

# Strategic ASSESSMENT

Volume 1, No. 4

January 1999

#### In This Edition

#### Israel and the Cut-Off Treaty

Shai Feldman

The article describes the developments regarding the treaty to ban the production of fissile material (The Fissile Material Cut-Off Treaty -- FMCT) at the United Nations Conference on Disarmament (CD). It examines Israel's considerations and emphasizes that in order to secure Israel's interests, certain conditions related to the treaty text, the associated verification procedures, and U.S.-Israeli defense relations would have to be met. The article points out that the U.S-Israel Memorandum of Agreement (MOA) signed in October 1998 may also provide an important reference point for coordinating the two countries' approaches regarding the FMCT negotiations.

### Middle Eastern Terrorism in the International Arena

Anat Kurz

The article addresses the international dimension of Middle East terrorism. It analyzes the constraints imposed on the possible spill-over of Middle East terrorism to the international arena and, by underscoring the Ben Laden group, illustrates that in the future, terrorist groups may be able to overcome these constraints.

#### Diversifying Israel's Strategic Reliance

Martin Sherman

Given the possibility that the intimacy characterizing U.S.-Israeli relations at present may not last indefinitely, Martin Sherman proposes that Israel explore various options for diversifying its sources of strategic support. Accordingly, he calls for careful and judicious deliberation for assessing the possibility of expanding Israel's strategic relations with South Korea, Japan and India.

### US Involvement in Israeli-Palestinian Security Agreements: Wye and Why Not

Mark A. Heller

he Wye River Memorandum, signed by Israel and the Palestine Liberation Organization on 23 October 1998, is riddled with so many ambiguities that some of its critics have compared it to Swiss cheese. The most prominent of these concern the issues that gave urgency to the negotiations at Wye Plantation -- the size of the third redeployment stipulated in the original 1993 Declaration of Principles, and the question of whether or not the Palestinians will make a unilateral declaration of statehood and attempt to exercise sovereignty in May of 1999, when the interim period specified in the DOP expires. These ambiguities are likely to provide grist for controversy and confrontation in the spring of 1999.

But even before then, what is seemingly the most straightforward element of Wye, the second redeployment of Israeli forces, which was scheduled to be spread over three months beginning in November, may be subject to further delays and disruptions if Israel continues to insist that the Palestinian side has not lived up to its side of the bargain.

According to the Wye Memorandum, ongoing implementation of the sub-phases of the redeployment is contingent on Palestinian compliance with undertakings to complete the process of amending the Palestinian National Covenant, to prevent hostile incitement, and to carry out a variety of security measures, including registration of weapons, confiscation of illegal weapons, arrest of suspected terrorists, and reduction of the size of the Palestinian police force. Indeed, Prime Minister Benjamin Netanyahu's strongest argument in defense of the agreement before domestic critics has been precisely the element of reciprocity. His argument, in the simplest terms, has been, "They give, they get; they don't give, they don't get."

In principle, the Palestinian Authority has a strong incentive to refrain from any action that might delay a process designed to leave it in full or partial control of 40% of the West Bank by February 1999, long

(cont. p. 3)

groups may be able to overcome these constraints.

The text of the new U.S.-Israeli MOA "on the potential threat to Israel posed by the proliferation of ballistic missiles and weapons of mass destruction" is reprinted here. While general and vague, this is the first U.S.-Israeli MOA on strategic cooperation signed by the President of the United States and the Prime Minister of Israel - all previous such documents were signed at the ministerial level. Moreover, the MOA contains the first formal U.S. commitment to enhance Israel's "deterrent capabilities." As Shai Feldman's article points out, the MOA may also provide an important reference point for coordinating the two countries' approaches regarding the Fissile Material Cut-Off Treaty negotiations launched this month in Geneva.

Mark Heller analyzes another dimension of America's growing involvement in the region - the CIA's role in ascertaining Israeli and Palestinian compliance with the security protocols of the agreement reached at Wye. Heller points out the possible negative impact of this involvement for the future of U.S.-Israeli relations.

Given the possibility that the intimacy characterizing U.S.-Israeli relations at present may not last indefinitely, Martin Sherman proposes that Israel explore various options for diversifying its sources of strategic support. While it is doubtful that Japan, Korea, India and Turkey - even if combined and even under the best of circumstances - could ever substitute the depth and scope of U.S. assistance and cooperation with Israel, Sherman raises important questions that deserve careful consideration.

### US Involvement in Israeli-Palestinian Security Agreements: Wye and Why Not (cont.)

before permanent status negotiations can enter a decisive stage. But some of the measures required of it will be seen as injurious to Palestinian dignity and selfrespect, and others may provoke more conflict between the PA and Hamas or other oppositionist elements than PA Chairman Yasir Arafat is willing to risk at this stage. For example, the PA Preventive Security Chief in Gaza, Muhammad Dahlan, has already indicated that he will sidestep the problem of reducing the size of the police force by providing one list of those who do actual police work and another of those who do administrative work. A series of other official Palestinian statements on these questions has been criticized by the Israeli Government as inconsistent with the letter, and certainly with the spirit, of the Wye Memorandum. Secondly, there are genuine disagreements about precisely what was agreed upon at Wye with respect to the process of amending the Covenant, with Israel insisting that the Palestinian National Council carry out a formal vote, while the Palestinians argued that the convocation of PNC members (number unspecified) and other Palestinian leaders to hear an address given by President Clinton and affirm previous actions taken by Arafat and the PLO Executive Committee and Central Council was sufficient. Finally, some of the Palestinian obligations are inherently subject to ambiguity. One example concerns incitement. If the texts in Palestinian schools teach that the Zionist movement represents a foreign invasion of Palestinian land, will that constitute incitement or merely an inevitable contradiction between Jewish and Palestinian historical narratives? Another example concerns weapons. Is it technically possible to certify that every last firearm has been either registered or confiscated? If not, how is it possible to certify that the PA has made a 100% goodfaith effort to do so?

For all these reasons, it is very likely that the reality on the ground, rather than qualifying as either full compliance or outright violation, will be characterized by some ambiguity, about which judgments will have to be made. Such judgments are necessarily subjective, colored by the interests and perspectives of the protagonists. One of the most significant provisions of the Wye Memorandum was therefore to introduce a third party - the US Central Intelligence Agency - to act as a kind of monitor and arbiter on security issues of the anticipated contradictions between Israeli and Palestinian interpretations.

In one sense, such direct and intimate American involvement is a logical culmination of the progressively more activist US role in the Israeli-Palestinian peace process over the past two years. This has been expressed primarily in the diplomatic sphere, where the American role has shifted from facilitator to mediator to separate initiator of diplomatic formulations. It was already evident in the

negotiations that produced the Hebron Protocol in early 1997, and even more blatant before and during the Wye negotiations. For example, the figure of 13.1% of the West Bank to be transferred from Area C to Palestinian jurisdiction was essentially an American figure, notwithstanding the American reassurance after Hebron that the size of future redeployments would be decided unilaterally by Israel. But it has also meant a more prominent CIA role in the Israeli-Palestinian security relationship, as CIA officers helped to draft security agreements and facilitate contacts between Israeli and Palestinian services. The CIA also has a long-standing relationship with the Israeli intelligence services; it maintained an important channel of communication with the PLO during the 1970s in Lebanon and provides technical support to the PA; and it has been involved in monitoring other Israeli-Arab security relationships, especially in the Sinai Peninsula. So CIA participation in the peace process is not new.

Nevertheless, this degree of direct involvement constitutes a quantum leap. The CIA will now be an active partner in several bilateral or trilateral committees concerned with implementation of the Memorandum. In addition, it will act, if not as an arbiter of claims of noncompliance, then as a primary source of information and assessment to the US Government, i.e., the Department of State, which will act as arbiter.

From Israel's perspective, this type of American engagement does have one advantage: Any finding that responsibility for delay in implementation is a result of Palestinian non-compliance will be taken far more seriously by the PA if it comes from the government of the United States than if it comes from the government of Israel (previous Israeli complaints were often ignored) and the violation in question is more likely to be rectified, and more quickly. Nevertheless, it also represents a potential source of serious friction between Israel and the United States. With the US planted more firmly in the middle between Israel and the PA, it is more likely that differences of interpretation between Israel and the United States about Palestinian (as well as Israeli) noncompliance will be more frequent and more salient than before.

If this happens, it will not be because of conscious bias by the CIA when the Israeli interpretation is closer to some objective truth (and that will not always be the case). Despite the Agency's reported resentment of Netanyahu's last-minute attempt to effect the release of convicted spy Jonathan Pollard during the Wye Plantation negotiations (which led to a threat by CIA Director George Tenet to resign if President Clinton acceded to Netanyahu's request), the CIA's professional integrity can be counted on to guard against this type of assessment error. Nor will it be a function of inadequate technical or human resources. Some American intelligence shortcomings, like the failure to detect preparations for Indian nuclear tests, are the result of lack of human resources or insufficient attention to issues lower down on the list of American priorities. But the implementation of Wye is both qualitatively and quantitatively different from the issue of India's nuclear intentions, and given the importance of the peace process to America's foreign policy agenda, there is little likelihood that the monitoring of compliance will be neglected.

Instead, problems (if they arise) will be due to the unconscious and unintended tendency of all intelligence agencies to shade their assessments, especially in ambiguous situations, in order to conform with the known or presumed political preferences of the consumer. The consumer, in this case, will be the executive branch of the United States Government, and the US Government, having made such a large investment of time and political capital in the Wye River Memorandum, will continue to have an investment in its success. It can therefore be assumed, by the Agency and everyone else, that the US Government will be unhappy to receive evidence or assessments indicating that the Memorandum was somehow flawed or otherwise unlikely to succeed. That is precisely what a finding of Palestinian non-compliance that might jeopardize further Israel redeployments would do.

## THE WYE RIVER MEMORANDUM October 23, 1998

There are numerous examples of how the consumer's known preferences or conceptions can influence intelligence assessments. Usually, what is most affected by these preferences or conceptions are assessments of the intentions of another party. Such was the case of the American assessment, in the mid-1980s, that there were authoritative "moderates" in the Iranian government with whom one could deal in order to accomplish President Reagan's known desire to bring about the release of American hostages in Lebanon. The result of this assessment was the Iran-Contra affair. (It should be noted that such problems are not confined to the Americans. According to some analysts, conceptual distortion of this sort was the primary reason for the Soviet failure to anticipate a German attack in 1941 and the Israeli intelligence failure in 1973.)

But political interests can also lead to the willful denial of evidence, or even the refusal to gather it. The most prominent example of the former, in the Arab-Israeli context, was the US refusal to certify that Egypt had violated the 1970 standstill

cease-fire on the Suez Canal by moving surface-to-air missiles after the cease-fire came into effect, a refusal that Israel was ultimately forced to accept. A recent example of the latter (at least according to former US Marine and United Nations Special Commission inspector Scott Ritter) was the attempt to persuade UNSCOM not to look for things in Iraq that, if found, would force the United States to do what it was then unwilling or unable to do. The provisions for monitoring implementation of the Wye Memorandum raise the risk that similar kinds of findings or procedures will bring the United States into conflict with an Israeli government whose own findings (perhaps even for similar reasons) are quite different.

The issue of certifying compliance with Wye is one more reason why, all in all, it would have been better for Israel to maintain the original bilateral character of the Israeli-Palestinian peace process -- which is what every Israeli government has consciously preferred to do -- rather than have it turn into a trilateral affair. But the prolonged stalemate after mid-1996 precluded this possibility, because the

resulting political vacuum inexorably drew the United States in. And since the atmosphere, even after Wye, is light-years away from that which prevailed during and immediately after Oslo, it is now probably too late to revive that dynamic. Whatever the drawbacks, both parties trust the United States more than they trust each other, and the need to avoid another deadlock makes it virtually certain that the United States, including the CIA, will continue to be intensely and directly involved.

Since this type of involvement is inevitable, it is necessary for Israel to be aware of the possible consequences, and particularly to control or minimize the potential damage to its relationship with the United States. This implies, among other things, ongoing and tight coordination between Israeli and American security and intelligence agencies, based on a conscious effort to ensure that Israeli assessments of Palestinian compliance with Wye are also as insulated as possible from the presumed political preferences of the Israeli government.