaled Meshal, in Jordan.

US mediation efforts during early 1998 sought to keep the process moving by securing an additional Israeli withdrawal. It was feared that further deadlock could spell the end of the Oslo accords.<sup>27</sup> Some commentators blamed Israeli intransigence for the lack of progress, while others noted the difficult position faced by Mr Netanyahu, with mounting pressure from Washington on the one hand and rising opposition to any further withdrawals from within his coalition on the other. Other commentators argued that a slowdown in the process was inevitable as the initial euphoria surrounding the 1993 agreement was overtaken by a realisation of the complexities involved as the end of the interim period approached.<sup>28</sup>

By late September 1998 US diplomacy appeared to have bridged the gaps between Israel and the PA. High level negotiations chaired by President Bill Clinton at the remote Wye Plantation in Maryland in early October came close to collapse, but heavy diplomatic pressure kept the two sides engaged. The result was the Wye River Memorandum of 23 October 1998, which comprised two main elements, namely an Israeli undertaking on the next phase of withdrawals from the West Bank, and commitments from the Palestinian Authority to combat terrorism. Israel agreed to transfer to the Palestinian side a total of 13% of Area C (under Israeli security control and joint civil control), on condition that 3% be set aside as a nature reserve.<sup>29</sup> Upon implementation, the Palestinians would have full or partial control of 40% of the West Bank and Gaza. For its part, the Palestinian Authority agreed to take all measures necessary to prevent acts of terrorism against Israel. The PLO pledged to reaffirm its 1993 undertaking to nullify all articles in the Palestinian Covenant calling for the destruction of the State of Israel.

The agreement also called for the establishment of a number of joint committees to ensure security co-operation, with a key role for the CIA in overseeing Palestinian efforts to eliminate terrorist organisations and prevent the smuggling of weaponry into Palestinian-controlled areas. A complex timetable for implementation was drawn up, linking the Israeli redeployment from the West Bank to progress by the Palestinian Authority in implementing its responsibilities for security. Both sides pledged to refrain from

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<sup>27</sup> *Financial Times*, 19 October 1998

<sup>28</sup> See for example, Neill Lochery, *The Difficult Road to Peace*, Reading, 1999

<sup>29</sup> Of the 13%, 1% was to be transferred to Area A (under complete Palestinian control), and 12% to Area B (under PA civil and public order control, but Israeli security control). Furthermore, the PA agreed to designate 3% of the territory transferred to Area B as Green Areas and/or Nature Reserves. In addition, 14.2% of the existing Area B would become Area A, under full Palestinian control.



initiating or taking any steps that would alter the status of the West Bank and the Gaza Strip, although this fell short of the Palestinians' demand for a freeze on settlement construction.

Any hopes that the memorandum would mark a revival in the peace process were soon shattered as violence flared and disputes arose over implementation. An initial withdrawal took place during November 1998 from around Jenin, but by late December the Israeli cabinet had decided to suspend all further redeployments in response to further attacks by Palestinian militants. Parliamentary support for Mr Netanyahu's government was waning fast and on 21 December the Knesset voted to dissolve itself and hold fresh elections on 17 May 1999, effectively freezing the peace process for several months.

The decision to hold pre-term elections had implications for Mr Arafat's pledge to issue a unilateral declaration of independence (UDI) on 4 May 1999, the date marking the end of the five-year interim period. Mr Arafat opted to delay the planned declaration, perhaps calculating that a premature move would undermine the PA's international standing and deal a potentially fatal blow to the peace process. Palestinian critics of Mr Arafat questioned whether he ever intended to proceed, seeing the threat of a UDI as a tactic to undermine domestic criticism that the Palestinian leadership was failing to stand up to Israeli demands.

#### **4. The process revives (1999)**

The May 1999 pre-term prime ministerial elections resulted in a decisive victory for the Labour candidate, Ehud Barak, over Mr Netanyahu by 56% to 43.9%. Again, however, the position in the Knesset was less clear cut, with both main parties suffering a significant decline in support.<sup>30</sup> The result was a coalition government, headed by Mr Barak's One Israel alliance and supported by Shas, Meretz and four other parties.

Mr Barak's victory was welcomed widely in the United States and Europe, where political leaders expressed hope that it would lead to a resumption of the stalled peace process. Arab leaders also declared themselves to be cautiously optimistic about the prospects for peace.

During the swearing-in of his cabinet, Mr Barak stressed that "nothing is more important in my view than that supreme mission putting an end to the 100-year conflict in the Middle East."<sup>31</sup> He declared that peace with the Syrians, the Egyptians, the Jordanians and the Palestinians was equally important, saying: "If we don't place peace on all four

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<sup>30</sup> Labour fell from 34 seats in 1996 to 23 seats in 1999, although the creation of an electoral alliance with Gesher and Meimad, under the name 'One Israel', gave it a total of 26 seats. Likud, deprived of its 1996 electoral alliance with Tsomet and Gesher, dropped from 32 seats to 19, while the ultra-orthodox Shas Party, which draws support from the Sephardic community, increased its number of seats from ten to 17, placing it only slightly behind Likud as the main opposition in the Knesset.

<sup>31</sup> *Guardian*, 7 July 1999

pillars, peace will be unstable.”<sup>32</sup> In a break with the practice of Mr Rabin and Mr Netanyahu of pursuing one track of negotiations at a time, Mr Barak said he intended to proceed simultaneously on all tracks and to address both the remaining 1948 and the 1967 issues in Israel’s relations with its neighbours.<sup>33</sup>

### **III Lebanon and Syria (1993-2000)**

#### **1. The Golan and developments on the Syrian track**

One of Mr Barak’s key pledges during the 1999 election campaign was to secure a withdrawal of Israeli forces from the problematic security zone in southern Lebanon within one year of entering office. However, he acknowledged that no regional peace settlement would be complete without Syrian participation, not least because many observers believed an orderly Israeli withdrawal would require the consent of Damascus, which had up to 30,000 troops in Lebanon<sup>34</sup> and wielded considerable influence in Beirut. Furthermore, a peace treaty between Israel and Syria was considered to be crucial strategically, because it would isolate Iran and Iraq as the two main countries in the region that rejected both Israel and the peace process. The Syrian leadership viewed Israel’s desire to withdraw from Lebanon as a vital bargaining tool to secure the return of the Golan Heights.

The strategically important Golan plateau overlooks the Galilee region of northern Israel to the west, while the eastern flank looks out across the southern Syrian plain to Damascus. The area is a key source of water for the region, encompassing the headwaters of the Jordan River, which feed into Lake Tiberias (the Sea of Galilee, known in Hebrew as the Kinneret). Israel has developed extensive intelligence-gathering facilities on Mount Hermon, which are capable of monitoring military movements and communications deep inside Syria.

A US-mediated disengagement agreement was signed in 1974, leaving Israel in control of approximately 70% of Golan. The civilian population of 40,000 is roughly balanced between Jewish settlers and Arabs who remained after the 1967 conflict. In 1981 the Knesset enacted the Golan Annexation Law for the part of the Golan under Israeli control, a move that was not recognised by the international community.

A crucial issue with the Golan is the question of border demarcation. The 1923 international border between Syria and what was then Palestine runs within metres of the eastern shore of Lake Tiberias. During the fighting in 1948 Syrian forces captured several small pockets to the west of the 1923 border. These pockets, which became a demilitarised zone under the 1949 Armistice Agreement, were gradually populated by

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<sup>32</sup> *Guardian*, 7 July 1999

<sup>33</sup> Helena Cobban, *The Israeli-Syrian Peace Talks: 1991-1996 and Beyond*, Washington, 1999, p.7

<sup>34</sup> Syrian forces were deployed under the 1989 Taif agreement that ended the civil war.

Syrian and Israeli civilians. As a result, an effective line of partition emerged to the west of the 1923 border. Although the 1923 international border and the 1967 line of partition demarcate largely the same area, the crucial difference is that the 1967 line gave Syria direct access to the eastern shore of the lake. Syria has long argued that any Israeli withdrawal must lead to a return to this line, often referred to as “the line of June 4, 1967”, and not to the 1923 international border.

Prior to 1993, the main stumbling block had been Israel’s refusal to accept Syria’s precondition that it agree in principle to hand over all the occupied territory and withdraw to the 1967 border. President Assad of Syria was anxious to avoid ambiguities that could lead to misunderstandings later in the process.<sup>35</sup>

A significant breakthrough came in August 1993 when Washington reportedly transmitted a secret verbal undertaking from Mr Rabin to Damascus, indicating that Israel would be ready, in principle, to withdraw completely from the Golan.<sup>36</sup> Mr Rabin proposed that, in return, the initial withdrawal be limited in scope and be followed by a five-year period to assess Syrian intentions. Furthermore, he insisted that any withdrawal should be dependent on the conclusion of a peace treaty and the establishment of full diplomatic relations, with elaborate security arrangements monitored by an international presence. He also called for a demonstration of Syrian resolve to rein in the guerrillas of Hizbollah in Lebanon and to expel from Damascus those Palestinian factions that were opposed to peace with Israel.

There has been some debate as to Mr Rabin’s willingness to follow through on his commitments, with some believing it was a ploy to mollify the anticipated Syrian opposition to the Oslo agreement with the Palestinians later that month.<sup>37</sup> Mr Rabin was greatly concerned about the possible domestic reaction to the proposal, were it to become public, and he took steps to ensure that only a restricted circle within the leadership was aware of the offer.<sup>38</sup>

Mr Assad did not reject the Israeli proposal outright. He refused to consider the establishment of full diplomatic relations immediately, but accepted the general equation of “full withdrawal for full peace”.<sup>39</sup> He also sought clarification of two points that remain in dispute today. He asked if Mr Rabin intended to withdraw to the Palestine-Syria international border of 1923 or to the border of 4 June 1967. The second point of

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<sup>35</sup> Patrick Seale wrote that: “Before entering into negotiation, [President Assad] likes to know where he is going and what the end result will be.” “The Syria-Israel Negotiations: Who is Telling the Truth?”, *Journal of Palestine Studies* XXIX, No.2 (Winter 2000), p.66

<sup>36</sup> Helena Cobban, *The Israeli-Syrian Peace Talks: 1991-1996 and Beyond*, Washington, 1999, pp.48-52

<sup>37</sup> See for example Helena Cobban, *The Israeli-Syrian Peace Talks: 1991-1996 and Beyond*, Washington, 1999, p.50-51

<sup>38</sup> As noted on page 14 above, Mr Peres was unaware of the extent of negotiations with Syria until he took over as Prime Minister after Mr Rabin’s death.

<sup>39</sup> Patrick Seale, “The Syria-Israel Negotiations: Who is Telling the Truth?”, *Journal of Palestine Studies* XXIX, No.2 (Winter 2000), p.66

clarification was whether or not Israel laid claim to any territory that had been under Syrian control prior to the 1967 conflict.

After some delay Mr Rabin responded to Mr Assad's queries in mid-1994, again insisting on the utmost secrecy, but apparently acknowledging that Israel would recognise the 1967 border and that it had no claims on Syrian territory. Having secured these reassurances Mr Assad approved the commencement of full negotiations, which continued during 1995. Following the assassination of Mr Rabin in late 1995, Mr Peres sought to push the process forward, but progress was halted by the move to early elections in May of 1996, in which Mr Peres was defeated.

Subsequent efforts to restart the process were hampered by disputes over the basis for the negotiations. Syria said the talks should pick up at the point at which they had been suspended in March 1996, whereas Mr Netanyahu's Government insisted negotiations should start afresh without preconditions. According to press reports, limited back-channel contacts continued during Mr Netanyahu's tenure, but little progress was made.<sup>40</sup>

The election of Mr Barak in May 1999 appeared to herald a thawing in relations, with both Mr Barak and Mr Assad making unprecedented comments in praise of one another.<sup>41</sup> In theory it appeared that a deal between Israel and Syria could be reached relatively easily. Yet analysts warned that the border issue would remain difficult to resolve, particularly in light of Mr Barak's election pledge not to allow Syria full access to Lake Tiberias,<sup>42</sup> and to hold a referendum on a peace deal. In any event, the powerful Golan Lobby was expected to put up strong and vocal opposition to an evacuation of the 17,000 Jewish settlers on the Heights.

In December 1999, after a concerted US diplomatic effort, President Clinton announced that Syria and Israel had agreed to resume talks at the point "where they left off" in March 1996. Intensive negotiations involving Prime Minister Barak and Syrian Foreign Minister Farouq al-Shara began on 5 January 2000 in Shepherdstown, West Virginia. Four committees were established to discuss borders, security, normalisation of relations and the sharing of water resources, although disagreements arose over which issues should take priority. There were also few signs of personal warmth between the two teams of negotiators, which was interpreted by some Israelis as an indication that Damascus was yet not ready for peace.<sup>43</sup>

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<sup>40</sup> *The Economist*, 24 July 1999

<sup>41</sup> President Assad said that Mr Barak seemed to be "a strong and honest man" and Prime Minister Barak said Mr Assad's legacy was a "strong, independent, self-confident Syria – a Syria, which I believe is very important for the stability of the Middle East." *The Financial Times*, 24 June 1999

<sup>42</sup> He declared during the campaign that: "No Syrian soldiers will splash their feet in the Kinneret [Lake Tiberias]".

Progress was reported on Israel's desire to retain its early-warning systems on Mount Hermon. To overcome Syrian objections to the stationing of any Israeli forces on the Golan after the withdrawal, it was proposed that the station could be manned by French and US personnel.

However, the key stumbling block, once again, was the issue of control and sovereignty over the north-eastern shore of Lake Tiberias. The Syrian delegation believed the question had been largely resolved, subject to a few small details, and was dismayed by Mr Barak's attempts to return to the issue. For his part, Mr Barak was adamant that Israel would not share control over its most vital water resource, but said he was prepared to hand over control of the Al-Hamma springs to the south-east of the lake, on the Israeli side of the 1923 'international' border. Damascus rejected the proposal as unacceptable, pointing out that the springs were located on the Syrian side of the 4 June 1967 line and were, in its view, due to be handed over regardless.

Five days of talks ended without agreement, and it was decided to suspend negotiations indefinitely, although both sides held open the possibility of resuming in the coming months.

During February 2000, however, fighting in Lebanon escalated sharply as Hizbollah stepped up attacks on Israeli forces and their South Lebanese Army (SLA) allies, prompting claims from Israel that Syria was encouraging violence as a means of exerting pressure at the negotiating table. Israeli forces responded by bombarding the Lebanese power grid.

The prospects for peace took another blow in early March 2000 as the Knesset approved the first reading of an opposition bill requiring that a referendum on withdrawing from the Golan would require the support of more than 50% of all eligible voters, rather than a majority of votes cast. Consequently, even on a high turnout of 80%, more than 60% of those voting would have to vote in favour, making it highly unlikely that any peace treaty would be approved. The Knesset vote highlighted the growing splits in Mr Barak's coalition, as three of the parties voted with the opposition. Opinion polls suggested that a small majority of Israelis were opposed to a withdrawal, primarily because the Golan is deemed too important strategically to be returned.

Later that month President Clinton and President Assad held a summit in Geneva in a bid to revive the negotiations. However, the earlier disputes over border demarcation remained unresolved and the summit concluded acrimoniously. By May 2000 it had become clear that the process was stalled and Israeli attention turned to resolving the Lebanese track. The prospects of an imminent resumption of talks with Damascus receded further with the death of President Assad in June 2000 and the accession to power of his comparatively inexperienced son, Bashar. Since then, both sides have

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<sup>43</sup> For a consideration of the reasons for the breakdown, see the transcript of a panel discussion at the Washington Institute on 19 May 2000, online at <http://www.washingtoninstitute.org/pubs/soref/sorefdebate.htm>

stressed their readiness for further talks, although there are differences over whether they should resume without preconditions or from where they were broken off in early 2000.

## **2. The Israeli withdrawal from Lebanon (2000)**

Mr Barak's election pledge to withdraw from Lebanon reflected growing concern in Israel over the mounting cost, both human and financial, of maintaining the security zone in the south.<sup>44</sup> A key justification for the zone had been to prevent Hizbollah rocket attacks on the northern Galilee region, and earlier offers from Israel to withdraw had stressed the need for the Lebanese army to deploy into the vacated areas to prevent militia fighters from operating right up to the border.<sup>45</sup>

The deadlock on the Syrian track left Mr Barak contemplating a unilateral withdrawal from southern Lebanon, so as to fulfil his election pledge. However, fears among Israel's South Lebanese Army (SLA) allies about their post-withdrawal situation led to a collapse in morale during early May 2000. As a result, Israel was forced to speed up its timetable for withdrawal when it became apparent that the disintegration of the SLA would leave Israeli forces exposed.

After the withdrawal on 24 May Hizbollah units moved into the evacuated areas, but kept a low profile. Lebanese police and plain-clothed security officials were deployed in the south during May and June 2000, but Lebanese Prime Minister Selim al-Hoss ruled out an army deployment until the UN had verified the Israeli withdrawal.

The issue of border demarcation took time to resolve, primarily due to differences between British and French maps that demarcated the boundary during the 1920s. UNIFIL troops eventually moved into the vacated border zone in late July 2000, and Lebanese forces followed in early August, although the Lebanese authorities left the immediate border area in the hands of Hizbollah.

One remaining area of contention is the tract of land on the flank of Mount Hermon known as Sheba'a Farms, which Israel captured during the 1967 conflict with Syria. Both Syria and Lebanon agree that the area is Lebanese territory and should therefore be returned by Israel immediately. The UN has declared that discussion of the issue should wait until the Golan reverts to Syrian control as part of a peace agreement with Israel.<sup>46</sup>

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<sup>44</sup> The cost of maintaining the zone amounted to some US\$50 million a year, with a further US\$7 million allocated to pay for the SLA.<sup>44</sup> In addition, public support for the zone began to fall sharply after a substantial rise in the Israeli casualty rate that was widely attributed to improvements in Hizbollah's intelligence and organisational capabilities. During 1997 a total of 39 Israelis were killed in action in Lebanon and another 73 died when two troop-carrying helicopters collided.

<sup>45</sup> Such an offer was made by Mr Netanyahu in early 1998, but Damascus rejected the move, stressing that any withdrawal had to be unconditional.

<sup>46</sup> *Report of the UN Secretary-General 22 May 2000 on the implementation of the Security Council resolutions 425 (1978) and 426 (1978)*, S/2000/460, 22 May 2000

## **IV Addressing the Israeli-Palestinian final status issues (2000-2001)**

With the completion of the Israeli withdrawal from Lebanon in May 2000 and deadlock over the Golan, Mr Barak turned his attention once again to the Palestinian track and the 1948 issues. In place of further interim agreements and incremental Israeli withdrawals, Mr Barak favoured a swift move to final status talks to address the status of Jerusalem, the Palestinian refugees, and the borders and territory of a future Palestinian state. Mr Arafat reacted with caution, warning that the groundwork for agreement on the outstanding issues was not in place.<sup>47</sup>

In July 2000 a high-level summit was convened at the US presidential retreat at Camp David, with Mr Barak, Mr Arafat and Mr Clinton in attendance. The circumstances surrounding the summit appeared far from auspicious. Mr Barak's government lost its Knesset majority with the withdrawal of three parties from the coalition and there were reports of divisions within the Palestinian camp amid claims that Mr Arafat had failed to consult with key figures in the leadership.<sup>48</sup> In light of these difficulties, many commentators concluded it was highly unlikely that the two negotiating teams were in a position to make the concessions necessary to resolve the complex issues under discussion.

### **1. Territory, borders and the Jewish settlements**

Central to the debate over the final status negotiations is the issue of territory and borders for a future Palestinian state. Prior to Camp David, the Palestinian leadership had insisted publicly that under international law Israel should withdraw from *all* territory captured in 1967, thereby allowing the establishment of a Palestinian state in the whole of the West Bank and Gaza. The Palestinian side argued it had already made a major concession in recognising the state of Israel, thereby dropping its claim to over 78% of Mandate Palestine. Israel, citing the wording of Resolution 242, argued that it would withdraw from "territories occupied", but that the precise territory and borders should be the subject of negotiations.

From an Israeli perspective, the issue is complicated by the presence of Jewish settlements, the legality of which has long been a subject of considerable debate. The first new Jewish settlement in the West Bank was established in early 1968 in the town of Hebron, despite initial opposition from the Israeli government. Further settlements appeared during the late 1960s and early 1970s as a strong pro-settlement lobby developed in Israel. Led by the 'Gush Emunim' group ('Bloc of the Faithful'), the lobby argued that the biblical lands of Israel on the West Bank (Judea and Samaria) represented

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<sup>47</sup> Rosemary Hollis, 'Frightening fall-out', *The World Today*, November 2000, p.8 and Ron Pundak, 'From Oslo to Taba: What Went Wrong', *Survival*, Autumn 2001

<sup>48</sup> See for example 'Palestinian leaders divided over strategy', *The Financial Times*, 31 August 2000

the birthright of the modern Jewish state and constituted a vital part of 'Eretz Israel' (Land of, or Greater, Israel).

The settlements were seen in official circles as a means of cementing Israeli control over the territories by creating 'facts on the ground'. In 1967 the Israeli Minister of Labour, Yigal Allon, called for the establishment of a band of settlements in the Jordan valley to act as a security belt, although it was intended to avoid, as far as possible, localities with an existing Arab population. Other politicians during the early 1970s, in particular Defence Minister Moshe Dayan, promoted a wider policy of settlement-building as a security belt, although public confidence in the concept was undermined during the 1973 conflict when the settlements on the Golan had to be evacuated rapidly. Settlement growth proceeded at a much reduced pace until 1977 when Gush Emunim secured the support of the newly-elected Likud government of Menachem Begin, and a fresh phase of expansion began.

Under customary international law, including provisions in the Fourth Geneva Convention, an occupying power is prohibited from establishing settlements in occupied territory pending an end to the conflict.<sup>49</sup> As a consequence, Israel's settlement construction in the Occupied Territories has drawn strong criticism from the international community. In Resolution 446 of 22 March 1979 the UN Security Council determined that "the policy and practice of Israel in establishing settlements...have no legal validity and constitute a serious obstruction to achieving a comprehensive, just and lasting peace in the Middle East." On 20 July of that year the Security Council passed Resolution 452, in which it called upon "the Government and people of Israel to cease, on an urgent basis, the establishment, construction and planning of settlements in the Arab territories occupied since 1967, including Jerusalem."<sup>50</sup>

Further settlement construction continued, encouraged by government subsidies, such as tax refunds and cut-price water and electricity rates. By 1981 there were over 20,000 settlers on the West Bank, rising to around 100,000 in over 100 locations by the early 1990s. The majority of settlements are relatively small with only a few hundred residents, although there are a number of more significant developments, notably along the 'Green Line' (the pre-1967 ceasefire line between Israel and the Jordanian-controlled West Bank) and around Jerusalem. Successive Israeli governments have argued that these larger settlements provide vital housing for Israel's expanding population, which increased significantly during the 1990s with the influx of around 700,000 Jews from the former Soviet Union.<sup>51</sup> Recent estimates suggest there are some 7,500 settlers in Gaza and over 400,000 in the West Bank (200,000 of whom live within the limits of the expanded municipal boundaries of Jerusalem).

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<sup>49</sup> Some Israelis argue that the territory of what was formerly Mandate Palestine is still disputed, not occupied. See for example "The Myth of "Settlements": Are they indeed the "root cause" of violence in the Middle East?", on the Facts and Logic About the Middle East (Flame) website at: [http://www.factsandlogic.org/ad\\_77.html](http://www.factsandlogic.org/ad_77.html)

<sup>50</sup> S/RES/452, online via: <http://www.un.org/Docs/scres/1979/scres79.htm>

<sup>51</sup> *The Economist Survey: Israel at 50*, 23 April 1998



Palestinian opposition to the settlements has often boiled over into violent clashes with armed settlers. As a result, there are fears that any settlement blocs that remain after a final status agreement could constitute a permanent source of instability. Palestinians also believe that the existence of large numbers of Jewish settlements in the midst of Palestinian-controlled areas would restrict Palestinian urban development.

During the final status negotiations at Camp David and Taba, both sides appear to have accepted that a trade-off was required. Some of the outlying settlements that cut deep into the West Bank could be considered for removal, while the populous settlement blocks lying along Israel's border could be annexed by Israel. In return, the Palestinians would accept a slice of unpopulated territory from Israel, although there were disputes over whether the exchange would be on the ratio of 1:1 or less. However, even proposals for relatively limited evacuations, such as those proposed by Mr Sharon in Gaza and the northern West Bank, have encountered strong resistance from the powerful settler lobby and there are fears that the protests could turn violent.

## 2. Jerusalem

Perhaps the most complex issue to be addressed as part of the final status negotiations is the status of Jerusalem (*Yerushalayim* in Hebrew, *Al-Bayt Al-Muqaddas* or *al-Quds* in Arabic), a city with profound spiritual and emotional significance for Christianity, Islam and Judaism. The third holiest site in Islam, the Haram al-Sharif,<sup>52</sup> with its twin shrines of the Dome of the Rock and the Al-Aqsa Mosque, is located on the Temple Mount – Judaism's most holy place and the site, Jews believe, of the Second Temple, which was destroyed by the Romans in 70AD. The western flank of the Mount forms the Western (Wailing) Wall – the most important site for Jewish prayer and pilgrimage.

The status of the city, which both the Israelis and the Palestinians claim as their capital, has long been the subject of bitter dispute. The UN Partition Plan of 1947 proposed placing Jerusalem in a *corpus separatum*, under a special regime sponsored by the UN and administered by its Trusteeship Council. During the 1948 conflict, however, Jewish forces secured control of western Jerusalem, while the Arab districts in eastern Jerusalem (including the Old City and the religious sites) were taken by Transjordan. Most states did not recognise Israeli or Jordanian sovereignty over the area of the *corpus separatum*, although they recognised both states' *de facto* authority over the areas in question. The following year, in a move not recognised by the international community, Israel declared West Jerusalem to be its "eternal capital" in place of Tel Aviv.

During the 1967 Arab-Israeli conflict, East Jerusalem was captured and brought under Israeli control. This was regarded by many as an annexation, although the Israeli

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<sup>52</sup> Haram al-Sharif means Noble Sanctuary. The most sacred site for Muslims is the Ka'bah sanctuary in Mecca, the second is the Prophet's mosque in Medina.

government disputed the use of the term, referring instead to a process of administrative and municipal integration. Despite considerable international opposition, Israeli civil law was applied to the eastern part of the city,<sup>53</sup> and the municipal boundaries were extended significantly to the north and south.<sup>54</sup> In 1980 the Israeli parliament, the Knesset, formally declared all Jerusalem to be the capital of Israel.

Israeli control over the Old City allows access for Jews to the Temple Mount and the Western Wall, which were out of bounds during the period of Jordanian rule. Administration of the religious sites is in the hands of the respective religious leaders: in the case of the Islamic sites, it is the responsibility of the Council of Waqf (religious endowment) and Muslim Affairs.

Jewish land expropriation and settlement construction during the 1970s around the northern, eastern and southern perimeters of the city threatened to cut off the Palestinian districts of East Jerusalem from the rest of the West Bank.<sup>55</sup> Within East Jerusalem itself, Israel pursued a programme of housing construction, with the aim of establishing a Jewish majority. This policy, coupled with the demolition of Palestinian housing and tight restrictions on new construction, ensured that the Jewish population in East Jerusalem increased by 67% between 1967 and 1993 to around 168,000, outnumbering the 150,000 Arab Palestinians with residence permits to live there.<sup>56</sup>

The Israeli stance prior to the Camp David summit was that Jerusalem would remain united under Israeli sovereignty, whereas the Palestinians insisted that East Jerusalem be handed over to their control, claiming that UN Security Council Resolution 242 required the return of *all* land captured by Israel in 1967.<sup>57</sup>

Mr Barak proposed at Camp David that the Palestinians be given sovereignty over certain Arab districts to the north of the old municipal boundary<sup>58</sup> and broad civilian and administrative autonomy over Palestinian neighbourhoods and over the Muslim and Christian quarters of the Old City. He also suggested that the Palestinians should be given significant status within the Old City, including a presidential office for Mr Arafat, and “signs of sovereignty” at the Muslim holy sites.<sup>59</sup>

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<sup>53</sup> In contrast to the West Bank and Gaza, which were placed under Israeli military administration following their capture in 1967.

<sup>54</sup> The UN General Assembly adopted Resolution 2253 (ES-V) in July 1967, in which it said it considered that the measures taken by Israel to change the status of the city were invalid. It also called on Israel “to rescind all measures already taken and to desist forthwith from taking any action which would alter the status of Jerusalem”.

<sup>55</sup> A map of the city and its environs is online at <http://www.fmep.org/0797b.gif>

<sup>56</sup> *Report on Israeli Settlement in the Occupied Territories: Special Report: A Jerusalem Primer*, Foundation for Middle East Peace, February 1994, from <http://www.fmep.org/feb94.html>

<sup>57</sup> Resolution 242 calls for “withdrawal of Israeli armed forces from territories occupied” during the conflict.

<sup>58</sup> i.e. areas that were not part of pre-1967 Jerusalem.

<sup>59</sup> *The Economist*, 29 July 2000

The Palestinian delegation rejected the proposals as inadequate, arguing that they did not preserve Palestinian rights in the city as they had been prior to 1967, and would split the city into different legal and administrative parts. Israeli officials accused Mr Arafat of failing to respond to their proposals constructively, although Palestinian sources maintained that Israel had presented it as a take-it-or-leave-it package with no room for discussion.<sup>60</sup> Mr Arafat may have been fearful of possible opposition from Arabs and Muslims abroad to any agreement that failed to secure full Palestinian sovereignty over all the Arab-inhabited districts of East Jerusalem, and full control, religious and temporal, over the Haram al-Sharif. The fate of President Sadat of Egypt, who was assassinated in 1981 by militants opposed to the peace treaty with Israel, may have been a consideration. Another possibility is that a lack of prior consultation with other Arab leaders may have diminished Mr Arafat's ability to negotiate effectively on such emotive issues.

Bridging proposals put forward by President Clinton in December 2000<sup>61</sup> suggested that control of Jerusalem and the Old City should be decided using the broad principle that Jewish areas should fall under Israeli control and Arab areas under Palestinian control. With regard to the Islamic and Jewish religious sites, he cited earlier proposals for a complex form of split-level sovereignty over the Temple Mount/Haram al-Sharif. The area would be divided into four sectors: the Al-Aqsa mosque and the Dome of the Rock mosque; the Temple Mount plaza; the Mount below ground; and the outer wall. Each sector would fall under Israeli or Palestinian sovereignty, or some combination of the two. For example: the Islamic sites would fall under Palestinian sovereignty, whereas Israel would have sovereignty over the Western Wall and the Mount below ground.<sup>62</sup>

Accounts of the Taba talks in early 2001 suggest that both sides accepted the proposals on control of the Old City, but agreement remained elusive on the status of the religious sites and of the Jewish settlements around Jerusalem.<sup>63</sup> Both sides were also reportedly willing for Jerusalem to be the capital of the two states and for it to become an Open City, although there was disagreement on the size of the city limits.

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<sup>60</sup> There were also doubts over whether any formal proposals had been put on the table for negotiation. The ideas under discussion were conveyed orally and appear to have involved an element of creative ambiguity.

<sup>61</sup> An informal text of the Clinton proposals were published by the Palestinian Jerusalem Media and Communication Centre (JMCC), <http://www.jmcc.org/new/00/clinton.htm>

<sup>62</sup> *The Jerusalem Post International Edition*, 8 September 2000

<sup>63</sup> See, for example, the Non Paper on the Taba talks prepared by the EU Special Representative to the Middle East Peace Process, Miguel Moratinos, as published on *Ha'aretz English Edition* online, <http://www.haaretzdaily.com/hasen/pages/ShArt.jhtml?itemNo=130193&contrassID=3&subContrassID=0&sbSubContrassID=0>

### 3. The Refugee Issue

Another issue with implications beyond Israel and the Palestinian territories is the status of the 4.1 registered Palestinian refugees spread throughout neighbouring countries.<sup>64</sup> About one third of the total (around 1.3 million) live in camps, often in extremely basic conditions with little prospect of integration within their host countries, a state of affairs that is particularly pronounced in Lebanon.

At the centre of the debate is a dispute over the reasons for, and the scale of, the Arab exodus of 1947-48, an episode that is known to Palestinians as *al-Nakba* (the 'Catastrophe'). UN statistics from 1950 placed the number of Palestinian refugees at around 957,000. The Israeli leadership insisted the number was significantly smaller and claimed that many Palestinians had left voluntarily or under orders from their leaders. Arab leaders maintained that most had been terrorised and expelled as part of a premeditated Israeli operation, citing as an example the killing of up to 140 Arab civilians in the village of Deir Yasin.<sup>65</sup>

Palestinians have consistently argued that the refugees have a 'right of return' to their pre-1948 homes in what it now Israel. UN General Assembly Resolution 194 of 11 December 1948, which is not binding on member states, is frequently cited as legal justification for this position. The resolution states that those refugees "wishing to return to their homes and live at peace with their neighbours should be permitted to do so at the earliest practicable date, and that compensation should be paid for the property of those choosing not to return."<sup>66</sup>

Demography is a major concern for many Israelis, who fear the identity of their predominantly Jewish state would be threatened by the return of large numbers of Palestinians. Successive Israeli governments have opposed the principle of a 'right of return' and refused to apologise for the exodus, arguing that Israel bears no responsibility for the situation. The Palestinian leadership believes Israel must go beyond an expression of "sorrow over what befell the Palestinian people as a result of the Arab-Israeli war of 1948"<sup>67</sup> and acknowledge its legal and moral obligations with regard to the refugees. Nonetheless, Palestinian officials have said privately that they recognise it would be impossible in practice to secure the wholesale return of the refugees.

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<sup>64</sup> The UN Relief and Works Agency (UNRWA) estimated in June 2003 there were just over 4 million registered Palestinian refugees: 1.7 million in Jordan, 907,000 in Gaza, 655,000 in the West Bank, 391,000 in Lebanon and 409,000 in Syria.

<sup>65</sup> A 1987 investigation by the Palestinian Birzeit University concluded that the death toll did not exceed 120. Further detail can be found on the website of the Birzeit Center For Research & Documentation of Palestinian Society at <http://www.birzeit.edu/crdps/drya@vil.html>

<sup>66</sup> Online via: <http://www.un.org/documents/ga/res/3/ares3.htm>

<sup>67</sup> *The Camp David Papers*, Akram Hanieh, p.14, from the PLO Negotiations Affairs web site at <http://www.nad-plo.org/eye/cdpapers.pdf>

In light of these competing narratives, the negotiations at Camp David and Taba focused on compensation for, and the resettlement of, the refugee population. One option would be to allow a small number to return to Israel under a family reunification programme. Several hundred thousand more could settle in a future Palestinian state on the West Bank and Gaza, although population levels are already high and the challenges of ensuring they were absorbed smoothly would be considerable. Other refugees could receive compensation and be encouraged to settle in their host countries where they have been resident for many years.

Analysts believe the latter option would be feasible for parts of the Palestinian population in Jordan, where there is a relatively high level of integration, although the refugees in other countries, such as Lebanon, may require a more elaborate solution. During the Camp David talks, reports suggested a possible agreement to disperse the refugees in Lebanon to three different locations: some could be permitted to stay in Lebanon, while others could return to a Palestinian state in the West Bank and Gaza. Up to 100,000 could be 'reunited' with their families in the Galilee region of Israel, from where most of Lebanon's Palestinians originate.<sup>68</sup>

The Camp David talks reportedly did not address the Palestinian demand that Israel should recognise, in principle, the right of return,<sup>69</sup> although progress was reported at the Taba talks on the formulation of a shared narrative on the refugee issue which would meet the requirements of both sides, including Israel's request that the issue of compensation for former Jewish refugees from Arab states be recognised.<sup>70</sup>

## V Violence takes hold (2000-2004)

On 25 July 2000 the Camp David summit concluded without a final agreement. Mr Clinton declared that the two sides had made significant progress on the core issues, although he cautioned that: "Under the operating rules that nothing is agreed until everything is agreed, they are of course not bound by any proposal discussed at the summit."<sup>71</sup>

The precise details of what was discussed at Camp David remains the subject of considerable discussion. It is widely acknowledged that Mr Barak went further than any other Israeli leader in offering concessions to the Palestinians, but some observers argue

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<sup>68</sup> *Middle East International*, 16 June 2000, p.10

<sup>69</sup> 'Interview with Palestine TV by Mahmoud Abbas', 29 July 2000, from the PLO Negotiations Affairs Department at <http://www.nad.gov.ps/speeches/abumazen3.html>

<sup>70</sup> The EU Non-Paper recorded "there was much progress, although no agreement" on the refugee issue. It also recorded that: "The Israeli side requested that the issue of compensation to former Jewish refugees from Arab countries be recognized, while accepting that it was not a Palestinian responsibility or a bilateral issue."  
<http://www.haaretzdaily.com/hasen/pages/ShArt.jhtml?itemNo=130196&contrassID=2&subContrassID=5&sbSubContrassID=0&listSrc=Y>

<sup>71</sup> 'Transcript: Clinton Statement on Camp David Mideast Peace Talks', *Washington File*, 25 July 2000

that his proposals were poorly formulated and fell well short of Palestinian minimum requirements on several points, most notably Jerusalem.<sup>72</sup> Some also contend that Israeli accounts of the talks exaggerate what was on offer, particularly with regard to territory. Others accuse Mr Arafat of failing to engage constructively and of passing up a priceless opportunity to end the conflict in favour of a return to violence.<sup>73</sup>

During August 2000 observers warned of a possible resumption of violence, as frustration grew among Palestinians at the absence of agreement. The following month Israeli opposition leader Ariel Sharon visited the mosque complex on Jerusalem's disputed Temple Mount/Haram-al-Sharif.<sup>74</sup> A wave of Palestinian demonstrations ensued both in Israel and across the Palestinian territories, prompting a sharp crackdown by Israeli security forces. The situation spiralled rapidly out of control and the death toll began to rise as Israeli troops clashed on a daily basis with stone-throwing demonstrators and armed militia fighters. By November Palestinian suicide bomb attacks had resumed after an interlude of almost a year.<sup>75</sup> There was much debate as to whether the violence, often referred to as the 'Al-Aqsa Intifada', was orchestrated by the Palestinian leadership or represented a spontaneous outpouring of popular frustration. It was argued that, at the very least, Mr Arafat was content to let the violence develop in the hope of wringing more concessions at the negotiating table, although others argued that Israel bore some responsibility for responding to the early demonstrations in a heavy-handed fashion, which served only to radicalise the uprising.

A summit was convened at Sharm el-Sheikh during October 2000 to examine ways of halting the violence and getting both sides back to the negotiating table. The main achievement of the summit was the establishment of an international committee of fact-finding to examine the violent events of the previous month and to look at how to prevent their recurrence. The five-member committee, chaired by US Senator George Mitchell

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<sup>72</sup> See for example Ron Pundak, 'From Oslo to Taba: What Went Wrong', *Survival*, Autumn 2001

<sup>73</sup> For a detailed consideration of the issues under discussion at Camp David and the competing narratives on who was to blame for the talks' failure, see the series of articles by Robert Malley and Hussein Agha and Benny Morris and Ehud Barak in the *New York Review of Books*: 'Camp David: The Tragedy of Errors', 9 August 2001, Vol.48, No.13; 'Camp David and After: An Exchange (1. An Interview with Ehud Barak)', 13 June 2002, Vol.49, No.10; and 'Camp David and After—Continued', 27 June 2002, Vol.49, No.11, online at <http://www.nybooks.com/articles/14380>; <http://www.nybooks.com/articles/15501> and <http://www.nybooks.com/articles/15502>

<sup>74</sup> The compound is visited only rarely by Jewish Israelis for fear of violating the sanctity of the site. Mr Sharon insisted the visit had been necessary to emphasise Israel's sovereignty over the site, due to Mr Barak's apparent readiness to negotiate over the city's status. In evidence to the Mitchell Committee later in 2000, the Israeli government said it had consulted with Palestinian security officials prior to Mr Sharon's visit and had been told it would not result in an adverse reaction, as long as the Likud leader did not visit the mosques.

<sup>75</sup> The start of the Intifada is covered in greater detail in Chapter III of House of Commons Library Research Paper 01/09, *The Middle East Crisis: Camp David, the 'Al-Aqsa Intifada' and the Prospects for the Peace Process*, 24 January 20001, <http://www.parliament.uk/commons/lib/research/rp2001/rp01-009.pdf>

and hence referred to as the ‘Mitchell Committee’,<sup>76</sup> was not to report for another six months.

As the violence continued into November, it became clear that parliamentary support for Mr Barak was declining fast, leading him to call prime ministerial elections for early February 2001. Despite his waning political authority, he appeared determined to make one final push on the peace process.

In late December President Clinton put forward a set of bridging proposals outlining a basis for further negotiations.<sup>77</sup> The proposals reportedly included the following elements:

- A Palestinian state to be founded in all of the Gaza Strip and 95% of the West Bank. A land-swap was proposed to compensate the Palestinians for the annexation by Israel of the remaining 5%;
- Two alternative formulations were proposed to resolve the dispute over the narrative relating to the Palestinian refugee issue. The refugees would be offered five possible homes for permanent settlement: the new state of Palestine; the areas in Israel being transferred to Palestine in the land swap; rehabilitation in their host country; resettlement in a third country; or admission to Israel. Up to 100,000 refugees would be granted admission to Israel as part of a family reunification programme;
- Within Jerusalem, the proposal suggested that “what is Arab should go to the Arabs and what is Jewish should go to the Jews”;
- The Haram-al-Sharif/Temple Mount would come under a form of split-level sovereignty;
- An international force would be deployed to supervise the phased withdrawal of Israeli forces. Israel would be able to lease three early-warning stations in the West Bank to ensure its security.<sup>78</sup>

Mr Barak declared his acceptance of the proposals in principle, although he subsequently appeared to backtrack on a number of issues, such as accepting a division of sovereignty on the Temple Mount/Haram al-Sharif. Mr Arafat also expressed unease, but eventually appeared to accept the proposals, albeit with reservations.

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<sup>76</sup> In addition to Mr Mitchell, the committee comprised Suleyman Demirel, 9<sup>th</sup> President of the Republic of Turkey; Thorbjørn Jagland, Minister of Foreign Affairs of Norway; Warren B. Rudman, Former Member of the United States Senate; and Javier Solana, High European Representative for the Common Foreign and Security Policy, European Union.

<sup>77</sup> The Palestinian negotiating team released the minutes of the meeting on 23 December with President Clinton, during which he outlined his proposal. The minutes are available from the Jerusalem Media and Communication Center web site at <http://www.jmcc.org/new/00/clinton.htm>

<sup>78</sup> More detail can be found in Chapter IV A of House of Commons Library Research Paper 01/09, pp.33-36, <http://www.parliament.uk/commons/lib/research/rp2001/rp01-009.pdf>

A concerted effort to bridge the remaining gaps took place in late January 2001 in the Egyptian resort of Taba, although the prospects for a successful outcome appeared slim, given Mr Barak's shrinking political base, the impending Israeli elections, and the fact that President Clinton's term of office was coming to a close. No formal written record of the talks exists, but accounts from those involved – including a non-paper prepared by the EU's Special Representative to the Middle East Peace Process, Miguel Moratinos<sup>79</sup> – indicate there was movement by both sides towards a solution of the territorial and refugee issues and the question of sovereignty over Jerusalem, although substantial obstacles still remained.

On 6 February 2001 Likud's Ariel Sharon was elected Prime Minister, defeating Mr Barak by 62.4% to 37.6%. Mr Sharon, a vocal critic of the Oslo process, had stood on a platform of 'peace with security', stressing he would respond robustly to Palestinian violence and pledging not to negotiate under fire. He effectively ruled out concluding a final status agreement in the immediate future, indicating he would insist on a united Jerusalem under Israeli sovereignty, no right of return for Palestinian refugees, and Israeli control over security zones on the West Bank, such as the Jordan Valley. Prior to his election he outlined a proposal for further long-term interim agreement that would see the establishment of a Palestinian state in 42% of the West Bank.<sup>80</sup>

Mr Sharon was faced with the difficult task of forming a governing coalition from the fragmented Knesset. His own Likud party had only 19 seats and therefore required the support of a number of other parties to ensure a working majority. After a lengthy internal debate, Labour opted to enter a government of national unity led by Likud, along with Shas and a handful of other parties.<sup>81</sup>

#### **a. Mitchell Committee Report**

On 30 April 2001 the Mitchell Committee issued its report which contained a series of recommendations for both sides. It stressed that both Israel and the Palestinians should "act swiftly and decisively to halt the violence", with the aim of rebuilding confidence so as to allow a resumption of negotiations.

Firstly, it called for an unconditional cessation of violence and the immediate resumption of security co-operation. Secondly, it called on the government of Israel and the Palestinian Authority to establish a meaningful "cooling off period", and to implement

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<sup>79</sup> The text of the EU non-paper, as reported by the Israeli daily newspaper *Ha'aretz*, is online at <http://www.haaretzdaily.com/hasen/pages/ShArt.jhtml?itemNo=130196&contrassID=2&subContrassID=5&sbSubContrassID=0&listSrc=Y>. Some Israeli commentators and members of the Israeli delegation expressed scepticism about the summary of the talks contained in the non-paper: Mr Barak's top aide at the time, Gilad Sher, warned that "European governments ought to read its contents with skepticism and caution." Source: Ze'ev Schiff, 'Negotiators scorn EU non-paper', *Ha'aretz*, 14 February 2002

<sup>80</sup> 'Sharon: No More Land to Palestinians', *Associated Press*, 18 January 2001

<sup>81</sup> Labour was given two key ministries – foreign affairs (Shimon Peres – also a deputy prime minister) and defence (Binyamin Ben-Eliezer).



additional confidence-building measures, including ending incitement to violence in the media; a 100% effort by the Palestinian Authority to halt terrorist operations; instituting a freeze on all Jewish settlement activity; lifting the Israeli closures and restrictions on Palestinian freedom of movement; and efforts to avoid civilian casualties on both sides. The committee also stressed that achieving a cessation of violence could not be divorced from the political context, noting that the proposals in the report could not be sustained without a return to serious negotiations.

The report received a generally favourable response from the Israeli and Palestinian leaderships and the international community, despite concerns among some within Mr Sharon's administration at what they perceived to be a dangerous linkage between halting settlement activity and ending the violence.<sup>82</sup> US Secretary of State Colin Powell underlined that the recommendations in the report were to be regarded as a package and were not to be "cherry-picked" to the benefit of one side or the other.<sup>83</sup>

By early June 2001, however, the violence appeared to be escalating sharply. A devastating suicide bomb attack on a Tel Aviv nightclub left over 20 dead and raised fears of a major Israeli military response. Concerted diplomatic pressure led Mr Arafat to issue a renewed call for an immediate and unconditional ceasefire, although several of the more militant factions appeared unwilling to comply, saying they reserved the right to resist in the Occupied Territories. In the event, speculation about major Israeli incursions into PA-controlled areas failed to materialise, despite pressure from some within the Israeli Government for the removal of the Palestinian Authority leadership and the expulsion of Mr Arafat.

#### ***b. Tenet Ceasefire Plan***

US involvement in the region again came to the fore in mid-June 2001 with the announcement that the head of the Central Intelligence Agency (CIA) had secured agreement on stabilising the ceasefire. The text of the plan was not formally released,<sup>84</sup> but reports suggested Israel had agreed to lift its blockade and to withdraw its forces to positions occupied prior to the Intifada. In turn, it was reported that the Palestinian security services would gather illegal weapons, halt mortar attacks and curb incitement. Hamas and Islamic Jihad said they would not recognise the agreement.

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<sup>82</sup> Zalman Shoval, an aide to Ariel Sharon, claimed the commission had "gone beyond its mandate" by linking settlement activity with ending the violence, warning that: "The Mitchell commission could undermine the very basis of the peace process." Quoted in *Financial Times*, 7 May 2001

<sup>83</sup> 'Remarks by US Secretary of State Colin Powell on the Sharm el Sheikh Fact-finding Committee', 21 May 2001, from <http://www.state.gov/secretary/rm/2001/index.cfm?docid=2965>

<sup>84</sup> An unofficial text was published by the Israeli Ha'aretz newspaper on 14 June 2001 and carried on the Israeli Ministry of Foreign Affairs website, <http://www.mfa.gov.il/MFA/Peace+Process/Guide+to+the+Peace+Process/Palestinian-Israeli+Security+Implementation+Work+P.htm>

The cycle of violence continued during July and August 2001, with both sides accusing the other of breaching the ceasefire. Israeli assassinations of suspected militants, including the leader of the Popular Front for the Liberation of Palestine (PFLP), Abu Ali Mustafa, were condemned by Mr Arafat. Israel countered that the Palestinian Authority was not fulfilling its obligations to fight terror. Further Palestinian car and gun attacks followed. Israel responded with a large-scale reinforcement of Israeli units in the West Bank in preparation for what officials characterised as limited 'search and destroy' to capture Palestinian weaponry and to arrest or kill suspected militants.

In the days after the terrorist attacks in the United States on 11 September 2001, Israeli forces conducted a series of heavy incursions into PA-controlled areas. A further ceasefire call from Mr Arafat, this time in Arabic, resulted in a marked decrease in violence and led Israel to halt its offensive operations.

There were reports that the Bush administration had been planning to introduce an initiative on the peace process in the UN General Assembly on 12 September, but that the events of the previous day had forced a change of plan.<sup>85</sup> The initiative reportedly included a statement of US support for a Palestinian state. Mr Bush subsequently issued such a statement on 2 October, declaring that: "The idea of a Palestinian state has always been part of a vision, so long as the right of Israel to exist is respected."<sup>86</sup>

Further details on the US position were provided by Mr Powell in a keynote speech in November 2001, in which he called on both sides to face up to some fundamental truths. He called on the Palestinians to recognise that the violence of the Intifada had become self-defeating, and on Israel to accept that settlement activity severely undermined Palestinian trust and hope and crippled the chances for real peace and security. He said that it was in the interests of both sides for the occupation to come to an end and called for full implementation of the Mitchell Committee recommendations.<sup>87</sup> He also announced that a US diplomatic mission would be dispatched to the region, led by Anthony Zinni, a former Marine Corp general.

US efforts to set out an end-game for the peace process and to encourage both sides to re-engage were overshadowed, yet again, by an escalation in the violence. In mid-October 2001 the PFLP, claiming retaliation for the assassination of its leader in August, shot dead the Israeli tourism minister, Rehavam Zeevi, the first assassination of a high-ranking Israeli by Palestinians for almost two decades. Mr Arafat condemned the attack and pledged to arrest the perpetrators.

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<sup>85</sup> See *The New York Times* and *Washington Post*, 2 October 2001

<sup>86</sup> *Washington File*, 2 October 2001

<sup>87</sup> Remarks by Secretary of State Colin Powell at the McConnell Center for Political Leadership, University of Louisville, Kentucky, 19 November 2001, online at <http://www.state.gov/secretary/rm/2001/index.cfm?docid=6219>

Israeli forces responded by occupying parts of six Palestinian-controlled towns and carrying out raids on suspected militants. Under US pressure, a limited withdrawal was carried out, although Israeli forces maintained their hold around Jenin.

In late November 2001 Israel assassinated the leading Hamas official in the West Bank, Mahmoud Abu Hanoud, who, it claimed, had been responsible for planning a series of attacks, including the suicide bombing of the Tel Aviv discotheque in June. Hamas pledged revenge, whilst Mr Arafat accused Israel of escalating the fighting in an attempt to undermine the forthcoming US diplomatic mission.

A spate of Palestinian bombings and shootings followed, including the first suicide bomb attacks inside Israel for three months. Around 30 Israelis were killed. Observers noted an increased sophistication in the tactics used and commented on the growing co-operation between Palestinian Islamist militants from Hamas and Islamic Jihad and nationalist militants of the 'al-Aqsa Martyrs' Brigades' affiliated to Mr Arafat's secular Fatah movement.

In the aftermath of the attacks, Mr Arafat came under concerted diplomatic pressure to curb the activities of the militants. US Secretary of State Colin Powell said it was the "moment of truth" for the Palestinian leader to prove his commitment to ending terrorist attacks.<sup>88</sup> The Palestinian leader responded on 2 December 2001 by declaring a state of emergency and deploying his security forces to arrest over 110 militant activists. The spiritual leader of Hamas, Sheikh Ahmed Yassin, was placed under house arrest, provoking violent demonstrations. Further arrests resulted in fatal clashes that left over five Palestinians dead. Some observers warned that robust action against Hamas and Islamic Jihad could boost the popular standing of the militants, and lead to civil conflict between Palestinian factions.

Israel's policy of targeted assassinations also came under scrutiny.<sup>89</sup> Some observers argued that Israel was deliberately sabotaging efforts to consolidate the ceasefire, while others viewed the assassinations as counterproductive and ultimately detrimental to Israeli security as they provoked further suicide attacks.<sup>90</sup> Advocates of the policy argued that the suicide attacks would have occurred regardless and that the militants were using the ceasefire to rebuild and rearm.<sup>91</sup>

By mid-December 2001 the Palestinian security clampdown appeared to be having an effect and there was acknowledgement from western diplomats that Mr Arafat had taken

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<sup>88</sup> *Financial Times*, 3 December 2001

<sup>89</sup> Israel characterises its policy of attacking Palestinian militant leaders as "targeted killings", whereas critics refer to "extrajudicial killings" or "assassinations".

<sup>90</sup> See for example Danny Rubinstein, 'Assassination as a Boomerang', *Ha'aretz* English Edition, 22 January 2002, and *IWPR Conflict Report: Middle East*, January 2002, [http://www.iwpr.net/index.pl?archive/cr/cr\\_2002\\_01\\_24\\_3\\_eng.txt](http://www.iwpr.net/index.pl?archive/cr/cr_2002_01_24_3_eng.txt)

<sup>91</sup> See for example comments in the *Financial Times*, 5 December 2001

significant steps towards enforcing the ceasefire and moving against the militants.<sup>92</sup> Hamas and Islamic Jihad both declared a halt to so-called ‘martyrdom’ (suicide) operations inside Israel, although they pledged to resume if Israel carried out further targeted assassinations. A decrease in the violence ensued, and contacts between Israeli and Palestinian security officials resumed.

## 1. The isolation of Yasser Arafat

In the weeks preceding the security clampdown, observers had noted a hardening in Israeli rhetoric aimed at Mr Arafat. Following the death of 10 Israelis in a gun attack, the Sharon Government declared that the Palestinian leader had “made himself irrelevant”,<sup>93</sup> claiming that: “Arafat made his strategic choice when he chose a strategy of terror”.<sup>94</sup> Israel confined him to his Ramallah headquarters and severed all official contacts with him. Israeli air power struck at Palestinian security infrastructure in the West Bank and sent in bulldozers to destroy the sole international airport in Gaza. Israeli forces also fired rockets at, or close to, Mr Arafat’s official residences in Gaza and Ramallah. Danny Ayalon, a senior adviser to Ariel Sharon, said: “We have stated that we do not intend to harm Arafat personally. But since he is responsible for the wave of terrorism, we had to hit something close to him personally.”<sup>95</sup>

These efforts to sideline the Palestinian leader met with criticism from Labour ministers, who warned of the risk of creating a power vacuum that would be filled by the militants.<sup>96</sup> Some commentators claimed that Israel was undermining the PA’s ability to act against militant groups by attacking the very security forces needed to carry out arrests and enforce law and order. In the longer term, it was argued that isolating Mr Arafat would be counter-productive, as only he had the political authority to deliver Palestinian backing for a final status agreement.

The hardening of Israeli policy coincided with signs of growing frustration in Washington with the Palestinian leadership’s perceived failure to curb terrorism. Vice President Dick Cheney commented that: “Until Arafat demonstrates that he is serious about suicide attackers, there won’t be progress. They [the Palestinian people] are led by someone who can’t control terrorists.”<sup>97</sup> Observers speculated that Mr Sharon’s efforts to bring the Israeli-Palestinian conflict into the broader US-led ‘War against Terrorism’ were beginning to have an impact.

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<sup>92</sup> See for example comments in the *Financial Times*, 19 January 2002

<sup>93</sup> *Independent*, 12 December 2001

<sup>94</sup> *Voice of Israel* radio, 3 December 2001, from *BBC Monitoring*

<sup>95</sup> *The Times*, 5 December 2001

<sup>96</sup> See for example comments by Shimon Peres in an interview with *Yedioth Ahronoth*, quoted in *The Independent*, 15 December 2001.

<sup>97</sup> *Guardian*, 10 December 2001

A turning moment in US-Palestinian relations appears to have come in early January 2002 when Israeli special forces seized around 50 tons of weaponry on board a ship, the *Karine A*, as it transited the Red Sea. According to the Sharon government, the shipment, which included medium and heavy weaponry such as Katyusha rockets and anti-tank missiles that the PA was prohibited from holding under the Oslo Accords, had come from Iran and had been sanctioned at the highest levels of the PA. The Bush administration indicated it had “a compelling and extensive case regarding the involvement of senior Palestinian Authority and Fatah figures”.<sup>98</sup> Secretary of State Colin Powell said later that: “[Mr Arafat] cannot engage with us and others in pursuit of peace and at the same time permit or tolerate continued violence and terror. In that regard, I have made clear to Chairman Arafat that the smuggling of arms to the Palestinian Authority by Iran and Hizballah aboard the *Karine A* is absolutely unacceptable. Chairman Arafat must ensure that no further activities of this kind ever take place and he must take swift action against all Palestinian officials who were involved.”<sup>99</sup> Attempts by Mr Arafat to address Washington’s concerns met with mixed results and observers noted a marked cooling in relations in the weeks after.

The seizure of the *Karine A* preceded a resumption of violence. Israeli incursions into the West Bank resulted in the death of several Hamas members. Hamas condemned what it saw as ceasefire violations and responded with more fatal attacks both in the territories and inside Israel.

By February 2002 the fighting in Gaza and the West Bank had escalated sharply, with a series of highly effective attacks by Palestinian militias on Israeli military targets. An Israeli Merkava-3 main battle tank was destroyed by a powerful mine and six soldiers were killed in an attack on a checkpoint. Analysts noted similarities with Hizbollah tactics used in southern Lebanon. The increased effectiveness of Palestinian attacks, particularly against military targets, had a dramatic impact on the relative death toll suffered by the two sides. During late 2001 and early 2002 the ratio of deaths among Palestinians and Israelis dropped sharply from around 10 to 1 to closer to 3 to 1, reaching almost one to one in late February. By early March around 1,200 people had been killed since the start of the Intifada, including an estimated 900 Palestinians and 300 Israelis.

## **2. The move towards unilateralism and the West Bank barrier (2002)**

With the rising Israeli death toll and poor economic figures came increased pressure on the Sharon government to respond decisively.<sup>100</sup> Those on the left of the political spectrum called for either a unilateral withdrawal from the territories or a resumption of final status negotiations, arguing that it was possible to return to what had been on the

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<sup>98</sup> Fatah is the dominant faction in the PLO. *Washington File*, 10 January 2002

<sup>99</sup> Testimony at Budget Hearing before Senate Foreign Relations Committee, 5 February 2002, from the US State Department web site at <http://www.state.gov/secretary/rm/2002/7797.htm>

<sup>100</sup> Figures in mid-February 2001 showed Israeli GDP had contracted by 0.5% during 2001, and that unemployment had risen to 10.2%, the highest for nine years. *Financial Times*, 18 February 2002

table at Taba. Others dismissed such claims as wishful thinking, insisting there was no partner for peace on the Palestinian side and concluding that only a robust military response could ensure Israel's security.

Mr Sharon announced in late February 2002 that he would seek the establishment of buffer zones in the territories to achieve "security separation", although he did not provide details of when or how they would be introduced.<sup>101</sup> He also stressed the need to take military action, saying: "We have to deal [the Palestinians] very painful blows, continuously, until they understand that they won't achieve anything with terror."<sup>102</sup>

International attempts to revive the peace process included a French proposal for Palestinian elections to secure a new mandate for the Palestinian leadership and to counter Israeli efforts to sideline Mr Arafat,<sup>103</sup> and an unprecedented Saudi plan, endorsed by the Arab League in late March 2002, which offered a full normalisation of relations with Israel in return for a full withdrawal from the Occupied Territories and a just solution to the Palestinian refugee problem.<sup>104</sup>

Israeli operations in the West Bank were stepped up during early March 2002, with a series of major armoured incursions into PA-controlled areas around Tulkarem and Ramallah. President Bush expressed concern, saying Israel's actions were "not helpful" in creating the conditions for peace.<sup>105</sup>

US diplomacy continued to pursue a twin-track approach aimed at consolidating a ceasefire and offering a political horizon by setting out the longer-term goal of Palestinian statehood. Building on Mr Powell's speech from November 2001, the UN Security Council adopted a US-drafted resolution in which it affirmed "a vision of a region where two states, Israel and Palestine, live side by side within secure and recognised borders."<sup>106</sup> It represented the first time the Council had endorsed the idea of an independent Palestinian state. The Council also demanded "immediate cessation of all acts of violence, including all acts of terror, provocation, incitement and destruction" and called upon "the Israeli and Palestinian sides and their leaders to cooperate in the implementation of the Tenet work plan and Mitchell Report recommendations."

The situation on the ground, however, remained volatile. During April 2002 major incursions by Israeli forces into the West Bank, the largest since the start of the Intifada,

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<sup>101</sup> *Financial Times*, 22 February 2002

<sup>102</sup> BBC News web site at <http://news.bbc.co.uk>, 7 March 2002

<sup>103</sup> See comments by Foreign Minister Hubert Vedrine quoted in the *Financial Times*, 11 February 2002

<sup>104</sup> The full text of the Arab League Declaration can be found in a Press Release from the Royal Embassy of Saudi Arabia Information Office, Washington DC, 28 March 2002, [http://www.arts.mcgill.ca/MEPP/PRRN/docs/beirut\\_declaration.html](http://www.arts.mcgill.ca/MEPP/PRRN/docs/beirut_declaration.html)

<sup>105</sup> *White House Press Release*, 13 February 2002,

<http://www.whitehouse.gov/news/releases/2002/03/20020313-8.html>

<sup>106</sup> *UNSCR 1397 (2002)*, 12 March 2002

led to a standoff in Ramallah where four PFLP men linked to the assassination of the Israeli tourism minister were hiding. Under an agreement brokered by the British Government, the men were transferred to a Palestinian prison in Jericho, where they were monitored by a joint UK-US team to ensure they remained in detention. Elsewhere in the West Bank, there was heavy fighting between Israeli forces and Palestinian militia fighters, particularly in and around Jenin. Allegations of a deliberate massacre by Israeli troops proved unfounded, although international human rights observers accused the Israel Defence Forces (IDF) of using disproportionate force and of committing unlawful or wilful killings.<sup>107</sup> The Palestinians criticised Israel's imposition of curfews and closures, which they claimed were having an extremely detrimental effect on the welfare of the population.<sup>108</sup> By late June 2002 large parts of the West Bank lay under Israeli military control.

The strained relationship between Washington and the Palestinian leadership reached a new low with a speech by President Bush on 25 June 2002 in which he called for the Palestinian people to elect new leaders who were not "compromised by terror". He declared that the achievement of Palestinian statehood would depend on the introduction of democratic reforms and on a crackdown on militant groups. He also challenged Israel to take concrete steps to support the emergence of a viable, credible Palestinian state.<sup>109</sup> The speech was widely praised in Israel, but condemned by Arab governments, who argued that it was for the Palestinian people to choose their own leadership.

The shift towards unilateral action and away from the bilateral process that had underpinned Oslo was underlined by Israel's decision in April 2002 to start construction of a 'Security Fence', wall or barrier<sup>110</sup> inside the West Bank to prevent Palestinian militants from infiltrating Israel to mount suicide bombings. Advocates pointed to the example of the security fence around Gaza, built in 1993-94, which has largely prevented militants from mounting suicide attacks inside Israel.

Prior to becoming Prime Minister in early 2001, Mr Sharon had expressed reservations about a barrier, fearing it would come to be seen as a *de facto* border between Israel and a future Palestinian state, and would prejudice final status negotiations by reducing Israel's claim on the territory and settlements deeper inside the West Bank. However, some commentators believe that widespread public support within Israel for such a barrier, coupled with a desire to reduce the number of Palestinian attacks and a growing

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<sup>107</sup> See for example 'Jenin: IDF Operations', *Human Rights Watch Report*, May 2002, <http://hrw.org/reports/2002/israel3/israel0502.pdf>. The UN Secretary-General also issued a report on the fighting in Jenin: *Report of the Secretary-General prepared pursuant to General Assembly resolution ES-10/10*, A/ES-10/186, 30 July 2002, from <http://www.un.org/peace/jenin/>

<sup>108</sup> Reports on the humanitarian situation in the West Bank and Gaza can be found on the UN Office for the Coordination of Humanitarian Affairs (OCHA) website at <http://www.reliefweb.int/hic-opt/>

<sup>109</sup> 'President Bush Calls for New Palestinian Leadership', White House Press Release 24 June 2002, <http://www.whitehouse.gov/news/releases/2002/06/20020624-3.html>

<sup>110</sup> Critics use the term "wall", whereas Israel refers to a "security fence". This note uses the term "barrier", which has been adopted by the UN Secretary-General.

recognition that a large-scale Israeli presence in the West Bank was untenable in the longer term, may have led to a reassessment. Mr Sharon's Government has stressed on several occasions that the barrier "is a security measure" that "does not represent a political or other border".<sup>111</sup>

The construction of the barrier has aroused considerable international concern, primarily due to the route chosen.<sup>112</sup> Rather than follow the 1949 'Green Line' between Israel and the West Bank, the Israeli Government has, in some areas, routed the barrier around Jewish settlement blocks located on what the international community views as occupied territory. Palestinians characterise the structure as a new Berlin wall that will deepen mutual suspicion and division. They argue that building the barrier inside the West Bank has destroyed valuable Palestinian arable land and that it constitutes an illegal annexation of occupied territory.<sup>113</sup>

Failed attempts to gain Security Council backing for a resolution condemning the barrier<sup>114</sup> led opponents to introduce a resolution in the UN General Assembly requesting a non-binding advisory opinion from the International Court of Justice (ICJ) on the barrier's legality. The Court rendered its advisory opinion on 9 July 2004 in which it found that "The construction of the wall being built by Israel, the occupying Power, in the Occupied Palestinian Territory, including in and around East Jerusalem, and its associated régime, are contrary to international law". It also found that Israel was under an obligation to terminate construction and to dismantle the sections already built on occupied territory.<sup>115</sup> The opinion was welcomed by the Palestinians, but criticised by Israel as one-sided and politically motivated. The Israeli Government said it would not comply with the ICJ's findings.

<sup>111</sup> Israeli Cabinet Decision 2077, 23 June 2003

<sup>112</sup> A map of the barrier's route is available from the Israeli Ministry of Defence website at <http://www.seamzone.mod.gov.il/Pages/ENG/route.htm>. Further maps can be accessed on the Foundation for Middle East Peace website at <http://www.fmep.org/reports/2004/March-April/FMF4A.pdf> and the website of the Israeli human rights group B'Tselem at [http://www.btselem.org/Images/Maps/Full\\_Map\\_2004\\_Eng.PDF](http://www.btselem.org/Images/Maps/Full_Map_2004_Eng.PDF)

<sup>113</sup> Concerns about the barrier's impact can be found in 'Report of the Secretary-General prepared pursuant to General Assembly resolution ES-10/13', Para 3, *A/ES-10/248*, 24 November 2003, from <http://www.un.org/Docs/journal/asp/ws.asp?m=A/ES-10/248> and *ICRC Press Release*, 04/12, 18 February 2004, from <http://www.icrc.org/Web/Eng/siteeng0.nsf/iwpList4/F06BB484D900B227C1256E3E00324D96>

<sup>114</sup> The UK abstained in the vote and the United States voted against, on the grounds that the resolution was "unbalanced" and did not adequately address the threat of terrorism faced by Israel. The relevant paragraph from the vetoed resolution read: "The Security Council [...] decides that the construction by Israel, the occupying Power, of a wall in the Occupied Territories departing from the armistice line of 1949 is illegal under relevant provisions of international law and must be ceased and reversed." *S/2003/980*, Dossier No.84, quoted in 'Documents relating to the Question on which an Advisory Opinion is requested by General Assembly resolution ES-10/14 of 8 December 2003, transmitted to the International Court of Justice by the Secretary-General of the United Nations in accordance with Article 65, paragraph 2, of the Statute of the Court'

<sup>115</sup> *ICJ Press Release 2004/28*, 9 July 2004, [http://www.icj-cij.org/icjwww/ipresscom/ipress2004/ipresscom2004-28\\_mwp\\_20040709.htm](http://www.icj-cij.org/icjwww/ipresscom/ipress2004/ipresscom2004-28_mwp_20040709.htm)



Of greater practical significance for the barrier's route, however, has been the series of court cases brought before the Israeli High Court. In response to complaints from Palestinian residents, the Court ruled in mid-2004 that some stretches of the barrier around Jerusalem violated Palestinian rights and caused "acute and severe hardship". Consequently, it imposed a freeze on construction in some sectors and ordered that other sections be rerouted to lessen the barrier's impact on the local population. The Israeli Government responded to the rulings by carrying out a comprehensive review of the route, saying it would examine ways of bringing the barrier closer to the 'Green Line'.<sup>116</sup>

### 3. The Quartet Roadmap (2003)

In the midst of the violence and daily disputes between the parties, the international community struggled to sell its vision for the region and to maintain its focus on the ultimate goal of ending the conflict. In the prevailing climate of unilateralism, bilateral discussions about final status issues were relegated to the unofficial sphere. A 'Statement of Principles' on the framework for a comprehensive Israeli-Palestinian peace agreement was signed on 27 July 2002 by Ami Ayalon, the former head of the Israeli internal security service Shin Bet, and Sari Nusseibeh, the Palestinian president of Al Quds University.<sup>117</sup> A more substantial and detailed document was the similarly unofficial 'Geneva Accords' of December 2003, which was negotiated by Israeli politicians and intellectuals from the left of the political spectrum and by members of the PLO.<sup>118</sup> Both initiatives were intended to show that partners for peace existed on both sides and to demonstrate that the remaining final status issues could be resolved at the negotiating table. Despite some support in Israel and the Palestinian territories, neither initiative secured official backing.

During late 2002 and early 2003 international attention was absorbed by the approaching invasion of Iraq, but the overthrow of the Saddam Hussein regime in April 2003 appeared to clear the way for a renewed effort to revive the Israeli-Palestinian peace process. Later that month the international Quartet, which comprises the United Nations, the United States, the European Union and Russia, released its long-awaited Roadmap to a solution of the Israeli-Palestinian conflict.<sup>119</sup> The document specified a series of steps for the two parties to halt the violence, resume negotiations and to reach a final and comprehensive settlement of the conflict by 2005. The explicit goal was the formation of a viable

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<sup>116</sup> 'Israel 'to shift barrier route'', BBC News web site, 13 July 2004, [http://news.bbc.co.uk/1/hi/world/middle\\_east/3890839.stm](http://news.bbc.co.uk/1/hi/world/middle_east/3890839.stm)

<sup>117</sup> The text of the 'Statement of Principles' is available online at <http://www.mifkad.org.il/eng/PrinciplesAgreement.asp>

<sup>118</sup> The text of the accord is online at [http://www.heskem.org.il/Heskem\\_en.asp](http://www.heskem.org.il/Heskem_en.asp).

<sup>119</sup> 'Performance-Based Roadmap to a Permanent Two-State Solution to the Israeli-Palestinian Conflict', 30 April 2003, available at <http://usinfo.state.gov/regional/nea/summit/text2003/0430roadmap.htm>

independent Palestinian state in the West Bank and Gaza Strip living in peace alongside Israel.

Both sides endorsed the Roadmap at a summit in Aqaba, Jordan, on 4 June 2003. Talks on how to secure implementation took place between the new Palestinian Prime Minister, Mahmoud Abbas,<sup>120</sup> Prime Minister Sharon,<sup>121</sup> President Bush and King Abdullah of Jordan.<sup>122</sup> All sides expressed optimism that the summit marked a turning point away from violence towards negotiations.

However, further violence, coupled with a power struggle within the Palestinian leadership between Mr Arafat and Mr Abbas, hampered efforts to push the process forward. By early September 2003 Mr Abbas had resigned as Prime Minister. His replacement, Ahmed Qurei, remained in post, despite several threats to resign and repeated clashes with Mr Arafat over who should control the Palestinian security services.

#### **4. Unilateral disengagement**

By late 2003 concern was mounting in Israel about the costs of maintaining the occupation and about the relatively small but growing number of service personnel who were refusing to serve in the territories. In an attempt to regain the initiative, Mr Sharon warned in December that continued Palestinian failure to comply with their Roadmap obligations to fight terror would lead his Government to implement a unilateral 'Disengagement Plan'.

The plan's details were presented in April 2004 and polls suggested it enjoyed broad popular support among Israelis.<sup>123</sup> All 7,500 Jewish settlers and Israeli military installations were to be withdrawn from Gaza, although Israel would initially retain control of the border strip with Egypt until the security situation had stabilised. Furthermore, Israel would withdraw from four settlements in the northern sector of the West Bank. Mr Sharon argued that the withdrawals would improve Israel's security and reduce the burden on the Israeli military. Furthermore, he said the Palestinians would gain greater territorial contiguity in Gaza and the northern West Bank as a result.

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<sup>120</sup> Also known as Abu Mazen.

<sup>121</sup> Mr Sharon secured re-election on 27 January 2003 and formed a new right-wing coalition comprising Likud, the National Religious Party, the National Union and Shinui. The results of the Knesset election are online at <http://www.electionworld.org/israel.htm>

<sup>122</sup> Details of the summit and the final statements made by the parties are available on the Israeli MFA website at <http://www.mfa.gov.il/mfa/go.asp?MFAH0nfn0> and on the US State Department website at <http://www.state.gov/r/pa/prs/ps/2003/21808.htm>

<sup>123</sup> A general outline of the April draft of the Disengagement Plan, as communicated by the Israeli Prime Minister's office is online at: <http://www.mfa.gov.il/MFA/Peace+Process/Reference+Documents/Disengagement+Plan+-+General+Outline.htm>

In an exchange of letters with Mr Sharon in April 2004, President Bush welcomed the plan as “a real contribution towards peace”. As an apparent boost to Mr Sharon, who was encountering considerable opposition to the plan from within his own party, Mr Bush also communicated a shift in US policy on two of the main final status issues. Mr Bush said it was “unrealistic” to expect a full return to the 1949 ‘Green Line’, given the realities of Jewish settlement construction in the West Bank.<sup>124</sup> He also addressed the sensitive issue of a ‘right of return’ for Palestinian refugees, suggesting that the refugees should be settled in a future Palestinian state, rather than Israel, so as to safeguard the latter’s status as a Jewish state. The Bush administration said the shift simply represented a more realistic appraisal of the situation and reflected the thrust of what both sides had discussed at Camp David and Taba. However, the content of the letters was strongly criticised by Arab states and the Palestinians, who said it prejudged the outcome of final status negotiations and denied the Palestinians crucial negotiating space. Further Arab criticism of US policy followed in August 2004 when Washington declined to censure Israel’s plans for further settlement construction in the West Bank.<sup>125</sup>

Rejection of the disengagement plan in an internal Likud referendum in May 2004 and further opposition from within his cabinet led Mr Sharon to submit a revised version, under which the withdrawals would take place in four phases before the end of 2005.<sup>126</sup> Each phase requires cabinet approval. The revised plan was approved in principle by the cabinet in early June, but only after several ministers had resigned in protest, leaving Mr Sharon with a minority in the Knesset. Further cabinet votes followed in September and October, despite suicide bombings in Beersheba during August, which left more than 16 people dead. In early November the support of the opposition parties helped Mr Sharon secure Knesset approval for the payment of compensation to the settlers who are to be evacuated under the plan.

Some believe the Disengagement Plan represents a ploy by Mr Sharon to establish control over the peace process and to postpone indefinitely discussion of the more extensive Jewish settlements in the remainder of the West Bank. Comments by a Sharon advisor, Dov Weisglas, in late September 2004, appeared to support such a view. Mr Weisglas claimed that: “The significance of the [disengagement] plan is the freezing of the peace process. When you freeze [the peace] process, you prevent the establishment of a Palestinian state, and you prevent a discussion on the refugees, the borders and Jerusalem. Effectively, this whole package called the Palestinian state, with all that it entails, has

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<sup>124</sup> The text of the letters can be found in Library Standard Note SN/IA/3025, *Israel and the Occupied Territories: disengagement plan*, online at <http://hcll.hcllibrary.parliament.uk/notes/iads/sn-03025.pdf>

<sup>125</sup> A US government spokesman said: “We are currently involved in technical talks with the government of Israel in an effort to clarify their interests with respect to the settlements. A technical team is working with the Israelis in this process. The US will continue to work with the government of Israel on the progress towards the settlement freeze.” *Middle East Economic Digest*, 27 August 2004

<sup>126</sup> The withdrawals are due to start in July 2005 and are to take place as follows: Group A: Morag, Netzarim, Kfar Darom (in the Gaza Strip); Group B: Ganim, Kadim, Sa-Nur and Homesh (in the northern West Bank); Group C: Gush Katif settlement bloc (in the Gaza Strip); Group D: Elei Sinai, Dugit and Nissanit (in the northern Gaza Strip).

been removed indefinitely from our agenda.”<sup>127</sup> Mr Sharon denied that was the case, insisting that the plan was entirely in accordance with the Quartet Roadmap and would help advance the peace process.

The British Government welcomed the Israeli withdrawal plans, which would be the first such withdrawals from settlements located on the territory of pre-1948 Mandate Palestine, saying that disengagement “should be a real opportunity for progress back to the Roadmap.” It called on Israel to “ensure the withdrawal is full, carried out without undue delay and co-ordinated with the Palestinians and the international community. Likewise we have called on the Palestinian Authority to prepare to take on fully their responsibilities, including on security.”<sup>128</sup> The British have provided financial and logistical assistance to bolster the Palestinian security services,<sup>129</sup> and reports suggested Egypt was prepared to play an important role in securing a truce from the militants and ensuring the Palestinian Authority could maintain control once Israel withdraws from Gaza.<sup>130</sup>

Israel has not remained passive in Gaza, pending implementation of the disengagement plan. During 2004 Israeli forces mounted several large incursions against suspected terrorist infrastructure and expanded their control of the border strip with Egypt to prevent the smuggling of arms and ammunition into Gaza. More than 40 Palestinians were killed during the incursions and over 2,000 lost their homes. During March and April 2004 Israel assassinated the spiritual leader of the Hamas, Sheikh Ahmed Yassin, and its political leader, Dr Abdel Aziz Rantissi, fuelling violent protests among Palestinians. The operations drew strong international criticism, particularly over the demolition of houses and the deterioration in the humanitarian situation in Gaza.<sup>131</sup>

## **5. The death of Yasser Arafat**

On 11 November 2004 Palestinian leader Yasser Arafat died in Paris, aged 75, after suffering multiple organ failure. The speaker of the Palestinian Legislative Assembly, Rawhi Fattuh, took over as interim President of the Palestinian Authority, ahead of fresh elections on 9 January 2005. Former prime minister Mahmoud Abbas became Chairman of the PLO’s Executive Committee, Prime Minister Ahmed Qurei retained his post, and Foreign Minister Farouk Kaddoumi was named as head of Fatah, the dominant faction within the PLO.

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<sup>127</sup> BBC News website, 6 October 2004, [http://news.bbc.co.uk/1/hi/world/middle\\_east/3720176.stm](http://news.bbc.co.uk/1/hi/world/middle_east/3720176.stm)

<sup>128</sup> HC Deb 18 October 2004, c468w

<sup>129</sup> Ewen MacAskill, ‘Britain steps up aid to Palestinians’, *The Guardian*, 20 March 2004

<sup>130</sup> See for example Dennis Ross, ‘Egypt’s New Role’, *Washington Post*, 2 July 2004, <http://www.washingtoninstitute.org/templateC06.php?CID=555>

<sup>131</sup> See UN Security Council Resolution 1544 of 19 May 2004, online via [http://www.un.org/Docs/sc/unsc\\_resolutions04.html](http://www.un.org/Docs/sc/unsc_resolutions04.html)

The reaction of the international community to Mr Arafat's death was mixed. Many noted his role as the symbol of the Palestinian people's national aspirations, but expressed regret at the failure to secure peace with Israel and to halt the violence of recent years. Expressing his condolences for the Palestinian people, President Bush said Mr Arafat's death marked a "significant moment" in Palestinian history and said he hoped the future would bring peace and "the fulfilment of the aspirations for an independent democratic Palestine that is at peace with its neighbours."<sup>132</sup> Prime Minister Tony Blair highlighted Mr Arafat's role in leading the Palestinians to "an historic acceptance of the need for a two-state solution", adding that:

Peace in the Middle East must be the international community's highest priority: the goal of a viable Palestinian state alongside a secure Israel is one that we must continue to work tirelessly to achieve. We will do whatever we can working with the US and EU to help the parties reach a fair and durable settlement.<sup>133</sup>

## VI Renewed Optimism (2004-2005)

On 9 January 2005 Mahmoud Abbas was elected President of the Palestinian Authority with 62.3% of the vote. His nearest rival, the human rights activist Mustafa Barghouti, won just under 20%. Ten candidates had registered for the election initially, but Marwan Barghouti, the head of Fatah in the West Bank who is serving five life terms in an Israeli jail, withdrew on 12 December. Turnout was reported to be around 63%.

During the campaign Mr Abbas had set out an agenda that included reforming the Palestinian Authority and reviving the peace process. The day after the election he announced: "We are ready for peace, peace based on justice. We hope that their [Israel's] response will be positive."<sup>134</sup> Mr Sharon congratulated Mr Abbas and wished him luck, adding that the main focus should be Palestinian action to combat terrorism.

President Bush welcomed Mr Abbas's victory, saying he was heartened by the strong turnout and was looking forward to welcoming him to Washington if he chose to come, an opportunity that had been denied to Mr Arafat.<sup>135</sup> The British Foreign Secretary Jack Straw congratulated Mr Abbas, saying: "This is a crucial time for the Middle East. The prospects for progress towards a peaceful settlement of the Palestinian-Israeli conflict are now better than they have been for many years. These elections mark an important point on that road to peace."<sup>136</sup>

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<sup>132</sup> BBC News web site, 11 November 2004, [http://news.bbc.co.uk/1/hi/world/middle\\_east/4001697.stm](http://news.bbc.co.uk/1/hi/world/middle_east/4001697.stm)

<sup>133</sup> *Ibid.*

<sup>134</sup> 'Abbas makes peace offer to Israel', BBC News web site, 11 January 2005, [http://news.bbc.co.uk/1/hi/world/middle\\_east/4163479.stm](http://news.bbc.co.uk/1/hi/world/middle_east/4163479.stm)

<sup>135</sup> 'President's Statement on Palestinian Elections', White House Press Release, 9 January 2005, <http://www.whitehouse.gov/news/releases/2005/01/20050109.html>

<sup>136</sup> FCO Press Release, 10 January 2005,

There were changes too in the Israeli government. On 1 December 2004 Mr Sharon sacked four ministers from Likud's largest coalition partner, Shinui, which had voted against the prime minister's 2005 budget. The move left Mr Sharon with a minority government that commanded only 40 seats in the 120-member Knesset. On 9 December the Likud Central Committee revoked a ban, passed in August, on entering a coalition with Labour, and, after several weeks of negotiations, a new coalition comprising Likud, Labour and United Torah Judaism was approved by the Knesset by 58 votes to 56.

## 1. Moves to reduce the violence

The changes in leadership have raised hopes that a durable ceasefire can be put in place and cooperation between the two sides resumed. Mr Abbas has stressed his desire to shift the intifada away from violence, saying in late 2004 that the Palestinian people had a legitimate right to "express their rejection of the occupation through popular and social means", but that "using weapons is harmful and has got to stop".<sup>137</sup> He had earlier called on the Palestinian media to halt the broadcast of "inflammatory" material inciting violence and hatred against Israel.

On 8 February 2005 Mr Abbas and Mr Sharon met in Sharm el-Sheikh to declare a mutual ceasefire, saying that both sides had agreed to stop all acts of violence against the other.<sup>138</sup> Mr Sharon stressed the need to "dismantle the terrorist infrastructure", saying that: "Only by crushing terror and violence will we build peace." He also declared his willingness to engage with the Palestinians on implementation of the disengagement plan, which would in turn "pave the way to implementation of the roadmap". Mr Abbas underlined the need to make progress on the initial phases of the Roadmap, so as to allow for a resumption of final status negotiations, although both sides acknowledge that considerable differences remain on the issues to be addressed, particularly over Israel's plans to expand settlements around Jerusalem.

Observers pointed to a marked decrease in the violence during early 2005, although the lull was punctuated by a suicide bombing in a Tel Aviv nightclub in late February, which left at least four Israelis dead and around 50 injured. Militant leaders in the Palestinian territories denied responsibility for the attack, although some believe Islamic Jihad operatives were involved, perhaps suggesting a split between the internal leadership in Gaza and the external leadership based in Syria.

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<http://www.fco.gov.uk/servlet/Front?pagename=OpenMarket/Xcelerate/ShowPage&c=Page&cid=1007029394626&a=KArticle&aid=1101399191040>

<sup>137</sup> Interview with the London-based Arab newspaper, *Al-Sharq al-Awsat*, published on 14 December 2004, quoted in 'Abbas calls for end to violence', BBC News web site at:

[http://news.bbc.co.uk/1/hi/world/middle\\_east/4096783.stm](http://news.bbc.co.uk/1/hi/world/middle_east/4096783.stm)

<sup>138</sup> For the text of the statements issued by Mr Abbas and Mr Sharon, see the BBC News web site, 8 February 2005, [http://news.bbc.co.uk/1/hi/world/middle\\_east/4247233.stm](http://news.bbc.co.uk/1/hi/world/middle_east/4247233.stm) and [http://news.bbc.co.uk/1/hi/world/middle\\_east/4247327.stm](http://news.bbc.co.uk/1/hi/world/middle_east/4247327.stm)

Israel has responded to the decrease in violence by resuming security cooperation with the Palestinians, releasing certain categories of prisoners, and moving to scale back its military presence in the West Bank and Gaza. By March 2005, Israeli and Palestinian officials had agreed to return security control to Palestinian police in five West Bank towns, starting with Jericho and Tulkarem.

Following prolonged talks with Mr Abbas, thirteen militant groups including Hamas and Islamic Jihad pledged in mid-March to observe a period of “calm” until the end of 2005, as long as Israel continued to withdraw from Palestinian areas and to release prisoners. Mr Sharon called the move a positive step, but stressed the need to pursue full disarmament of these groups, rather than simply a ceasefire or truce.<sup>139</sup>

Attention has focused on the need to bolster the capacity of the Palestinian police to enable them to operate effectively once Israel withdraws. Of particular concern to Israel and the international community is the issue of who will be in charge of the various Palestinian security forces, which were allowed to proliferate under Mr Arafat. Mr Abbas has pledged to unify these under his control.

Security reforms are one element of a broader effort to strengthen the Palestinian Authority’s governing capacity, which suffered extensive damage during the intifada, partly due to a lack of revenue and partly as a result of targeted Israeli action against PA ministries and administrative infrastructure. The Palestinian economy has also been affected by the violence, closures, corruption and the construction of the security barrier. Consequently, the long-term viability of a future Palestinian state may be in question, unless reforms can be implemented and stability returned to the bilateral relationship with Israel.

The British Government hosted a one-day meeting of senior Palestinian officials, including Mr Abbas, in London on 1 March 2005. The aim was to set out the Palestinian Authority’s programme for “institutional renewal” and the international community’s commitment of support in the fields of governance, security and economic development. In particular, the PA announced plans for fresh Legislative Council elections in July 2005 and a series of rolling local elections by the end of the year. Other governance issues included strengthening the independence of the civil service, reforming the judicial system and combating corruption.<sup>140</sup>

## **2. Developments in Lebanon**

Change has also been evident in Lebanon and Syria, although their bilateral relationships with Israel remain fraught. Since Israel withdrew from its security zone in southern

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<sup>139</sup> See ‘Sharon welcomes truce by militants’, Financial Times, 18 March 2005.

<sup>140</sup> See the ‘Conclusions of the London Meeting on Supporting the Palestinian Authority’, 1 March 2005, on the FCO web site at [http://www.fco.gov.uk/Files/kfile/LondonMeeting010305\\_Conclusions.pdf](http://www.fco.gov.uk/Files/kfile/LondonMeeting010305_Conclusions.pdf)

Lebanon in 2000, tension has continued along the joint border, particularly in the disputed Sheba'a Farms sector. Hizbollah, along with suspected Palestinian militants,<sup>141</sup> have launched rocket attacks on Israeli towns and villages near the border and Israel has carried out frequent incursions into Lebanese airspace and mounted artillery strikes on suspected Hizbollah positions. Fears of a significant escalation have not materialised, although the UN Secretary-General has warned repeatedly that incidents along the border pose a great risk to stability in the area.<sup>142</sup>

Israeli officials suggest that Hizbollah has provided logistical assistance, advice and training to Palestinian militant groups, a move that they believe has the backing of both Syria and Iran. Israel also accuses Syria of providing direct support for Palestinian militants, although Damascus denies that these groups operate training facilities on its territory, claiming they are engaged in media-related activities only. In October 2003 Israeli aircraft struck a Palestinian militant base inside Syria, the first such attack by Israel on Syrian territory since the 1973 conflict. The strike followed an Islamic Jihad suicide bombing in Haifa. Israel claimed the base belonged to the Popular Front for the Liberation of Palestine-General Command (PFLP-GC), but had been used for training by Islamic Jihad and Hamas. It said the raid was intended as a warning to Damascus to curtail the activities of Palestinian rejectionist groups operating from its territory. The attack was criticised by Arab Governments and by France and Germany, but a Syrian attempt to get a Security Council resolution condemning the Israeli action was blocked by Washington, which stressed the view that Israel had a right to defend itself, but should avoid further escalation.<sup>143</sup>

The role of Syria in Lebanon and the status of Hizbollah have come under international scrutiny since the latter half of 2004. In September the UN Security Council passed Resolution 1559 in which it called upon all remaining foreign [i.e. Syrian] forces to withdraw from Lebanon and called for the disbanding and disarmament of all Lebanese and non-Lebanese militias [i.e. Hizbollah], so as to support the extension of control of the Lebanese Government over all Lebanese territory.<sup>144</sup> The UN Secretary-General reported in October that the only significant foreign forces in Lebanon, aside from the UN presence, were an estimated 14,000 Syrian troops.<sup>145</sup> Syrian forces first intervened in the Lebanese civil war in the mid-1970s and remained in the country under the 1989 Taif peace agreement that ended the conflict. At its peak, the Syrian presence was believed to number around 30,000 troops, although this reduced after Israel withdrew in 2000.

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<sup>141</sup> See for example *Report of the Secretary-General on the United Nations Interim Force in Lebanon (for the period from 21 July 2004 to 20 January 2005)*, S/2005/36, 20 January 2005, para.3.

<sup>142</sup> *Ibid.*, para.31.

<sup>143</sup> Financial Times, 7 October 2004

<sup>144</sup> S/RES/1559, 2 September 2004. The vote was passed by

<sup>145</sup> *Report of the Secretary-General pursuant to Security Council resolution 1559 (2004)*, S/2004/7771, October 2004, <http://www.un.org/Docs/journal/asp/ws.asp?m=S/2004/777>



Domestic opposition in Lebanon to Syrian influence has heightened in the aftermath of the assassination of former Lebanese prime minister Rafik Hariri in mid-February 2005. The identity of the perpetrators remains unclear, although some Lebanese suspect Syria may have been involved. A UN team sent to the region to examine the circumstances, causes and consequences of the killing said the official Lebanese investigation had been flawed and called for an international independent commission to investigate further. Opposition politicians, backed by popular demonstrations, called for a peaceful “independence uprising” to force the resignation of the Government and to push for a Syrian withdrawal. Large counter-demonstrations in favour of continued Syrian involvement were organised by Hizbollah, which also dismissed calls for its fighters to disarm, arguing that they play in a key role in deterring Israeli aggression against Lebanon.

In a speech to the Syrian parliament on 6 March 2005 President Bashar al-Assad announced a phased withdrawal of Syrian forces from Lebanon. An initial redeployment to the Beka’a valley in eastern Lebanon began in mid-March and was due to be complete by the end of the month. The timetable for the second phase, which would involve a withdrawal to the Syrian-Lebanese border, was to be finalised in early April 2005. Syrian officials suggested the troops would be withdrawn to the Syrian side of the border, although that was not explicitly stated by President Assad.

In light of the pressures on Damascus over Lebanon, the chances of an imminent breakthrough on the Golan appear slim. Israeli opinion polls suggest a small majority still oppose handing back the Golan, although the Chief of Staff of the Israeli Army, General Moshe Yaalon, said in August 2004 that he believed Israel could withdraw without jeopardising the country’s security.<sup>146</sup>

## **VII Prospects for the Peace Process**

After five years of violence and deadlock on the peace process, the events of late 2004 and early 2005 appear to offer the chance of a fresh start for Arab-Israeli relations. At the broader regional level too there are indications that the autocratic political order that has prevailed for decades in the Arab world is beginning to relax.

A number of factors may have contributed to this change in mood. The passing of Yasser Arafat, Hafez al-Assad and King Hussein has removed from the scene three of the Arab world’s longest serving leaders, and disturbed the political balance of the region. As noted above, Syria finds itself under intense pressure from the members of the UN Security Council and Arab states to loosen its control over Lebanon, while Egypt and Saudi Arabia have both made moves, albeit tentatively, towards democratic reform.

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<sup>146</sup> In an interview with the *Yediot Aharonot* newspaper on 12 August 2004, he said “From the point of view of military requirements we could reach an agreement with Syria by giving up the Golan. The army could defend Israel’s borders wherever they are.”

Popular attitudes across the Arab world are also changing, due in part to the dramatic growth of independent media. The rising popularity of Arab satellite television, most notably Al-Jazeera and Al-Arabiya, has led to increased public awareness of events in the wider world and challenged the dominance of state-controlled media, allowing viewers a clearer picture not only of the Palestinian intifada and the US-led invasion to topple Saddam Hussein, but also the successful elections in Iraq and the Palestinian territories and the power of popular demonstrations in Lebanon to bring down a government.

International pressure for reform has also played a part, most notably from President George Bush, who has placed the promotion of freedom and democracy at the centre of his agenda for the Middle East. Pro-reform Arab politicians and commentators have been careful to maintain their distance from Washington, aware of the ambiguous and often hostile manner in which the US is perceived in the region, although some are now acknowledging the role the Bush administration has played in encouraging change.

It is too early to judge if these changes herald a fundamental shift towards greater democracy in the Arab world, or represent a brief period of cosmetic reform that will be followed by retrenchment and a return to autocracy. Parallels with the fall of the Berlin Wall and the demise of the comparatively monolithic Soviet Union and its satellites are perhaps over-simplistic. A complex set of factors is at work in each country and the three examples where political change has been effected by means of the ballot box or popular demonstrations – Lebanon, Iraq and the Palestinian territories – can each be viewed as a special case, not least because all three are under, or emerging from, some form of foreign occupation.

There is also no guarantee that the process will develop in a constructive fashion. Historically, political change in the region has often been accompanied by violence and conflict, and the loosening of autocratic control could allow violent political, sectarian and ethnic rivalries to re-emerge. In Lebanon some believe a reduction in the Syrian presence will undermine the political balance of power that has held since the ending of the civil war in 1989 and lead to further unrest, perhaps not on the scale of full civil conflict, but involving further assassinations and car bombings.

Western governments hope that the changes under way can be harnessed in a constructive fashion to serve the cause of democratic reform and perhaps, in the process, reinvigorate the peace process and undermine those advocating terrorism and violence. There is unprecedented international consensus on the broad outline of a future Arab-Israeli peace agreement, but not inconsiderable differences on how to reach that goal. A crucial factor remains the extent to which Washington, as the main power broker in the region, is willing to invest diplomatic time and effort in bringing the parties together.

Concerted international pressure will be required to consolidate a ceasefire and to isolate those who reject a return to the negotiating table. Following its experience in southern Lebanon, Israel is anxious to avoid the impression that it is retreating from Gaza under fire, thereby handing a propaganda coup to the militants. Similarly, the Palestinian militia

factions may seek to portray the withdrawals as a victory and a vindication of their policy of armed resistance, although their ability to strike inside Israel has been curtailed by the construction of the security barrier. Completion of the final southern sector in the West Bank could reduce the number of potential flashpoints and help consolidate the ceasefire, although the barrier's route continues to cause considerable hardship and resentment among those whose land has been seized and whose livelihoods have been threatened.

In the final analysis, the prospects for peace depend on the political will of the parties. Washington and the broader international community are neither willing, nor able, to impose a solution without local consent. Significant political capital would have to be expended by all sides to push through a peace agreement and domestic upheavals may prove unavoidable. In Israel Mr Sharon says he has been threatened with death by extremists opposed to his disengagement plan, while the Palestinian leadership fears that pressure to confront the militant groups could lead to civil war and is therefore seeking to co-opt them into the political process.<sup>147</sup>

Considerable challenges remain for the parties, but without a comprehensive agreement that encompasses all the outstanding 1948 and 1967 issues, including the Golan, Jerusalem, settlements and refugees, the conflict will remain unresolved and will continue to act as a brake on the region's development and to exert a destabilising influence over the eastern Mediterranean and beyond.

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<sup>147</sup> Hamas performed well in municipal elections in early 2005 and, if it participates, is expected to secure a sizeable minority representation in the Legislative Council elections in July.

## Appendix 1: Map of Israel, the West Bank and Gaza



General Staff Map Section, GSGS 11090 (CAD), Edition 8-GSGS, August 1996 978/96 Produced by Military Survey, Ministry of Defence, United Kingdom 1996  
 Users should note that this map has been designed for briefing purposes only and it should not be used for determining the precise location of places or features. This map should not be considered an authority on the delimitation of international boundaries nor on the spelling of place and feature names. Maps produced by the Defence Geographic and Imagery Intelligence Agency (DGI) are not to be taken as necessarily representing the views of the UK government on boundaries or political status. © Crown copyright 2000

N.B. The map denotes the Israeli 'Security Zone' in southern Lebanon, from which Israel withdrew in April 2000.