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The October Violence: An Interim Assessment

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Introduction

The latest wave of Palestinian-Israeli violence spurred the most dangerous crisis the Middle East has faced since the 1990-91 Gulf War. The crisis threatened regional stability, the future of the peace process, and the domestic equilibrium in a number of the region's states. Over a month into the violence, an interim examination now seems appropriate.

The violence began in reaction to the visit of Israeli opposition leader Ariel Sharon, to Temple Mount (Haram El-Sharif), on Thursday, September 28. The visit, secured by dozens of police personnel, was accompanied by a clash between a number of Members of Knesset (MKs) from Sharon's Likud party and a number of Arab MKs.

While Sharon's visit did not lead to immediate violence, it spurred Palestinian anger that erupted the following day as Muslims filed out of the prayers at Harm al-Sharif. Palestinian youth began stoning worshipers praying at the adjacent Wailing Wall and the Israeli police intervened in an attempt to stem the violence. The resulting large number of Palestinian casualties — including seven dead — sent a shock wave throughout the Palestinian society and many countries in the Muslim world.

The examination presented here will elaborate the Palestinian Authority's motivations in encouraging and escalating the violence, the Israeli responses, and the reactions of the Arab states and

the Israeli Arab community to these developments. It will then attempt to provide a balance sheet, evaluating the Palestinians' gains in these clashes. Finally, it will attempt to chart scenarios to help sharpen alternative courses for the future development of Palestinian-Israeli relations.

The assessment provided here concerns an evolving situation — one that appears far from achieving some point of stable equilibrium. Dramatic developments and other considerations may lead one or both parties to abandon the present parameters of the struggle. Aware of this danger we nevertheless believe that the events addressed here are too important to allow us to avoid such an interim assessment.

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with the establishment of a Palestinian state, Israel would consider the Palestinian problem as having been finally resolved, leaving their problems with Israel in tact. Horowitz examines the Israeli Arabs' stand vis-a-vis a Palestinian state, outlines the possible relations that may develop with the State to come, and submits three recommendations for Israeli policy in this regard.

With the conclusion of President Clinton's term in office, Prof. Avraham Ben Zvi traces the major tenets of his Administration's policy towards the Middle East over the course of the last eight years. Ben Zvi analyses the Administration's stand towards regional partners and allies, and visa-vis its adversaries. This examination is prompted by the consolidation of a new international order from the beginning of the 1990s, wherein the United States became a hegemonic power.

Dr. Paul Rivlin's article examines the reasons for the sharp increase in oil prices in recent months, and traces the varying factors that influence these prices. He presents international estimates on the fluctuations of oil prices in the coming two decades and examines the impact of the current oil prices on the Israeli and the global economy.

Palestinian Motivations

While Sharon's visit to Haram Al-Sharif had sparked the protest, Palestinians would not have continued their violent activities without approval from the PA chairman, Yassir Arafat. The Palestinian leader encouraged the continuation of the violence because he recognized that the clashes provided him with a golden opportunity to extricate himself from the difficult position he found himself confronted with in the immediate aftermath of the Camp David-II summit.

At the summit, Prime Minister Barak put forward the most conciliatory position ever presented to the Palestinians by an Israeli leader. The proposal manifested Barak's willingness to break long-standing taboos — primarily, the willingness to re-divide Jerusalem and to accept a limited return of Palestinian refugees to Israel proper. In order to do this, Barak sacrificed the coalition upon which his government rested — placing him in an extremely precarious internal situation.

On his part, Arafat was also willing to make considerable concessions in the framework of a "permanent status" agreement, including acceptance that large settlement blocks would remain under permanent Israeli sovereignty. However, considerable gaps between the parties remained. Of particular sensitivity was Barak's refusal to transfer sovereignty over Harm Al-Sharif to Palestinian sovereignty. In

turn, Arafat refused to commit himself to announcing that the "permanent status" deal would comprise "the end of the conflict" and that the practical deal negotiated for the settlement of Palestinian refugees (including small-scale return to pre-1967 Israel; large-scale return to the Palestinian state; and, an international fund to help finance the settlement of refugees in Arab countries) would comprise the exercise of "the right of return."

In the immediate aftermath of the Camp David-II summit, President Clinton held a press conference in which he praised Barak profusely for the courage he demonstrated at the summit. Similarly, European leaders complimented Israel's Prime Minister for his flexibility. By inference — and sometime by direct reference — Arafat was portrayed as responsible for the failure to achieve an Israeli-Palestinian "permanent status" agreement.

Moreover, as news of the evolution of the talks at Camp David reached the Middle East, Arafat was criticized in Arab quarters for his willingness to negotiate a deal on Jerusalem, although he did not concede the holy places at the summit. Specifically, Arafat was told that he had no authority to negotiate the future of Jerusalem because the latter was not only a Palestinian issue — but, rather, a matter of direct interest to the entire Arab and Muslim world. Thus, in the aftermath of the summit Arafat found himself criticized not only by the U.S. and Europe, but by the Arab world as well. The negative international and regional reactions to Camp David-II also hindered Arafat's exit strategy: a unilateral declaration of independent Palestinian statehood. Immediately after the summit, Arafat traveled extensively in Europe and the Middle East, seeking support for such a move. The reactions he received were decidedly negative.

After the Sharon visit and the subsequent outbreak of violence, the images in the international media of rock-throwing Palestinian youngsters confronted by armed Israeli military and border police personnel, coupled with mounting Palestinian casualties, allowed a transformation of the Palestinian image from being seen as an obstacle to peace to that of a victim of Israel's strength. Now, instead of defending his behavior at Camp David, Arafat could launch a diplomatic offensive, sending out Palestinian youth to battle the Israeli military at points of friction in order to create the television images he desired, portraying the Palestinians as victims of Israeli occupation and violence. In addition, Palestinian spokesmen were sent on a public affairs offensive to hammer home the message.

Once the initial gain has been made — with Arafat successfully escaping the vector of forces against him in the aftermath of the Camp David-II summit — two additional objectives were pursued: First, to improve the Palestinians' relative position in any

future negotiations by further damaging Israel's image in the international community; and second, to attempt to bring about the "internationalization of the conflict" with options to implement this ranging from the entry of additional parties into the business of Palestinian-Israeli peacemaking to the involvement of the UN and other international organizations. Arafat apparently hoped that ultimately these organizations and additional parties might impose a solution on Israel

While the general impression — affected mostly by the reflections of the violence in the mass media — is that the Palestinians have made considerable inroads during the month of October, a closer look at the scene reveals a much more complex

similar to that imposed on Serbia over Kosovo. For this to occur, the Palestinians hoped to provoke Israel into committing a horrific act, similar to the accidental shelling of the refugee camp near Kafr Kana in South Lebanon in April 1996, during Operation Grapes of Wrath.

The means of provocation seems to have been the growing use of gunfire,

by Palestinian policemen and members of the Fatah's Tanzim militia, against Israeli settlements. The continued shooting at the Jerusalem neighborhood of Har Gilo may have also been designed to entice Israel to retaliate against the Christian village of Beit Jala — possibly resulting in the destruction of churches there. Such actions would be with the hope that this would further damage Israel's international image and lead Christian organizations to get involved in the conflict.

The third reason why Arafat encouraged the continuation of the violence: it provided an option for affecting Palestinian history. Instead of, as originally intended, negotiating an agreed upon independent state, he could declare a state unilaterally. Such a declaration, accompanied by smoke and fire, would create an ethos to the effect that Palestinian independence was won through struggle and sacrifice, not through Israel's generosity.

Most Palestinian violence, however, was conducted with Israeli public opinion also in mind. With some exception — notably the lynching of two Israeli reservists in Ramallah — violent demonstrations were limited to Israeli-Palestinian "friction points" and shootings were confined to Israeli settlements and IDF checkpoints in the West Bank and Gaza. Thus, Palestinians accountable directly or indirectly to Arafat refrained from attacking Israeli targets

inside the 1967 lines, and when Islamic Jihad planted a bomb in Jerusalem's Mahne Yehuda marketplace in early November, Arafat condemned the action. The tacit message was clear: violence is directed against Israeli occupation of the territories conquered in 1967, not against pre-1967 Israel.

A final word should be devoted to the extent to which Arafat has managed to control the level of violence during the first five weeks of Palestinian-Israeli clashes. A review of these events yields that with some exceptions — when Palestinian mobs sprung out of control — Arafat succeeded in calibrating the level of violence exercised. Indeed, he managed to maintain such control despite the numerous forces and militias operating "on the ground" and despite the large quantities of weapons carried by Palestinian individuals and militiamen.

This conclusion has important implications of ending the clashes. It means that if Arafat issued clear operational directives to that effect, violence would stop, even if only after a few days. This was made clear on October 10, when violence was reduced to a very low level after Arafat ordered the Tanzim militia to do so. It happened again immediately after Israel's retaliation against the lynching in Ramallah. On November 1, Palestinians refrained from shooting when Arafat met with Germany's Chancellor Gerhard Schroeder. The fighting resumed immediately after the Arafat-Schroeder meeting ended.

This also means that when in some stages of the clashes violence seemed to have escaped control, this was merely the result of conflicting orders given by Arafat. In order to calibrate the level of violence to suit his tactical objectives, he would order some militias or forces to stop while encouraging others to continue. By utilizing the relative strength of these forces and their different modus operandi, Arafat could control the type and level of activities "on the ground."

Israel's Reaction

The reaction of the Israeli government and its defense forces to the violence exercised by the Palestinians following Sharon's visit to Temple Mount seems to have been designed to achieve three strategic objectives: First, to bring about an end to the violence as quickly as possible. Second, to prevent escalation that might result in a regional war. And finally, to prevent a Kosovo-like "internationalization of the conflict."

To achieve these strategic objectives, three tactical imperatives were adopted to guide Israel's response: First, to dissuade the Palestinians from continuing the violence by restoring deterrence against the type of challenge they presented as well as by signaling a willingness to renew negotiations. The latter went largely unnoticed by the media as Prime Minister Barak had publicly called for a "time out" in the

U.S.-led peace talks and questioned whether Arafat could still be considered a "partner" to such efforts.

The second tactical objective was to minimize Israeli casualties. This objective was adopted not only because of its intrinsic value but also due to the recognition that should Israeli casualties mount, public opinion in Israel would pressure the government into doing what it set out not to do—escalating the conflict into a regional war.

In addition, escalation would undermine the Israeli government's capacity to implement the third tactical imperative: to limit Palestinian casualties. Limiting Palestinian casualties was adopted as a tactical objective for two reasons: Palestinian deaths result in funerals which potentially lead to mass demonstrations and confrontations with Israeli security forces, breeding yet more violence. The second reason for limiting Palestinian casualties seems to have been the desire to avoid deepening the Palestinians' anger. This seemed important given the tacit assumption that ultimately the two parties would have no choice but to return to the negotiation table.

The major dilemma Israel's defense forces faced from the beginning of the crisis was: how to restore deterrence without causing additional Palestinian casualties. Generally, the IDF exercised remarkable self-restraint, signaling its capacity to escalate while avoiding actual escalation. Given the disparity

of power, Palestinian casualties could have been far greater were it not for Israel's measured response.

Exercising such moderation was not simple given the Israeli public's reaction to the violence. Generally, the Israeli public felt betrayed by what it interpreted as the Palestinians' blatant violation of the commitments they have undertaken in the framework of the agreements and understandings that comprised the Oslo process. The permission given by Arafat to his security forces to direct the weapons at their disposal against Israeli soldiers and border policemen drew an especially sharp response.

The Israeli public was even angrier at the fact that the Palestinian Authority seemed to have violated the agreements limiting the quantity of weapons allowed to be possessed by Palestinian militias, especially the Tanzim. The public was shocked by lynching in Ramallah, it was enraged at the enticements to violence continuously aired on Palestinian television and it was astonished at the reaction of the Israeli Arabs (see below) to the Palestinian-Israeli clashes.

In the eyes of many Israeli citizens, the Palestinians' behavior — particularly in light of the fact that at Camp David Barak had just offered them a more generous deal than that proposed by any previous Israeli Prime Minister — shed doubt whether Israel has a "real partner" to peace. At the same time, the behavior of Israeli Arabs raised questions whether Israelis and

Arabs could live together on the same piece of land. Hence, it seemed to many that the entire effort to resolve the Arab-Israeli conflict had failed.

Reactions among two sectors of the Israeli society were particularly noteworthy way. In some low socialeconomic strata neighborhoods citizens expressed their anger by beating Arab laborers, setting automobile tires on fire, and causing damage to property. The rioting in the Aviv Hatikva quarter ("Neighborhood of Hope") were especially violent. On that occasion, narco-criminal elements joined forces with angry citizens to attack police patrol vehicles and a restaurant that employed Arabs.

The Israeli "left" also reacted strongly to the violence. The basic premise guiding Israel's left — namely, that Israel's attempt to rule a large Arab population against its will was a pressure cooker that was bound to explode — was corroborated by the violence. And yet, many leaders of the Israeli "left" reacted to the clashes by raising doubts whether it was possible to reach an agreement with the generation led by Arafat.

Surprisingly, this was also the reaction of the Israeli "left" to the behavior of the Israeli Arabs during the initial phase of the clashes. Although the Israeli "left" had warned time and again Israel was making a big mistake in neglecting its Arab citizens, many among it reacted to the disturbances in the Israeli-Arab sector as if they were

betrayed.

Reactions to the Palestinian-Israeli violence at the center of Israeli political map were also strong. This was especially the case in the Israeli electronic media where journalists and anchorpersons did not hide their anxiety regarding the violent clashes that continued so close to home. In turn, this anxiety could have three ramifications, at least in the short range:

First, although a majority of the Israeli public continues to express its support for a continuation of the peace process, the extent to which the public trusts the Palestinian Authority as Israel's partner in the process has clearly diminished.

Second, a serious rupture in the broad political coalition supporting the peace process occurred as the future support of Israeli Arabs for Barak's government has become questionable. Finally, the perception of many Israelis regarding the conduct of the Israeli Arab community during the clashes may strengthen those who argue that Israeli Arabs do not have a legitimate right to participate in the process of approving and ratifying whatever peace agreements might be reached.

The Arab States' Reactions

The Arab states differed in their reaction to the evolution of Israeli-Palestinian violence. Iraq, Yemen and Libya pushed for a strong Arab response, calling upon the Arab states to express their solidarity with the

Palestinians by being prepared to wage war against Israel. They criticized the mid-October Arab summit for its failure to adopt concrete steps against Israel, with the Libyans stressing this point by walking out of the summit.

A more influential group of pragmatic Arab states attempted to prevent the escalation of the violence. Egypt and Jordan led this group with two imperatives in mind. First, to prevent the violence from sparking a regional war. Second, to prevent disturbances taking place in the West Bank and Gaza from spreading to their domestic scenes. This was crucial not only for Jordan—given the Palestinian majority of its population—but also for Egypt, where domestic stability has been carefully nurtured.

The desire to prevent the spreading of violence led King Abdullah and President Mubarak to channel domestic expressions of solidarity to specific locations and containing these to permitted routes. Thus, in both Cairo and Amman, demonstrators were blocked before storming Israeli embassies. In Jordan, demonstrators were also prevented from marching toward the King Hussein (Allenby) Bridge.

At the same time, President Mubarak and King Abdullah pressed Arafat to attend the Sharm El-Shiek summit and to accept the U.S.-brokered "Statement" that concluded the summit. The "Statement" committed the Palestinians to end the violence and the Israelis to end the

"closure" of the West Bank and Gaza. Prior to the Arab summit held four days later, President Mubarak made clear that Egypt will not allow extremists to embroil it in another war. In media interviews he publicly scorned Arab leaders who suggested war by telling viewers that those leaders had in mind to conduct such a war "until the last Egyptian soldier."

At the Cairo summit, President Mubarak labored to avoid decisions that might escalate the conflict. Thus, he prevented the adoption of resolutions that would compel a reversal of the Arab-Israeli peace process. Instead, Arab states were merely required to avoid further "normalization" of relations with Israel. While very tough rhetoric was directed against Israel at the summit and while solidarity with the Palestinians was widely expressed, Arab leaders avoided any mention of support for a Palestinian unilateral declaration of independence.

Increasingly, Syria seems to have positioned itself between the radicals and the pragmatists. This was reflected in President Bashar Assad's lack of opposition to Hizbollah and Palestinian groups engaging Israel in violent confrontations along the Lebanese-Israeli border. By the end of October, this green light has already resulted in the abduction of three Israeli soldiers (on October 10) and of a retired senior Israeli officer by Hizbollah, as well as, an attempted infiltration by Palestinian terrorists

over the border on October 19, and a number of clashes across the border near Zar'it.

Israel's withdrawal from South Lebanon in May 2000 was accompanied by a clear deterrent message — delivered by Prime Minister Barak as well as by IDF Chief of Staff General Shaul Mofaz — to the effect that Syria would be held accountable if Israel's northern border was attacked after the withdrawal. Israel's defense leaders further specified that Israel would retaliate against such possible attacks by damaging Syria's "interests" in Lebanon.

Hence, by permitting attacks against Israel along its Lebanese border, President Assad was clearly risking major escalation of the conflict. The extent to which this reflects Bashar Assad's youth, inexperience, vulnerability to the sentiments of "the Arab street," and lack of judgement in the face of advice given to him by the dogmatic "old guard" of Syria's defense and foreign policy elite, remains an open question.

The Israeli Arab Community

The violence that erupted among the Israeli Arab sector during the initial phase of the Israeli-Palestinian violence was unprecedented in four respects: First, for the first time Israeli Arab demonstrators blocked a large number of central roads and crossroads for considerable time and injured a large number of policemen

and citizens. In one case an Israeli driver was killed from a rock thrown on his car as he was traveling along Israel's central axis: the Tel Aviv-Haifa freeway.

Second, the incidents resulted in an unprecedented number of casualties among Israeli-Arabs — thirteen dead and tens of wounded - more than three times the number of casualties they suffered the last violent protests held by Israeli Arabs, in 1976. Third, for the first time in Israel's history, its Arab sector reacted vigorously to developments across the border. This reaction was in sharp contrast to the calm behavior of Israeli Arabs during all wars and conflicts in which Israel was embroiled since the 1948 War. Thus, for the first time a strong link was created between the Israeli Arab community and the Palestinian Authority.

The October disturbances comprised another stage in the process of radicalization that Israeli Arabs have gradually undergone. Over the past few years there were a number of indications that such a process was underway. In 1998, the IDF's plans to use land adjacent to the town of Um El Fah'm as a shooting range led to violent protests among Israeli Arabs. And, earlier this year, the leaders of the Israeli Arab community boycotted Israel's Independence Day ceremony for the first time. A month earlier, Arabs students at Haifa University conducted particularly violent protests.

The gradual radicalization of Israeli Arabs resulted from growing frustration, disappointment, and a sense that all Israeli governments were unwilling to provide equal rights to community. This accompanied by a "Palestinianization" of Israeli Arabs that has evolved over a decade. The process began during the 1982 Lebanon War — particularly as a result of the massacre at the Sabra and Shatilla refugee camps. The 1988-1990 Intifada in the West Bank and Gaza accelerated the process which received another boost by the efforts to implement the Oslo Accords and, particularly, by the arrival of Arafat and the PLO leadership to the West Bank and Gaza. The gradual transfer of control over the Palestinian population centers — first Gaza and Jericho and later the large towns of the West Bank — to the Palestinian Authority propelled this process further.

Another cause of rioting involves the changes that took place during the past few years in the leadership of the Israeli Arab community. The traditional leaders of Israeli Arabs were gradually replaced by a younger generation, more willing to take extreme measures. At the same time, the divisions within the new leadership and the competition that developed among its different personalities led to a race in which every leader wished to be seen as more extreme than the other. Thus, the traditional leadership gradually lost

control of the Israeli Arab street.

Two other dimensions of the October disturbances among the Israeli Arab community are noteworthy. The first is religion. As Muslims, Israeli Arabs were propelled to react not only to Sharon's visit to Harm El-Sharif, but even more so — to the fact that seven Palestinians were killed in the rioting that took place in Jerusalem the next day.

The second involves the conduct of the Israeli police. The latter seemed to have been caught unprepared to deal with large-scale demonstrations among Israeli citizens. It was short of non-lethal means of dispersing demonstrators and tended to treat the demonstrators as if they were not Israeli citizens but rather Palestinians rioting in the West Bank and Gaza. The resulting large number of casualties induced considerable anger among the Israeli Arab community.

The Balance of Gains and Losses

Have the Palestinians achieved their strategic objectives in the violence so far? What is the balance of their gains and losses after a month of widespread disturbances?

Clearly, the Palestinians' most important achievement is the damage inflicted upon Israel's image abroad. Pictures of unarmed but rock-throwing Palestinian youth, engaging well-armed Israeli policemen and soldiers, delivered a powerful message. The combined effect of these pictures and

a battery of eloquent Palestinian speakers persuaded many viewers in Europe and North America that the Palestinians were waging a justified effort to end Israeli occupation while Israel was using excessive force to stem the protest.

The Palestinians' second gain was related to the first: international sympathy for the Palestinians led key international organizations — primarily the United Nations Security Council and General Assembly — to adopt resolutions condemning Israel. A particularly important development in this context was the Clinton administration's decision on October 7 to avoid vetoing UN Security Council Resolution 1322 that condemned Israel for its "excessive use of force."

The Palestinians' third gain was in the realm of internal unity. Soon after the beginning of the violence, Arafat moved to close ranks with the main Palestinian groups, especially the Hamas. This involved releasing tens of Hamas terrorists from Palestinian Authority jails and, more important, creating the "Supreme Coordinating Committee of the Islamic and National Forces." In addition to legitimizing opposition groups - primarily Hamas — the Coordinating Committee may have also been designed to ensure that Hamas does not act in contradiction to the policy set by the PA.

The Palestinians' fourth achievement was in winning all-Arab support. The violence served to persuade the Arab states to hold a

summit in Cairo, the first since mid-1996. The summit proved an effective arena for expressing sympathy and solidarity by the entire Arab world for the Palestinians. It also led to some limited but concrete steps to halt the process of "normalizing" Israel's relations with the Arab world. Following the meeting, Morocco, Tunisia, and Oman decided to close their representative offices in Israel and to ask the Israeli representatives in their countries to leave.

The PA has so far failed to mobilize the Palestinian masses for a "War of Liberation" or "War of Independence."

The final Palestinian gain is the damage they have caused to the Israeli economy. A year's worth of tourism seems to have already been lost and the Israeli stock exchange lost close to a quarter of its value. Israel's real estate market came to a standstill due to the uncertainty caused by the violence, and its construction and agricultural sectors found it difficult to replace the Palestinian laborers who were prevented by the "closure" from reaching their places of employment.

Yet a closer look at the struggle

reveals that the gains made by the Palestinians are more limited than what initially appears to be the case and that most of these gains are short lived and will likely dissipate with time. This is particularly the case with regard to the Palestinians' success in damaging Israel's image in the international media. In this context a number of points are noteworthy: First, the PA has so far failed to mobilize the Palestinian masses for a "War of Liberation" or "War of Independence." In contrast to the first Intifada (1988-1990) when a large part of the population took part in widespread resistance to Israeli rule, the current struggle is limited to a few thousand rock-throwing youth that engage Israeli troops and policemen at specific friction points. At the same time, a vast majority of the Palestinians attempted to continue with their normal lives — a difficult task given Israel's continued "closure" of Palestinian population centers.

Second, the Palestinians have largely failed to balance the distribution of physical and economic damage. While about a dozen Israelis were killed during the first month of the violence, over 140 Palestinians were killed and several thousands wounded during the same period. Also, while in absolute terms the economic damage to Israel may be greater than that suffered by the Palestinians, the latter's economy is much more vulnerable with greater long-term implications.

Third, despite the sympathetic resolutions adopted by the UN and other organizations, Arafat's efforts to "internationalize the conflict" have so far failed. The resolutions adopted by the UN regarding the violence did not include meaningful operational steps. Moreover, there are no signs of an emerging consensus to allow the stationing of an international force in the West Bank and the Gaza Strip. There are also no indications that the international community is prepared to impose a solution to the Palestinian-Israeli dispute.

Fourth, the Palestinians have so far failed to provoke Israel into conducting the type of catastrophic action that would propel international intervention in the conflict. In this context it should be noted that the international community was induced to intervene in Kosovo only after substantial evidence of Serb atrocities and forced transfer of Muslim population had accumulated. Since no equivalent Israel behavior has occurred, international support for sending troops to the area had not developed.

Fifth, the most important dimension of Israel's external relations — its close ties with the United States — have remained largely undamaged. In contrast, the Clinton administration was frustrated by Palestinian behavior and, particularly, by Arafat's failure to comply with the commitments he made at the Sharm El-Shiek summit to end the violence.

In Congress, support for Israel remained strong, with 94 U.S. Senators signing a letter that expressed solidarity with Israel and condemned the Palestinians leadership for encouraging violence. Throughout the crisis, the American press provided much more balanced commentary than its European counterparts. Under such circumstances there was also no chance that the U.S. would support a Kosovo-style "internationalization of the conflict." In America's eyes, Israelis are not Serbs. This basic perception has remained untarnished by the October violence.

Finally, the Palestinians were disappointed by the results of the Arab summit. Not surprisingly, Palestinian spokesmen criticized the summit for having failed to stipulate common action that would be taken against Israel. Equally important, the summit failed to commit the Arab states to support a Palestinian unilateral declaration of independent statehood. In its aftermath, the Palestinians also expressed dismay at the friction that developed between them and Egypt's President Mubarak.

Thus, while the general impression — affected mostly by the reflections of the violence in the mass media — is that the Palestinians have made considerable inroads during the month of October, a closer look at the scene reveals a much more complex picture. While Israel's losses have been considerable — with particularly painful damage to its image and

economy — Palestinian losses have been much greater and their gains more limited than what appears at first glance. With U.S.-Israeli ties unaffected, the Palestinians failed to change the overall configuration of forces that were critical of Arafat's stance in the aftermath of the Camp David-II summit. For example, at Sharm El-Shiek the Palestinians were pressed to end the violence by all the other parties present: the U.S., Egypt, Iordan, the UN and the EU. Thus, the international regional and environment of the Israeli-Palestinian dispute remained unchanged.

Future Developments

Any effort to chart the future course of events is a risky enterprise. Nevertheless, a number of basic sets of scenarios can be portrayed:

The first set entails a quick return to the negotiating table. This presumes that Arafat has not completely abandoned the judgement that it is preferable for a Palestinian State to be established in the framework of an agreement with Israel. The scenarios in this set also presume that Arafat would soon reach the conclusion that the Palestinians have already derived the maximum possible benefits from the violence, while additional clashes would merely result in mounting physical, economic and diplomatic costs to the Palestinians. The scenarios are also based on the premise that Israel recognizes that it cannot choose

its neighbors and their leaders and that it must deal with them despite its deep disappointment with their recent conduct.

Three alternative modes of negotiations are consistent with this set of scenarios. The **first** assumes that the parties would attempt to pick up the negotiations from where they were left at the end of the Camp David-II summit. This would entail a renewed effort to achieve an agreement to end the Palestinian-Israeli conflict by resolving all "permanent status" issues, including the hyper-sensitive issues of Jerusalem and the "Right of Return" of Palestinian refugees.

The **second** mode implies that Israel and the Palestinians have reached the conclusion that they cannot bridge the gap between their positions regarding Jerusalem and the refugees, and that, consequently, they should opt for a more modest "peace agreement." The agreement would cover all less sensitive matters while stipulating negotiation frameworks for future efforts to resolve the issues of Jerusalem and the refugees.

While the second mode seems easier to implement, it entails considerable complications for both sides. Clearly, the approach adopted by Prime Minister Barak at Camp David-II was based on his judgement that the Israeli public was unlikely to support the painful concessions required to resolve any of the "permanent status" issues unless it was promised that with these

concessions "the file will be closed." Hence, his insistence on an agreement that would result in "an end to the conflict." By contrast, a more modest approach would require serious concessions without eliminating the possibility that violence would erupt in the future again, if an agreement over Jerusalem and the refugees were not reached.

For their part the Palestinians have complained that they have been subjected to consecutive "interim agreements" and that the promise contained in the Oslo Accords — that "final status" negotiations would be concluded within five years — was repeatedly ignored. With growing demands from the Palestinian street to bring an end to "Israeli occupation" once and for all, it is far from clear that Arafat will cooperate with a new effort to negotiate what the Palestinians will interpret as another "interim agreement."

This Palestinian objection is especially relevant to the **third** possible mode of negotiation scenarios: namely, talks aimed at reaching a very partial agreement. Such an agreement may stipulate the announcement of independent Palestinian statehood which would be recognized by Israel, the Palestinians' recognition that the large settlement blocks would remain permanently under Israeli sovereignty, and an agreed upon venue for negotiating all other "permanent status" issues.

A second set of scenarios entails a Palestinian decision to declare independent statehood unilaterally. This set presumes that Arafat will conclude that despite the difficulties in predicting the dynamics that such a declaration might spur, Palestinian history would be served in that independence was won through struggle and sacrifice, and not as a result of Israel's generosity. According to this scenario, the Palestinians will continue exercising violence at more or less the present level until Arafat judges that the time for a unilateral declaration of statehood appropriate.

A unilateral Palestinian declaration of independence may also take two modes. The first is a declaration that is not accompanied by concrete steps to materialize Palestinian sovereignty. Such a declaration may not necessarily lead Israel to react negatively, particularly given the fact that it is associated with some advantages to Israel. First, with this statement the Palestinians' claim to statehood will have been satisfied. Second, by international law Israel is currently responsible for the welfare of every Palestinian in the West Bank and Gaza since the legal status of the territories under PA control has not changed. This will no longer be the case once a Palestinian independent state is established.

A **second** mode entails a declaration that will be accompanied by steps designed to change the

situation "on the ground." One such step might be an attempt by the newly declared state to assume control over the border entry and exit points, such as the King Hussein (Allenby) bridge and the Rafah crossing. This would be unacceptable to Israel since it would affect the ability to control the flow of weapons entering the Palestinian State. Consequently it is likely to trigger a strong Israeli response.

Israel may respond to a unilateral Palestinian declaration of statehood in two ways. First, it may implement "unilateral separation" or "unilateral disengagement" — steps that would further Israel's divorce from the large Palestinian population in the West Bank and Gaza while, at the same time, bring the large Israeli settlements in the West Bank under Israeli jurisdiction. Depending on the precise nature of these steps, a spiral of unilateral actions and responses may lead to a major escalation of Israeli-Palestinian violence.

The **second** mode entails tacit Israeli-Palestinian understandings regarding unilateral actions that both sides might take to implement effective separation without undermining the interests of the other side. While such understandings are possible in principle, it is difficult to see how they can be reached under conditions of prolonged violence. This is the case because tacit understandings require

a considerable measure of mutual trust
— a commodity that is rapidly
vanishing from the Israeli-Palestinian
discourse.

A third set of scenarios involves a major escalation of the violence. This may happen in three modes. First, escalation spurred by Palestinian action. One such possible scenario begins with a "successful" act of terrorism conducted inside Israel and resulting in a large number of casualties. Given Israel's stated policy of holding the PA responsible for such action, an escalation of Israel's military activities is bound to result.

The **second** mode envisages violence spurred by Israeli action. This may happen unintentionally — for example, as a result of an individual Israeli terrorist attack on Palestinian civilians similar to the massacre conducted by Baruch Goldstein in Hebron in 1994. Under present circumstances, Palestinian reactions to such a massacre may be impossible to control.

Alternatively, Israel may escalate the violence intentionally, having exhausted all other means of stopping the clashes. This assumes that at some point the Israeli public will lose its patience in the face of continued violence, forcing the government to abandon its present policy of "measured response." At that point, the manner in which Israeli actions are portrayed in the international media may no longer be an important consideration, and the IDF could be unleashed to take whatever action necessary to address the challenge.

The **third** mode involves the possibility that Hizbollah would escalate its efforts to engage Israel along its northern border. Should such efforts result in heavy Israeli casualties, Israel would be compelled to execute its deterrence policy that holds Syria accountable for any violence exercised from Lebanon against Israel and which committed Israel to retaliate against "Syrian interests" in Lebanon. In turn and for a variety of reasons, this development might lead Israel and the Palestinians to escalate their bilateral struggle.

More generally, it should be mentioned that twice in the past Arafat has stretched the rope beyond its breaking causing the Palestinians tremendous suffering. In September 1970 they were expelled from Jordan and in 1983 from Lebanon to Tunis. While their present situation is very different from the strategic environments of 1970 and 1983, Arafat may miscalculate again. Should this happen, the Palestinian people will be left once again to suffer the consequences.