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FOREWORD

As of mid-1997, the fate of the Arab-Israeli peace process is dangerously uncertain. Israeli Prime Minister Netanyahu's decision to begin work on a new Jewish settlement in Jerusalem has so enraged Palestinians that they have effectively walked out of the negotiations. President Clinton has called on his special envoy, Dennis Ross, to exert every effort to get the Palestinians to return. Meanwhile, elements opposed to the peace process from within the Israeli political establishment have pressured the Prime Minister to halt or even reverse the steps taken to date.

Given these current setbacks, it is worthwhile to review what hangs in the balance for U.S. interests in the Middle East. How important is success in the peace process? What are the implications should the peace talks fail? To examine these questions, the Strategic Studies Institute (SSI) of the U.S. Army War College joined with Villanova University's Center for Arab and Islamic Studies to cosponsor a conference on the peace process, at Villanova, in December 1996. The conference, organized by Dr. Anne Lesch of Villanova and SSI's Dr. Stephen Pelletiere, brought together six experts on the Middle East, each of whom discussed a different aspect of the crisis.

The two papers presented here are particularly timely, as the authors examine the likely effects of breakdown, or breakthrough, on America's broader regional interests, extending in particular to the Persian Gulf. As U.S. policies with respect to the Gulf and the Arab-Israeli peace process come under increasing stress, these authors elaborate linkages between them. They also make clear that the outcomes will have profound implications for U.S. security commitments and, potentially, future missions and deployments.

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SHIBLEY TELHAMI has just been appointed to hold the Anwar Sadat Chair for Population, Development and Peace at the University of Maryland. He was formerly an Associate Professor of Government and Director of the Near Eastern Studies Program at Cornell University. Recently a visiting fellow at the Brookings Institute and at the Woodrow Wilson Center, he has taught at several universities including the Ohio State University, the University of Southern California, Princeton University, Columbia University, Swarthmore College, and the University of California at Berkeley, where he received his doctorate in political science. Among his publications are Power and Leadership in International Bargaining: The Path to the Camp David Accords (Columbia University Press, 1990); International Organizations and Ethnic Conflict, ed. with Milton Esman (Cornell University Press, 1995); and numerous articles on international politics and Middle Eastern affairs. He is currently writing a book, The Sources of the National Interest: The United States and the Middle East. Besides his academic activities, Professor Telhami has been active in the foreign policy arena. While a Council on Foreign Relations International Affairs Fellow, he served as adviser to the U. S. delegation to the United Nations during the Iraq-Kuwait crisis, and was on the staff of Congressman Lee Hamilton. He has also been a member of the American Academy of Arts and Sciences study group that was instrumental in the informal negotiations between Israelis and Palestinians that led to the Declaration of Principles Agreement. In addition, he is a member of the Council on Foreign Relations and a member of the advisory committee of Human Rights Watch/Middle East.

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The authors of the two studies presented here regard the breakdown in talks between the Israelis and Palestinians with great concern. They feel that more is at stake than merely the future of the Arab and Jewish communities in the occupied territories. America's security position in the Middle East will be affected if a solution is not found to this decades-old problem.

Specifically, the authors warn of threats to American interests in the strategic Persian Gulf region. At present, Washington exercises control over the vital waterway through special security arrangements with the moderate Arab states. However, according to Pentagon analyst Lawrence Velte, such forms of cooperation likely will end—or be significantly curtailed—should the peace process break down. The Arab leaders are becoming impatient with America's apparent unwillingness—or inability—to restrain its client, Israel.

Professor Shibley Telhami of Cornell University calls on the policymakers in Washington to recognize the seriousness of the impasse into which the peace talks have descended. President Clinton should abandon his present pose of facilitator, Telhami says. Rather, he should take a more active role of arbitrator, in effect proposing solutions which the President would invite the two sides to consider, bringing the considerable power and prestige of his office into play.
The Israeli-Palestinian agreement of this past January, which implemented the much-delayed Israeli withdrawal from Hebron, has been important in stopping the back-tracking of the peace process that began with the election of Benjamin Netanyahu as Prime Minister of Israel in the spring of 1996. This agreement has also been essential in establishing a working relationship between Palestinian leader Yasser Arafat and Mr. Netanyahu, and in opening the possibility for further progress. But, as the ensuing crisis over Israel's unilateral decision to build housing in East Jerusalem shows, it is a mistake to assume that the success of the Arab-Israeli peace process has been assured. Though important, the Hebron agreements did not resolve the serious crisis of confidence in the region, which amounts to a paradigmatic shift in outlook by governments and publics alike, following the Israeli elections and the ascendance of the Likud Party and its allies to power in Israel. This crisis has revealed that many of the assumptions that the United States has taken for granted since the 1993 Oslo Accords are now open to challenge. It is helpful to begin our analysis by reviewing some of these assumptions.

The Troubled Assumptions.

First, the United States has always assumed that minimal links exist between its position in the Gulf and the Arab-Israeli peace process. This is not true; at least for the Arabs it is not. Many Arabs believe that Washington is manipulating the threat of Iraqi aggression to build up a troop presence in the Gulf, and ultimately take control there. As long as Washington was perceived as actively pursuing the peace process, such conspirational thinking was muted. As soon, however, as Likud came to power in Israel, the dark suspicions revived. The Arabs now look to the United States to get the peace process back on track, and the only way to do that, they perceive, is for Washington to get tough with the Likud Party politicians. If the United States appears to be lagging in this regard, the Arabs inevitably will distance themselves from America's policies, including its stand on the Gulf. We are seeing that now, as the Arab states are not nearly as supportive of strong measures against Baghdad as they were a short while ago.

Second, American policymaking in the Middle East since 1990 has been predicated on the assumption that Arab public opinion counts for little in determining the policies of the various

*Sections of this paper overlap with sections of the author's article, "The United States and Middle East Peace," The Brookings Review, Fall, 1996.
governments. This attitude seemed to receive confirmation during the Gulf War, when many in the Washington policymaking establishment (and especially this was the case with the so-called Arabists at the State Department) predicted that the Arab street would erupt if America went to war with the Iraqis. These demonstrations barely developed. Meanwhile, another lot of policymakers put forth a contrary view. Self-described realists argued that Washington should pressure the Arab leaders into adopting stands congenial to the United States, which the leaders would then have to sell to their people.

Problems with the latter approach became obvious following the Arabs' loss of confidence in the peace process. For example, King Hussein, who signed a peace treaty with Israel, has had difficulty persuading his people to accept his changed stance, and in Egypt, the peace, which the Israelis have dubbed "the Cold Peace," has only gotten colder. Indeed, Arab elites appear to be coordinating across borders to balk a process in which they see their governments helpless to deal with Washington and Tel Aviv. Despite the best efforts of the Jordanian and Egyptian governments, Arab journalists, lawyers, and academics are creating an embargo on exchanges with the Jewish state. This is jeopardizing relations that are absolutely essential to develop if the peace process is to go forward. Even in the Gulf, domestic troubles in Bahrain and violence against Americans in Saudi Arabia seem related to the peace process. It is not that the violence here is tied directly to the talks between Arafat and Netanyahu. Still, resentment over the perceived failure of the negotiations has provided openings for elements determined to abort attempts at normalization between the Gulf Cooperation Council (GCC) states and Israel.

Third, at the same time that Washington shows minimal regard for Arab public opinion, it takes very seriously opinion in Israel, apparently on the basis that Israel is a democracy and, therefore, opinion there counts for more. Acting on this assumption, American diplomats strove to build up support for Israel's Labor government, which Washington favored. In the end, however, Washington's focus on influencing Israeli voters was not enough to assure the survival of the Labor Party, and may even have indirectly brought about its downfall.

The upset came about in this way. In the lead-up to the elections, Labor felt the need to bolster the image of its candidate, Shimon Peres, as a tough leader. Therefore, in response to increasing casualties in southern Lebanon, Israel mounted Operation Grapes Of Wrath, in which hundreds of thousands of Lebanese were made homeless, and several hundred Lebanese civilians were killed. In part, the operation was facilitated by tacit U.S. support. The civilian cost of this operation, and seeming U.S. backing for it, generated a backlash in the Arab world, and, more importantly, among Israeli Arabs, who constitute 17 percent of Israel's population, and whose votes Peres needed for a victory. Peres saw this critical constituency slipping away
from him and sought to undo the result by directly appealing to
the Israeli Arabs. Indeed, Peres spent much of his efforts in the
waning days of the campaign addressing Arab concerns. Meanwhile,
the United States expended a good deal of energy trying to
persuade reluctant Arab leaders to back the Labor Party
candidate. Syria's Foreign Minister Farouq Sharaa did finally
announce that Syria preferred Peres. Netanyahu immediately jumped
on this announcement, proclaiming that Peres was "Syria's
candidate." And the mood of the uncertain Israeli electorate,
too, was affected. Israelis began to ask, if Peres is so good for
the Jews, how come all these Arabs support him? In a nation that
faces a continual security crisis, this confusion may have been
enough to tip the balance against Peres.

Fourth, the United States took upon itself the task of
persuading Arabs and Israelis that the conflict was no longer
between Arabs and Jews but rather between opponents and
supporters of peace—in other words, between moderates and
extremists on both sides. U.S. mediators spent considerable
effort trying to convince the Arabs that there was a difference
between the moderate Labor Party and more extreme Likud. This was
done to overcome the attitude prevalent among the Arabs that no
difference existed between the two, and that, except for
disagreements over tactics, they followed essentially the same
line. It took a great deal of diplomacy (and incidentally the
assassination of Israel's Prime Minister Itzhak Rabin by a
rightwing Israeli), but finally Arabs were won over to the view
that they would be better off with the Labor Party in power. But
the very success of the U.S. campaign was predicated on
identifying the opposition party in Israel, Likud, and its leader
Netanyahu, as being obstacles to peace, i.e., the bad guys. And
just as this psychological transformation was completed,
Netanyahu became the new Israeli Prime Minister. It was no easy
task, then, to persuade the Arabs that the new leader was someone
they could negotiate with. Moreover, Netanyahu did not help
himself in this regard by immediately challenging the principle
of land for peace on which the whole peace process was based.
Additionally, his settlement policies deepened Arab suspicions of
his goals.

The net result of all this has been a profound change in
regional psychology, which reverses many of the accomplishments
of American diplomacy since the Gulf War. The psychology of
inevitable reconciliation that followed Oslo—and which led many
Arabs to compete to get on the peace bandwagon—has been replaced
by a renewed psychology of conflict, with even those who made
peace with Israel now maneuvering to hedge their bets.

The United States recouped from the shock of Israel's
elections by persuading the new Israeli government and the
Palestinians to conclude the January 1997 Hebron agreements,
which were an essential requirement for further progress. But as
was evident in the ensuing tension between Israel and the
Palestinians over unilateral Israeli moves—and over revived
violence against Israelis--Hebron did little to transform the profound crisis of confidence that threatened to undermine the Oslo process. In this environment it has become increasingly clear that the United States must reassess the role that it has defined for itself since the Oslo Accords of 1993--in the absence of mutual confidence, both Arabs and Israelis needed assurances of America's commitment to the process. Could that confidence be maintained if the United States restricted its role to that of a facilitator or a mediator? What should the American role be, given the assumption that Arab-Israeli peace remains a key American objective, as it would resolve the apparent contradiction between the American involvement with Israel and its interests in the Arab world, especially oil?

**Defining the U.S. Role.**

The Palestinian-Israeli Declaration of Principles agreement (DOP) of September 1993 shattered a long-standing axiom of Middle East diplomacy--that Arab-Israeli peace agreements can be achieved only through American leadership. That surprising development spurred reassessments, both in Washington and in Middle East capitals, of what the U.S. role in the Middle East peace process should be. The Clinton administration concluded that the United States should henceforth take a much less active role. But while the lowered U.S. profile may, in some respects, have helped to move the region toward peace, the ongoing negotiations between Israel and the PLO--and the peace process, more generally--may yet falter without a new U.S. approach, one that will address the suspicions that have overtaken Israeli-Arab relations since spring 1996.

From the time of the 1967 Arab-Israeli War to the 1993 DOP, both Israel and the Arab states have sought active American involvement in Arab-Israeli negotiations, but their visions of America's role have differed sharply. Arab states hope the United States will put pressure on a dependent client; Israel wants Washington to facilitate bilateral negotiations with Arab states and guarantee emerging agreements. So strong was the U.S. element in Arab-Israeli negotiations that the 1978 Camp David negotiations between Israel and Egypt reflected a competition between the two states for alliance with the United States, as much as a desire to reach a bilateral agreement.

The end of the Cold War and the 1991 Gulf War disposed some Arab leaders to begin rethinking the U.S. role. As they saw it, the diminished threat to American strategic interests would make U.S. Middle East policy a hostage to domestic politics, where Israel has a decisive edge. In part, this belief explains the PLO leaders' preference for seeking a bilateral deal with Israel, instead of awaiting a U.S. initiative. They thought that Israeli politicians would be more likely to reconcile themselves to the PLO, for strategic reasons, than would U.S. politicians facing unfavorable domestic opinions of the PLO.
The successful outcome of the secret Israeli-Palestinian negotiations convinced the Clinton administration to adopt a strategy of relative detachment from the Israeli-Palestinian negotiations. President Clinton even claimed credit for the secret agreement, arguing that his refusal to intervene in prior Arab-Israeli disputes forced the PLO to compromise. Since 1993, the United States has confined itself to acting largely as a facilitator of bilateral Palestinian-Israeli negotiations and as a catalyst for mobilizing international economic support for emerging agreements. The record of this strategy has been mixed. Before the Israeli elections, the parties settled into a bilateral negotiating routine and the process edged forward, albeit at a snail's pace. During the first stages of the DOP agreement, Israeli troops withdrew from Gaza and Jericho, and later from other West Bank cities, as Palestinians began running their own affairs. Washington mobilized inter-national pledges of economic aid to the newly self-governing Palestinian areas—a task deemed essential to success, given the pressing need for tangible economic improvements. The Palestinian police proved surprisingly effective—if not without failures—in maintaining order within Gaza and Jericho, and despite worsening economic conditions, the radical opposition consistently received the support of less than a quarter of the Palestinian public, according to polls. The Palestinian authority, and Mr. Arafat personally, succeeded in turning the Palestinian elections into instruments of legitimacy.

Yet several nearly fatal crises dogged implementation of the agreement even before Mr. Netanyahu ascended to power. The two sides, too, frequently settled crises by postponing contentious issues, and every delay has offered new opportunities for determined foes of the agreement to undermine the process. Meanwhile, only a fraction of the aid promised the Palestinians has arrived, and, instead of improving, per capita GDP in Gaza has fallen nearly a third while unemployment has risen to more than 50 percent. As a consequence, leaders on both sides find themselves hostages to their domestic constituencies, where sentiment runs against essential compromise. Since the rise of Mr. Netanyahu, the pressure of domestic constituencies in both polities has increased: the constituency of the new Israeli government is more committed to Jewish settlements in the West Bank, and Palestinian fears about the intentions of the new Israeli government limit Mr. Arafat's options. Here, in creating opportunities for leaders on both sides to counter their domestic pressures, a more active U.S. role could spell the difference between success and failure.

Much of the present difficulty derives from the way the DOP was negotiated. The agreement was reached only by postponing for later discussions the most contentious issues of a century-old, violent conflict—the future of over 130,000 Jewish settlers, the problem of Palestinian refugees, the status of Jerusalem, Israeli security, and possible Palestinian sovereignty. Thus, the
original agreement fell far short of the aspirations of those on both sides, including some who resorted to renewed terrorism to kill the agreement. From the February 1994 massacre of Palestinian worshippers in Hebron by an Israeli settler to the spate of suicide terrorist bombings by Palestinian activists, treaty opponents have time and again inflicted awful death in the name of religion. The consequence has been to throw leadership on both sides into a cycle of action and reaction that now threatens the accords.

Israel's chief concern going into the agreement was enhancing security and reducing violence. Escalating Palestinian attacks--mostly carried out by radical Islamist groups--beginning with the early months of the first stage of Palestinian autonomy, drove the Israeli government to close the Israeli labor market to Palestinians. This extreme measure helped the government at home, but drove the Palestinian economy to the brink, and the legitimacy of the Palestinian authority into crisis. At this stage, neither side was strong enough at home to push the process forward.

The need for independent arbitration became particularly clear even before the Israeli elections. In May 1995, Israel's threat to expropriate Arab land in Jerusalem prompted a United Nations Security Council meeting in which the United States cast its first post-Cold War veto. That crisis, though subsequently defused, revealed the shortcomings in the U.S. role in the Palestinian-Israeli negotiations. The issue of Jerusalem should never have reached the U.N., but the Palestinians, who believed that Israel was violating the DOP, had no other way to arbitrate their dispute with Israel. Since that time, the United States has employed its veto power twice more in the U.N. Security Council (in March 1997)--both times over the issue of Israeli unilateral actions in Jerusalem.

In light of this situation, the Clinton administration should rethink its vow not to intervene in the negotiations between Israel and the Palestinians. Neither detached mediation nor active American pressure on the parties is desirable, but between these two extremes there is a role for fair arbitration. What makes this role particularly necessary is that even when implementing the limited agreements already reached, important disputes remain, especially on Jerusalem and continued Jewish settlement in the West Bank. Because Israel controls the territories, the disputes are all too frequently resolved by unilateral Israeli actions, which leave the Palestinians feeling helpless and the foes of the agreement emboldened. The need for a stepped up American role has become especially strong, given the pattern of conflict that has pervaded Israeli-Arab negotiations since spring 1996. Whereas in the past, despite major setbacks, Palestinian and Israeli leaders had some basic confidence in each other's ultimate intentions--having built a working relationship that was independent of the United States--the absence of confidence in 1997 requires some independent arbitrator as a
guarantor of mutual commitments.

In particular, the failure to establish a means to identify violations of the Palestinian-Israeli agreements opens the way for other uninvited arbitrators, such as the U.S. Congress, to get involved. For example, Congress regularly contemplates punishing the PLO for violations of the agreement by withholding desperately needed aid, without taking a similar stock of Israeli violations—and without regard for consequences. It may be that neither the U.N. nor Congress are the proper forum for arbitration of these issues, but the task falls to them largely because of the administration's failure to act on its own by laying down markers for both the Palestinians and Israelis.

In any event, the administration has expended more diplomatic energy on the Middle East than perhaps on any other foreign policy issue. During the first Clinton administration, Secretary of State Warren Christopher visited the region more than a dozen times, resulting in increasing normalization in the relations between Israel and several Arab states. Much of the diplomatic energy, however, went to negotiations between Syria and Israel. And while a Syrian-Israeli deal would help enormously to cement Arab-Israeli peace, both Syria and Israel are powerful states who will ultimately have to make a deal, even if they fail to agree in the next few months. Meanwhile, the Palestinian-Israeli accords are racing against time, chased by agreed deadlines and by deteriorating economic, political, and physical conditions, and the blood of the innocent; on that track, delay may be a prescription for failure.

And the price of failure will be high. Although it is tempting to continue to assume that the Palestinian issue is no longer consequential for Middle East politics, the regional mood since Mr. Netanyahu's ascendance to power and the slowing normalization of relations between Israel and the rest of the Arab world indicate otherwise; and there are always other surprises in store.

Having said all that, the picture is not totally bleak. Israeli-Palestinian agreements have produced benefits for the rest of the Middle East peace process. For example, DOP has transformed Israel's negotiations with Syria, Lebanon, and Jordan, enabling them to become truly bilateral. Past Arab obligation to address the Palestinian issue in their negotiations with Israel diminished once the PLO concluded its own deal. Thus the stage was set for a Jordanian-Israeli peace treaty, which was concluded with U.S. involvement being limited to offering Jordan debt forgiveness and political support. Here, a limited U.S. role was sufficient, since few issues of contention between Israel and Jordan remained once the Palestinian issue was separated. But, even though King Hussein has demonstrated full commitment to his agreement with Israel, public opinion in Jordan has been running high against normalization—in no small part because of the slowness of the Palestinian-Israeli track. Jordanians, most
of whom are of Palestinian origin, do not want their peace with Israel to come at the expense of the West Bank.

Similarly, the DOP has given Syria justification to seek a strictly bilateral agreement with Israel. This in itself is an accomplishment, since Syria, an adamant opponent of the Camp David Accords, had for years opposed bilateral deals between Israel and Arab states, insisting instead on "comprehensive peace." These negotiations were halting and incremental when the Labor government was in power in Israel, not because of failed mediation efforts but because of strategic and domestic political considerations for Syria and Israel. Neither saw a pressing need for an immediate agreement. Both had independent military leverage to bring to bear. And the publics in both countries had not been sufficiently prepared for the necessary compromises. Since the Israeli elections, the gap between the two sides has expanded on all fronts--official Israeli positions challenging the "territory for peace" formula, or at least the need to give back all the Golan Heights to Syria, and worsening public support for the agreement in both countries, have made a deal more remote. Even here, however, Palestinian-Israeli relations are a factor--although Syria's calculations vis-à-vis Israel are primarily bilateral, Syria's President, Hafez Al-Assad, must nonetheless see the fate of Yasser Arafat as a reflection of his own in any future arrangement with Israel.

The broad outlines of a future Syrian-Israeli agreement are well known--nearly full Israeli withdrawal from the Golan in exchange for "full peace," significant demilitarization, and the presence of a U.S.-led international force. Although the difficult details in between will bar quick progress, the ultimate barrier is that neither government is yet sure it can afford the political costs of the deal. Here, the U.S. role can be limited to maintaining contact, avoiding crises, and preventing escalation in Lebanon, where Israelis and Lebanese remain painfully entangled. Although the United States is likely to continue efforts to stabilize Israeli-Lebanese relations and, ultimately, bring about withdrawal of foreign troops from Lebanese territories, it is unlikely that a peace agreement between Israel and Lebanon can be had without a Syrian-Israeli agreement.

Some may dispute whether Palestinian-Israeli peace is worth making a top U.S. foreign policy priority. In the past an Arab-Israeli deal would have helped to resolve the conflict between America's interest in oil and its commitment to Israel; but have not the Gulf War, the end of the Cold War, and the buildup of U.S. military presence in the region destroyed the linkage between oil and the Arab-Israeli conflict? Appearances can be dangerously deceiving, for the Arab-Israeli conflict remains a key factor in the postulation of U.S. interests in the Persian Gulf and in justifying the costly military presence in the region.
While no one would contest the continued importance of Gulf oil to Western economies, the U.S. perception of the Persian Gulf as being "vitally" important depended not only on oil, but also on perceived threats from the Soviet Union and to Israel. Given the Cold War's end and U.S. budgetary pressures, Arab-Israeli peace will diminish both the need and the will to deploy U.S. military resources in the region.

Indeed, U.S. political and military dominance in the region may not be necessary to secure the flow of oil. States in the Middle East sell oil and import goods with an eye much more to markets than to ideology. The behavior of oil-dependent Japan and some European allies during the 1990-91 Persian Gulf crisis was enlightening. If interest in oil logically entailed Western intervention, how do we explain these nations' early reluctance to support a military initiative against Iraq, even with the United States shouldering most of the burden?

The Bush administration's military reaction to the Iraqi invasion of Kuwait sprang from two presuppositions. The first was the public perception that the Persian Gulf was vitally important--a perception, solidified by the Carter Doctrine in 1979, whose basis was not merely the intrinsic value of oil but also potential Soviet control of it following the Afghan invasion. The second was the fear that a powerful Iraq would threaten American interests, especially Israel. Absent these presuppositions, the U.S. reaction to Iraq's invasion of Kuwait would likely have been much the same as that of its industrialized allies.

What remains in U.S. perceptions of serious threats in the Gulf is a combination of lagging ideas, continued potential threat to Israel, and the resulting Iranian and Iraqi opposition to an American presence, which would be unnecessary without these threats. For now, these combine to make American presence and commitment realities. The Middle East remains one of two primary arenas in U.S. military planning, and the establishment of the Fifth Fleet in the Persian Gulf adds a sense of permanence to U.S. deployment. Yet the budgetary debate in Washington will eventually squeeze the military budget, even with Republicans in control of Congress. Public support for such spending is likely to diminish, even if U.S. forces will remain in the Gulf for some time to come.

All this is to say that peace in the Middle East will change U.S. notions of interest in the Gulf and diminish the need for a costly military strategy in the region. Not too long after Syrian-Israeli peace, either Iran or Iraq, or both, will seek normalization with Israel. The savings to the U.S. economy could be substantial.

Even aside from the consequences of Arab-Israeli peace to U.S. policy in the Gulf, the U.S. commitment to Israel means that it cannot remain unaffected by the prospects of major wars
between the Jewish state and its neighbors. In addition, the
continuation of the Arab-Israeli conflict complicates U.S.
foreign policy in general. It is no coinci-dence that the only
three U.S. vetoes in the U.N. Security Council in 5 years
pertained to the Arab-Israeli conflict; during the Cold War, the
majority of all U.N. vetoes cast by the United States related to
this conflict.

Arab-Israeli peace, of course, will not resolve the region's
social, political, and economic troubles. It may even worsen them
in the short term. For decades, governments in the region have
used the conflict to justify deteriorating conditions; in times
of peace, their publics will be less patient. Today, the Middle
East is made up of mostly poor nations who are getting poorer.
Over the past decade and a half, the region's per capita GDP has
fallen more than that of any other region, including Africa. At
the same time, many governments in the region are becoming even
more repressive in their encounter with increasingly militant
opposition. These grave regional problems, which cannot be
addressed quickly, could increase instability. It is, of course,
not for the United States to cure regional ills. But, in times of
peace, American promotion of economic development, human rights,
and democracy--always subordinated to more pressing interests in
times of conflict--could rise in the list of priorities. Unless
the Clinton administration takes up the challenge of arbitrating
the Palestinian-Israeli negotiations, the peace that will permit
the region, and the United States, to address these problems may
be a long, long way in coming.
THE MIDDLE EAST PEACE PROCESS AND THE U.S. MILITARY

Lawrence R. Velte

The search for Middle East peace has preoccupied a succession of U.S. presidents going back at least to 1967. This certainly has been the case with the last two administrations. Over the past 8 years, various crises have arisen to plague America's leaders, but none has demanded so much time and energy as the so-called Arab-Israeli problem.

Despite this, however, the U.S. military has not been much concerned with this issue. There are a variety of reasons. For one thing, the peace process aims at a comprehensive political and, ultimately, social resolution of differences that cannot be addressed through military measures. On a more prosaic level, the U.S. Central Command (CENTCOM)--the force with primary responsibility for protecting U.S. interests in the Middle East--has practically all of its focus on the Persian Gulf and the Arabian peninsula. Israel, Syria, and Lebanon all are excluded from Southwest Asia, as the U.S. military defines the region.

Such matters aside, however, America's military would like to see the decades-old struggle of Arabs and Israelis resolved, since it complicates the military's primary mission of guarding the Persian Gulf. More and more, the two problems are becoming related; as the peace process bogs down, conditions in the Gulf also deteriorate.

This study will show how failure of the peace process could undermine America's security posture throughout the whole Middle East; and, particularly, this is so for the Gulf. I will begin my examination by laying out the specific objectives of U.S. forces in the theater, then discuss the likely consequences should the peace process collapse, and conversely how a meaningful peace could ease the military's burden in insuring stability in this part of the world. The objectives are:

- Protection of sea lines of communication, such as the Suez Canal, Strait of Hormuz, and the Bab al-Mandeb.
- Access to host nation military infrastructure and support for equipment pre-positioning and forward troop presence.
- Transit rights, such as rapid approval of passages through the Suez Canal and military overflights.
- Interoperability between U.S. and regional military forces.
- Development of regional countries' self-defense and Gulf Cooperation Council (GCC) collective defense capabilities.
Opportunities to conduct meaningful training.

**U.S. Presence in the Gulf.**

U.S. military presence in the Gulf region is significant, but not as large as may generally be thought. Troop levels fluctuate, but usually average 14,000-20,000, including naval, air, and ground forces presence. Our policy since Operation DESERT STORM is not one of occupation, but to be a reliable security partner who will be invited back into the region if Iraqi aggression reoccurs.

CENTCOM has pre-positioned ground equipment for Army combat brigades in Kuwait, and afloat in the Indian Ocean.

Air Force tactical fighter aircraft are deployed to Bahrain and Saudi Arabia, primarily to enforce (with Coalition partners) the southern no-fly zone over Iraq under Operation SOUTHERN WATCH.

Air Expeditionary Force fighter aircraft are periodically deployed into the region to supplement forward based forces.

U.S. naval presence is large, and usually includes an aircraft carrier battle group.

U.S. ground forces conduct frequent combined exercises in Kuwait, using the equipment pre-positioned there.

We do not have significant forces based in the Middle East outside the Gulf area. Rather, we have robust military engagement programs designed to demonstrate support for regional militaries, develop interoperability, and provide training opportunities for our forces. In addition to security assistance programs:

We have strong combined exercise programs with Jordan, Israel, Egypt, Tunisia, and Morocco. These are becoming more critical to our readiness as exercise opportunities in Europe shrink.

We have Joint Military Commissions and other regular military-to-military contacts with these countries.

In addition to our presence in the Gulf and close interaction elsewhere in the region, the U.S. military is involved in some activities directly related to the peace process.

Approximately 950 U.S. soldiers and civilians serve in the Multinational Force and Observers (MFO) which has monitored the security arrangements along the Egyptian-Israeli border since 1982.
Since the disengagement agreements following the 1973 war, the U.S. Air Force has flown periodic photo reconnaissance missions over the Sinai Desert and the Golan Heights to monitor military deployments. Information derived from these missions is provided to Israel, Egypt, and Syria.

U.S. military officers have served as U.N. Truce Supervision Organization (UNTSO) military observers throughout the region since 1948. The U.S. contingent ranged from a high of 37 to a present low of 2 percent. UNTSO's post-peace process future is questionable; it has significantly downsized since the Israeli-Jordanian treaty.

DOD has provided excess trucks and uniform items to the Palestinian police, and excess hospital equipment and medical supplies to the Palestinian Authority. However, DOD has supplied no lethal items and has conducted no training for the police.

The evolution of the Middle East peace process will directly affect our regional military objectives and the scope of our activities. Its success will have significant benefits for our military position in the region; its failure will pose equally significant dangers. Obviously, the situation is defined by more than the two poles of "success" and "failure"; there are degrees of each. But the military must plan for the worst outcome, so let us first consider a collapse of the current peace process and its larger effects on the region.

**Collapse.**

I do not believe that the peace process can remain stagnated far into the future--although U.S. policymakers see a need to keep the process alive as long as possible. Rather, I fear that at a certain point it will become impossible for the United States to sustain the "illusion" of progress. The parties will conclude that the negotiations that have evolved from Madrid have no future, and that will be an end to it--a "death certificate." This is especially true of the Palestinian-Israeli final status negotiations; it is probably less true of the Israeli-Syrian track, where a frozen status quo may be maintainable for a considerable period.

So what are the consequences? Other Middle East peace initiatives have failed--the Rogers Plan, the Reagan Initiative--and catastrophe has not ensued, at least not immediately. This time, however, there is no acceptable status quo to which the parties can return; it was the unacceptability of the status quo that drove them to Madrid in the first place. This time, collapse will trigger a number of events and developments--all negative.

The Israeli-Palestinian "front" will again erupt in violence. This violence will be at a level higher than that of
the Intifada, but lower than the late September 1996 firefights between the Israeli Defense Forces (IDF) and the Palestinian police. It will likely settle into a pattern of individual random but pervasive violence such as marked the latter days of the Intifada--strangers stabbed on streetcorners, employers murdered at the worksite, busses wheeled off the road. Spectacular terrorist bombings will be carried out, but it will be the "down and dirty" front doorstep violence that will most affect the Israeli population.

If Palestinian Zone A cities remain intact, they will become Bantustans festering with frustration and launching pads for terrorism, just as some Israelis fear an independent Palestinian state will be. Zone B villages will see renewed oppressive occupation which will further undermine what traditional social structure remains on the West Bank, corrode Israeli society, and degrade IDF combat readiness. Israeli reoccupation of Zone A cities, which would require the disarming of the Palestinian police, will lead to a very bloody conflict.

Collapse will cause an increase in tension on the Golan Heights and military activity in southern Lebanon. Terrorism carried out by Hizballah and secular radical groups will increase. I do not believe that a definitive end to the Israeli-Syrian track will inevitably lead to war on the Golan; Lebanon will remain Hafez al-Asad's battlefield of choice.

Israel's peace agreements with Egypt and Jordan will wither away or be actually renounced. Egyptian-Israeli military tensions will increase as Israel reacts to the fact that a majority of Egypt's large, well-equipped standing army continues to be oriented toward Israel. In Jordan, King Hussein will be dangerously exposed to a backlash from frustrated Palestinians and East Bankers who want nothing more than for the Palestinians to go home.

Collapse of the Palestinian track will severely retard Arab-Israeli political and economic normalization. Israeli economic development and integration with the larger region and the world, which Rabin and Peres correctly recognized as absolutely critical to the country's future, will be severely curtailed. Economic development of the Arab states will also be stunted. Political isolation of Israel will reverse a remarkable willingness of the world to engage Israel following Oslo.

In general, then, the collapse of the peace process will repolarize the Middle East and increase the likelihood of renewed warfare. It would retard Arab democratic development as populations are again seen by rulers as assets to be "mobilized" for the struggle. It will strengthen the hands of Iran, Iraq, and Libya, as well as those of the terrorists, both secular and religious.

It is possible that the Arabs will blame the Netanyahu
Government for this while acknowledging that the United States gave the peace process its best try. The likelihood, however, is that they will attribute failure to U.S. unwillingness to pressure the Israelis into making meaningful concessions. Depending on how blame for the collapse is apportioned, the U.S. regional military position will be damaged on the strategic and operational levels, and from the resource perspective.

The strategic level refers to such concepts as the national strategy of dual containment of Iran and Iraq and the military strategies of fostering Gulf Cooperation Council (GCC) collective defense and U.S. forward presence.

The operational level includes U.S. deployments, pre-positioning, and actual military operations such as SOUTHERN WATCH and DESERT STRIKE (the September 1996 destruction of air force facilities in southern Iraq).

The resource perspective includes security assistance, equipment transfers, host nation support, and other costs, both financial and nonfinancial.

Strategically. Our ability to sustain dual containment will be severely hurt as the Iranians and Iraqis acquire a revivified "Israel card." Iran and Iraq will be emboldened to challenge the United States and the coalition, and the Gulf states will be less willing to stand up to the challenge. As Ambassador David Mack has said, "We should understand that our success in persuading them [Gulf countries] that the peace process is good for Gulf security means they become more fearful when that process breaks down." Gulf states that are inclined toward more cordial relations with Iran and Iraq will be encouraged to develop them; this will further divide the GCC. Development of GCC collective defense capabilities will thus be further retarded, lowering the threshold at which the United States will be compelled to respond militarily to Iraqi aggression. Our strategy of forward presence will be hurt not only by increased reluctance of Arab states to host U.S. forces, but also by a shrinking of our bilateral military cooperative programs.

Operationally. Repolarization of the region will negatively affect our ability to deploy assets, especially ashore, in the Gulf. This presence includes pre-positioned equipment and materiel, and rotational and temporary Air Force units flying Operation SOUTHERN WATCH missions. Provided the military is still ordered to carry out its current missions, this will greatly complicate operations. Iraq no-fly zone enforcement and other missions may have to be flown from aircraft carriers instead of from shore bases, increasing the need for continual carrier presence and raising the Navy's already high operational tempo. If the almost continual rotation of Army forces into Kuwait for training exercises is curtailed, more Marine units may have to be afloat in the region and within easy reach if Iraqi aggression...
again threatens Kuwait, which is what CINCCENT must plan for. Termination of pre-positioning will mean that equipment will not be on the ground waiting for the U.S. forces to arrive; this will greatly complicate our response to aggression.

We can also expect to see a reduction in training opportunities in such countries as Jordan, Egypt, and Tunisia as these countries rethink the benefits of close military relations with the United States.

In addition, force protection will become even more critical than it has become in the aftermath of the Khobar Towers and OPM-SANG bombings. Terrorism directed against U.S. assets and interests will surely increase, not only in the region, but also world-wide.

From the Resource Perspective. Failure will probably reduce Gulf countries willingness to provide support for U.S. forces; this is already becoming a problem as host country financial resources become constrained. Gulf states pay a significant part of the bill for U.S. deployments. Provided the security of Israel remains a key national goal (even if the peace process collapses due to the policies and practices of the Netanyahu government), we can expect to maintain assistance to Israel at the same or higher levels into the future. This will probably involve additional equipment transfers from U.S. units to the IDF if war looms. The heretofore sacrosanct Israeli security assistance "earmark," to which Egypt's security assistance is informally tied, will continue to monopolize security assistance money and limit DOD's ability to assist other countries.

In conclusion, if our success in the Persian Gulf made possible a bold initiative towards Middle East peace, a collapse of the peace process will make impossible creative execution of our national security strategies in the Gulf.

Success.

Now for the "good news"--success of the peace process will mean a fundamental change in the region's prospects for the future. It is hard to define success, but there are commonly accepted desired outcomes.

The most critical is establishment of an acceptable modus vivendi between Palestinians and Israelis. Whether this involves a Palestinian state, confederation with Israel or Jordan, or some sort of autonomy arrangement remains to be determined through the final status negotiations. In fact, we can conclude that Israelis themselves have not agreed on whether the modus vivendi is centered on separation of the two peoples (Rabin's and Peres' vision) or integration/cohabitation (Netanyahu's vision).

Peace should result in Israeli withdrawal from the Golan
Heights and the southern Lebanon "security zone," with a tacit acknowledgment of Syria's position in Lebanon. This will reduce military tension in southern Lebanon and the incidence of terrorism. Historic Israeli-Syrian enmity should be mitigated by growing interaction.

Egyptian-Israeli relations should warm beyond the present "cold peace," reducing Israeli fears that Egypt could again become a military threat.

The Israeli-Jordanian treaty will be more broadly and fully implemented, bringing tangible benefits to Jordan.

Regionally, Arab-Israeli normalization will resume its post-Oslo vigor, giving all parties the opportunity to reap political and economic benefits crucial to their futures.

Arab-Israeli military contacts will be facilitated; this could reduce arms transfers and dampen proliferation of weapons of mass destruction.

It is prudent to consider what a successful peace process will not mean. It will not result in the "warm peace" that many Israelis, especially former Prime Minister Peres, insist on. Most Arabs will accept Israel in their heads, but they will not accept Israel in their hearts. There will still be substantive disagreements between neighbors; this is the norm throughout the world. But at least there will be regular mechanisms for handling them.

It will not result in the resolution of all disputes, either between Israel and the Arabs or among the Arabs. For example, peace will not necessarily mean the rehabilitation of Jordan among Gulf states.

It will not end terrorism. Plenty of rejectionists will remain unreconciled to peace and to the governments that reached it.

It will not bring about regional disarmament.

It will not bring wholehearted regional economic cooperation and prosperity. If the Arabs no longer fear Israeli military hegemony, they now worry about Israeli economic hegemony. This will cause Arab governments to respond very cautiously to Israeli economic and commercial expansion.

Notwithstanding inflated expectations, a successful outcome will assist the accomplishment of U.S. regional security goals. Comprehensive peace will minimize distractions and permit the United States to concentrate on challenges posed by Iran and Iraq. During the Gulf Crisis, Saddam sought to coercive Israel into taking military action which he thought would fragment the coalition. The U.S. military expended considerable resources and
energy to keep Israel out of the action. Deployment of PATRIOT batteries to Israel and rapid early warning of Iraqi SCUD launches are examples. At the very least, peace would make it far more difficult for Iraq or Iran to play the "Israel card" and keep the United States constantly watching its flanks for signs of coalition disintegration. At the very best, peace could convince Iran, and possibly Iraq, that their policies were fruitless and induce them to change their behavior and, in the common parlance, "rejoin the community of nations."

With peace, the United States could work on creating a truly regional security strategy. U.S. force presence could be structured more on the basis of military effectiveness, unrestrained by political considerations arising from an active Arab-Israeli dispute. For example, U.S. and allied tactical air missions enforcing the Iraq no-fly zones may be more effective if flown from Jordan rather than from Turkey and Saudi Arabia. We may be better served by taking advantage of Israel's superior military infrastructure and port capacity for pre-positioning supplies and equipment. Not only would "spreading the wealth" perhaps make good logistical and operational sense, but it could reduce our presence in Gulf states.

With peace, the United States would seriously look at redrawing geographic command boundaries and including Israel, Lebanon, and Syria within the Central Command. This will facilitate coordinated military engagement programs, combined exercises, and intra-regional military-to-military interaction.

GCC self-defense capabilities would be directly enhanced by initiatives the United States will be able to advance throughout the region. Currently, Arms Control and Regional Security (ACRS) negotiations under the peace process' multilateral track are suspended, primarily due to Egypt's unwillingness to participate unless Israel's nuclear program is somehow addressed. With peace, ACRS could be revitalized and Arab-Israeli military contacts facilitated. Regional confidence-building measures covering Israel and the Arab countries could be developed. An example is shared early warning: the United States could, through its technical means, provide early warning of ballistic missile launches to all friendly countries in the region. This would not only enhance security against Iraqi or Iranian WMD, but could also discourage indigenous ballistic missile procurement and development programs.

Other confidence-building measures would include military-to-military contacts such as periodic meetings, professional symposia, and training and doctrine exchanges. Regimes could be established for advance notification of exercises or troop movements. Such regimes will necessarily be part of an Israeli-Syrian peace treaty, but the concept, and its benefits, could be extended to the entire region.

With comprehensive peace, Egypt and Israel could develop
bilateral military confidence-building measures. Such do not now exist, even after 15 years of peace on-the-ground; confidence is provided only by the Multi-national Force and Observers. The Israelis are on record as not wanting significant change to MFO operations as long as they still face a hostile force across the Golan U.N. buffer zone. An Israeli-Syrian treaty will have acceptable security arrangements for the Golan Heights. This, plus increased Israeli-Egyptian interaction, might permit Israel to agree to reducing or removing the MFO "security blanket." The U.S. contribution to the MFO consists of a light infantry battalion on a six-month rotation, and a logistics support battalion on one-year rotational tours. This is not a significant budget item for DOD, but the six-month rotation seriously affects personnel resources and degrades the readiness of the combat divisions from which these units are drawn.

Finally, Israeli-Syrian peace would reduce Syria's role as an Iranian ally and make more difficult the activities of groups such as Saudi Hizballah and others inimical to U.S. assets and interests.

If peace will benefit the United States strategically and operationally, it may impose resource burdens on the military. Personnel savings realized from termination of the MFO might be spent in another peacekeeping mission. Two administrations have committed the United States to help implement security guarantees arising from an Israeli-Syrian treaty. This includes U.S. military participation in a Golan Heights peacekeeping mission if the parties request, following consultations with Congress. We expect the force would resemble the MFO in the Sinai: light infantry and civilian observer-inspectors. There are no indications that U.S. troops would become involved in peacekeeping on other Arab-Israeli "fronts."

The security arrangements incorporated in an Israeli-Syrian treaty will probably require the United States to provide early warning of military movements to both parties. Over and above what the treaty may require, Israel will expect the United States to provide additional, more sophisticated early warning in the context of our commitment to support Israel's qualitative military edge. This can be a very expensive undertaking.

We expect Israel will request the United States to provide a package of military equipment to both compensate for any degradation of security following a Golan Heights withdrawal, and to reward Israel for taking risks for peace. Others, such as Lebanon and Jordan, will probably also ask the United States for a similar "peace dividend." As a sign of support for the Israeli-Jordanian treaty, the United States is already providing F-16 aircraft to Jordan. At least part of these peace dividend packages will most likely have to come from operational military stocks. We have already provided some such equipment for Israel and Jordan, and we know that it hurts U.S. military readiness.
The issue of a peace dividend for Syria is a provocative one. Syria will be more interested in political rewards, such as removal from the list of state sponsors of terrorism, financial assistance, and access to credit than in military hardware. The Syrian military is equipped with east-bloc equipment; mixing in U.S. gear (especially excess items with limited repair parts inventories) would vastly complicate its logistics problems. If Hafez al-Asad wants an equipment package, we could refer him to Russia, the other sponsor of the peace process.

So, peace, too, has its resource burdens, but ones which will be more than offset by the benefits that a successful peace process will bestow on the U.S. regional military position and our ability to execute the military component of U.S. national strategy in the Middle East.

ENDNOTES

1. In addition, the Clinton administration has practically turned over the process to Ambassador Dennis Ross, the Secretary of State's Special Middle East Coordinator. The Assistant to the Chairman of the Joint Chiefs of Staff, a three-star general, participates with Ross' peace team when there is a military component to the negotiations. The fact remains, however, that the peace process is not a subject for U.S. Government interagency deliberations, the normal government policymaking procedure.

2. The military's Unified Command Plan splits the region between two geographic areas—Southwest Asia and Europe. The former includes the Persian Gulf and Arabian Peninsula, plus Egypt and Jordan; these fall within the Area of Responsibility of the United States Central Command (CENTCOM). Israel, Lebanon, Syria, and the Maghreb are the responsibility of the European Command (EUCOM). The principal reason for this division is to allow the Commander-in-Chief of CENTCOM to concentrate on meeting his responsibilities in Southwest Asia without having to worry about being seen by his Gulf partners as "tainted" by having a close military relationship with Israel.

3. Zone A and Zone B refers to areas included in the Occupied Territories. Zone A cities are all those under complete Palestinian control. Zone B is that portion of the Occupied Territories where the Palestinians have been allowed to have civil jurisdiction but no control over security. Bantustans refers to the special preserves set up by South Africa's former white-ruled government where blacks were domiciled, hence a form of apartheid.


5. Note Shai Feldman's comments on page 42 of The Future of