

Appendix 2C. The Palestinian–Israeli peace process in 2000

PAUL LALOR

I. Introduction

Crises and their resolution, deadlines and their deferment have characterized Palestinian–Israeli diplomacy since the Oslo Agreement of September 1993.¹ In the course of the year 2000 there were hopes that a final settlement would be reached under US auspices at Camp David in July, but outbreaks of violence in May and September made it clear that these hopes were premature. By the end of the year the worst crisis in the peace process so far remained unresolved. The Oslo process was in ruins, fighting between Palestinians and Israelis was continuing and relations between the two sides and between Israel and the Arab world were at their lowest point since 1993. With a new administration in power in the USA in January 2001 that is less likely to be engaged and a new right-wing prime minister in Israel a month later, the future, at least in the short term, looked uncertain and bleak.

II. Great expectations

Hopes were high when Ehud Barak became Israeli Prime Minister in July 1999 that Palestinians and Israelis would make up for time lost under former Prime Minister Binyamin Netanyahu. In September 1999 the two sides signed the Sharm el-Sheikh Memorandum (also called the Wye II or Wye Plus agreement). Under it, the Israelis and the Palestinians were to reach a framework agreement on permanent status on Jerusalem, refugees, settlements, borders and water by 13 February 2000 with a view to signing a fully-fledged peace treaty by September 2000. This two-stage approach, agreeing guidelines first with a view to filling in the details later, was derived from the Camp David process of 1978 between Egypt and Israel. The Sharm el-Sheikh agreement also set a new timeline for Israel to carry out further redeployments required by previous agreements but never implemented. One month later there was also agreement on the release of Palestinian prisoners and on the opening of a northern safe passage route from Gaza to the West Bank.²

¹ Declaration of Principles on Interim Self-Government Arrangements (DOP) signed in Washington, DC on 13 Sep. 1993 by the Government of Israel and the Palestine Liberation Organization (PLO). The text is published in *SIPRI Yearbook 1994* (Oxford University Press: Oxford, 1994), pp. 117–22. On the history of the peace process, see also Eisendorf, R., ‘The Middle East: the peace and security-building process’, *SIPRI Yearbook 1994*, pp. 97–115; and chapters in successive SIPRI Yearbooks.

Official documents, press releases and other background material can be found on the Internet sites of the Israeli Ministry of Foreign Affairs, URL <<http://www.israel-mfa.gov.il>>, and of the Palestinian Negotiation Affairs Department at URL <<http://www.nad-plo.org>>.

² For the text of the Sharm el-Sheikh agreement, see *Mideast Mirror*, 6 Sep. 1999. See also *Journal of Palestine Studies*, 114, vol. 29, no. 2 (winter 2000), pp. 143–46. The agreement was also known as Wye II to indicate that it was essentially a revision of the Oct. 1998 Wye River Memorandum. On the Wye River Memorandum and its implementation, see Jones, P. and Jägerskog, A., ‘The Middle East’, *SIPRI Yearbook 1999: Armaments, Disarmament and International Security* (Oxford University Press: Oxford, 1999), pp. 176–80. The memorandum is reproduced in *SIPRI Yearbook 1999*, pp. 189–93.

By early 2000, while some of the deadlines had been met, others seemed increasingly unrealistic. There were delays in the further redeployments and prisoner releases. The 'final status' teams (led by Oded Eran for Israel and Yasir Abd Rabo for the Palestinian Authority, the PA) seemed to be locked in discussion of procedural issues and presentation of maximalist opening positions. A major reason for the lack of progress on final status was Israel's concentration on negotiations with Syria, which had begun again in December 1999 after a standstill during the three years when the right-wing government of Netanyahu was in power in Israel. In this climate of limited progress, made worse by the increased expectations born of Barak's election victory, the Palestinian side voiced increasing concern over the expansion of Israeli settlements in the West Bank under Barak's premiership. An increasingly frustrated Yasser Arafat, Chairman of the Palestinian Authority, began again to threaten to declare a Palestinian state in 2000.³

A meeting between Barak and Arafat on 3 February ended acrimoniously. Focusing on Lebanon and Syria, Barak called for the target date for the framework agreement on permanent status to be put back for a few months and presented a map to Arafat outlining the next phase of the delayed further redeployment agreed in 1999. The Palestinians had been under the impression that this would give them full control over a number of Palestinian villages along the eastern border of Jerusalem. However, the map offered a number of areas to the north and south of the West Bank, none near Jerusalem and none of them contiguous. The Palestinians had also been angered by a blueprint for a final settlement floated by Israel shortly before the February meeting. This reportedly involved a trade-off, with Israel annexing the main settlement blocs in the West Bank and retaining, for security reasons, areas east of Jerusalem and in the Jordan Valley said to be empty of Palestinians, while recognizing a Palestinian state on the 65 per cent of the land that remained. In return, the Palestinians were to give up claims of sovereignty over East Jerusalem and renounce the right of return to Israel.⁴

Palestinians castigated the plan as only slightly better than the one put forward by Netanyahu. Arafat, insisting on the applicability of UN resolutions, rejected the plan and on 6 February, pending Israel's response to a series of questions about its intentions regarding the framework agreement on permanent status and the further redeployments, the PA suspended talks with Israel.⁵

Intensive US and Egyptian diplomatic activity and a secret meeting between Barak and Arafat in Tel Aviv on 7 March led to a new agreement, announced in Cairo on 9 March. New deadlines were set for the further redeployments and talks on the framework agreement on permanent status sponsored by the USA began again towards the end of the month at Bolling Air Force Base near Washington, DC, under a media blackout.⁶ The media blackout, secret talks and rumours led to conflicting reports on the progress of the negotiations and the proposals that came out of them. What is not in doubt is that from the end of March onwards there was much more focus by Israel and the USA on the Palestinian–Israeli track. The main reason for this was the failure of the summit meeting between US President Bill Clinton and Syrian

³ 'Back to Oslo, even Camp David', *The Economist*, 4 Nov. 1999; 'Silenced', *The Economist*, 9 Dec. 1999; 'Palestinians on the shelf', *The Economist*, 13 Jan. 2000; and 'Barak's maps', *The Economist*, 17 Feb. 2000. All references to *The Economist* are available on URL <<http://www.economist.com>>.

⁴ *Ha'aretz*, 4 Feb. 2000; 'Palestine: hard road ahead', *Middle East International*, 11 Feb. 2000; and 'Barak's maps' (note 3).

⁵ *Ha'aretz*, 7 Feb. 2000; and 'Barak's maps' (note 3).

⁶ 'Middle East peacemaking reawakens', *The Economist*, 9 Mar. 2000.

President Hafez al-Assad in Geneva on 26 March and disappointment that the Syrian–Israeli track was clearly at an end.⁷

The first round of talks lasted from 21 to 28 March. However, it became clear at the second round, which began as scheduled on 6 April, that further progress required the direct intervention of Arafat and Barak. On 8 April, it was announced that the two leaders would visit Washington for separate meetings with President Clinton. The third round of talks was held in Eilat. The opening of the meeting was delayed for five hours by Palestinian protests at continuing expansion of Israeli settlements.⁸ On 2 May, Israel presented the Palestinians with its vision of the final status map. This reportedly involved the return of 66 per cent of the West Bank to the Palestinians, the retention by Israel of 14 per cent of the Jordan Valley for a period of seven years, and the annexation of the rest (20 per cent) of the West Bank by Israel, including all the main settlement blocs and two lateral land corridors connecting these to the Jordan Valley.⁹ Contiguity in the area that would be recognized as a Palestinian state by Israel would be assured by a series of roads, bridges and tunnels. Jerusalem was to remain united under Israeli sovereignty.

The Palestinian delegation walked out of the talks in protest at the proposal, which fell far short of its demand for a Palestinian state in the territory occupied by Israel in 1967 with East Jerusalem (occupied and annexed by Israel in 1967) as its capital. The Palestinians also accused the USA of merely ‘interpreting’ Israeli positions rather than mediating between the two sides.¹⁰

Following a meeting between Barak and Arafat convened under US pressure in Ramallah on 7 May, the Israeli Prime Minister announced that Israel would transfer three Palestinian villages on the borders of East Jerusalem to PA control within a few weeks or months. The response of the Israeli right was one of outrage. For many Palestinians it was a case of too little, too late.¹¹

On 15 May, the day Palestinians commemorate their losses in the 1948 war, the West Bank and Gaza experienced the worst violence since the disturbances of September 1996, when the Israeli Government opened a controversial tunnel in Jerusalem. At least five Palestinians were killed and hundreds wounded by Israeli soldiers. Fifteen Israeli soldiers were injured, five as a result of Palestinian gunfire.

Short-term causes of the violence were the passing of the 13 May target date for the conclusion of the framework agreement on permanent status and Israel’s reluctance to release 1600 Palestinian prisoners, some 650 of whom had been on hunger strike since the beginning of the month. Deeper causes included increasing disenchantment with the Oslo peace process. Palestinians had expected that their economic situation would improve after the Oslo agreements of 1993, but, instead, among ordinary Palestinians the standard of living had deteriorated drastically since 1993. Income per person was down by about one-fifth, unemployment had risen sharply and freedom of movement was even more restricted than it had been in the pre-Oslo period.¹² The number of settlers had almost doubled since Oslo and there were fears that the

⁷ ‘The peace process flounders in Jerusalem’, *Middle East International*, 7 Apr. 2000; and ‘The American–Israeli gameplan’ and ‘Mapping the future’, *Middle East International*, 21 Apr. 2000.

⁸ ‘Next round, next crisis’, *Middle East International*, 5 May 2000.

⁹ Maps of the proposals are available on the Internet site of the Palestinian Negotiation Affairs Department at URL <<http://www.nad-plo.org/maps>>.

¹⁰ ‘Peace monitor’, *Journal of Palestine Studies*, 116, vol. 30, no. 4 (summer 2000), p. 122. See also *The Economist*, 23 Mar. 2000; and *Middle East International*, 19 May 2000.

¹¹ ‘Can Mr Barak deliver? Palestinian hopes for peace are fading’, *The Guardian*, 17 May 2000; and ‘A warning of things to come’, *The Economist*, 20 May 2000, p. 60.

¹² ‘For Palestine, bring in Solomon’, *The Economist*, 27 May 2000, p. 20.

Palestinian leadership had already compromised on territory, Jerusalem and the right of return in secret talks. These fears were given some substance by the revelation on 15 May that there had indeed been a 'back channel' in Stockholm. These back-channel talks were led by Ahmed Qureia (Abu Ala, a veteran of the Oslo talks in 1993 and speaker of the Palestinian Legislative Assembly) and Shlomo Ben Ami, the Israeli Minister of Public Security. It is not clear what was discussed in Stockholm, but both sides seemed to feel that, as with Oslo, more could be achieved in talks out of the public eye.¹³

Palestinian discontent was also fuelled by disappointment with the PA's performance. In November 1999 a declaration signed by 20 academics and legislators, some from Arafat's own organization, Fatah, condemned the peace process as a conspiracy against Palestinian national aspirations and accused PA leaders of corruption and oppression. The main charge was that Arafat himself was ultimately to blame—an indication that anger was overcoming reluctance to blame Arafat directly.¹⁴ In these circumstances, many Palestinians contrasted the policy of their leadership unfavourably with that of Hizbollah, the Shi'a-dominated resistance organization in southern Lebanon. For these Palestinians, the equation was straightforward: Hizbollah had fought rather than talked with Israel, and Israel had announced in April that it would unilaterally withdraw by July from all the territory it had occupied in Lebanon.¹⁵

Some analysts had a simpler explanation for the mid-May violence—that Arafat was behind it with a view to forcing concessions from Israel. However, by the end of May, there was widespread agreement that Arafat's problems were spiralling out of control.¹⁶

In these circumstances, Barak postponed the transfer of the three villages in Jerusalem to Palestinian control. Barak also had his domestic constituency to consider. His position had been eroded by a series of scandals, including a police investigation into financing for his election campaign and charges against his minister of transport of sexual harassment and assault. Barak had also been undermined by continuing violence in Lebanon, despite the negotiations with Syria, and by the events of 15 May at a time when he was perceived to be making concessions to the Palestinians.

Amid fears that he was on the verge of making unacceptable concessions on territory, Jerusalem and refugees, Barak's greatest problem was his increasingly fragile government. While he personally had secured 56 per cent of the vote, the new system introduced before the 1999 elections, which allowed people to vote for the prime minister and the party of their choice, had led to an even more divided Knesset, and Barak had chosen to forge his government out of an unwieldy coalition of leftist, secularist Meretz; Shas, which had a religious leadership and represented North African Jews in particular; the National Religious Party; and one of the two Russian parties in the new Knesset, Nathan Sharansky's Yisrael Ba'Aliya. By June, the National Religious Party had threatened to resign over the proposed transfer of the

¹³ *Middle East International*, 19 May 2000; and 'Palestine negotiator quits', *The Guardian*, 16 May 2000. Yasser Abed Rabo, the Palestinian chief negotiator, resigned when he discovered that a second set of talks had begun secretly in Stockholm. Abed Rabo's resignation not only reflected his anger at being bypassed by Chairman Arafat but also mirrored wider Palestinian fears about unfavourable concessions and secret deals.

¹⁴ 'Silenced' (note 3).

¹⁵ For a discussion of the Lebanese parallel, see 'Lebanon's "example"', *Mideast Mirror*, 5 June 2000. See also 'Palestinians look to Lebanon's example', *The Economist*, 23 Mar. 2000.

¹⁶ *Middle East International*, 19 May 2000.

Jerusalem villages to Palestinian control. Yisrael Ba'Aliya was also making clear its opposition to rumoured concessions which it said would endanger Israel's security. The government was torn by problems that had little to do with the peace process. Chief among these was the ongoing conflict between Meretz and Shas. By mid-June Shas was threatening to pull out of the government because of a long-running dispute over funding for religious schools. This would have removed Barak's majority in parliament and, while there was speculation that he would have been able to cobble another one together, it was likely to be unstable.¹⁷

It was against this background that Barak began to focus on making a final status deal with the Palestinians and putting it to the people in elections or a referendum. He calculated that, although his coalition government would disintegrate and he would lose his majority in parliament, he would win the support of most Israelis. One of the main reasons behind Barak's 'going for broke' was that the US Administration, which had been so instrumental in the peace process, would shortly be diverted from it by preparations for elections in the autumn of 2000. Towards the end of May, six weeks ahead of the target date, Barak carried out a full-scale Israeli withdrawal from Lebanon allowing him to concentrate fully on the Palestinian track.

There was intense US diplomatic pressure on the Palestinians in June. The objective was to persuade them to drop their insistence on a third further redeployment and go straight into final settlement negotiations. The US moves were widely interpreted within Palestine and the Arab world as riding roughshod over the domestic constraints on Arafat and as 'weighing in with Barak against Arafat'.¹⁸ Talks had continued intermittently at Bolling and Andrews air force bases in the USA and via the Stockholm 'back channel', and on 20 June the PA announced that in recognition of Barak's domestic difficulties it would not push for the implementation of the third further redeployment deadline. In these circumstances, President Clinton was able to secure the agreement of both Barak and Arafat to come to Camp David on 11 July for a week-long summit meeting. It was agreed that core final status issues would be discussed at Camp David, with Arafat, Barak and Clinton playing central roles, while second-tier issues would be handled by negotiators at nearby Emmitsburg, Maryland.¹⁹

III. The Camp David summit meeting

The Camp David summit meeting actually lasted from 11 July to 25 July. It was surrounded by a news blackout and it is difficult to say what went on or what was on offer. What is clear is that, despite 15 days of intensive negotiations, the meeting did not produce the sought-for agreement. The main stumbling block appears to have been Jerusalem.

There were a number of breakthroughs. Barak broke the taboo that Jerusalem was non-negotiable as far as the Israeli side was concerned. The idea that a Palestinian state could have its capital there was also on the table. There seemed to be agreement

¹⁷ 'Wasn't that worth waiting for?', *The Economist*, 1 July 1999; 'Back to bombs and rockets', *The Economist*, 10 Feb. 2000; 'Middle East peacemaking reawakens' (note 6); 'Barak's bickering brood', *The Economist*, 11 May 2000; and 'Wobbling', *The Economist*, 15 June 2000.

¹⁸ 'Albright seen weighing in with Barak against Arafat', *Mideast Mirror*, 5 June 2000.

¹⁹ 'Make-or-break chance', *The Economist*, 29 June 2000. See also *PeaceWatch: The Washington Institute's Special Reports on the Arab-Israeli Peace Process*, no. 264 (15 June 2000); and *Mideast Mirror*, 17 July 2000.

on Palestinian sovereignty within the municipal boundaries. Arafat reportedly agreed to 11 Jewish settlements in East Jerusalem being part of Jewish Jerusalem.

There were reports of movement on the issues of borders and refugees. There were discussions about a Palestinian state in Gaza and about 90 per cent of the West Bank, and on Israeli annexation of the three major settlement blocs (Ariel, Gush Etzion and Ma'ale Adumim) in the West Bank in exchange for land from Israel near Gaza. On the refugee issue, there were reports of some common ground on setting up an international fund to compensate the refugees and of Israeli agreement to absorb some tens of thousands inside Israel.²⁰

Most sources agree that the summit meeting failed because of Jerusalem. The main problem seems to have been the Old City and the Dome of the Rock in particular. There was talk of vertical and horizontal sovereignty and of shared and even divine sovereignty. There were reports that, in the final discussions, Arafat had rejected an Israeli proposal, backed by the USA, that would have given Israel residual sovereignty rights over the holy sites in the city while granting custodial sovereignty over some of the sites to the Palestinians. Arafat insisted on full sovereignty over the Old City, excluding the Jewish quarter and the Wailing Wall, pointing out that 37 000 Palestinians lived there as against 3000 Jews. In short, Arafat insisted on sovereignty where Palestinians lived. However, the Israeli side felt that it had gone as far as it could go.²¹

The two leaders issued a joint statement at the end of the summit meeting involving a commitment to UN resolutions and to avoiding unilateral actions that would prejudice the outcome of talks.²² This last clause was aimed at getting Israel to slow down the pace of settlement in the West Bank and, in particular, to encourage Arafat not to declare a Palestinian state in September. But there was no disguising the fact that the summit meeting had not lived up to expectations. Both Barak and Clinton blamed Arafat for not having the courage to take crucial decisions. On 25 July Barak delivered a sombre address to the nation that seemed to foresee violence. The Palestinian side professed disappointment that there was not greater consideration for the concessions that they had made. They pointed to a basic misunderstanding in the negotiations. Palestinians felt that they had made their major concession by giving up on the land that they had lost in 1948. They felt that they were due the remaining 22 per cent of pre-1948 Palestine that had been occupied by Israel in 1967. Neither Israel nor the USA had recognized this concession and they were pressuring the Palestinians into negotiating away land lost in 1967. They also pointed out that Jerusalem and the refugee issues were not for the Palestinian leadership alone to decide or concede and that Arafat had been supported in his stand on Jerusalem at Camp David by President Hosni Mubarak of Egypt and other Arab and Muslim leaders.²³

²⁰ 'Jerusalem's split sovereignty', *The Economist*, 14 Sep. 2000; 'Home from Camp David', *The Economist*, 27 July 2000; and 'Limiting Camp David's damage', *The Economist*, 27 July 2000.

²¹ 'Fearing success at Camp David', *Mideast Mirror*, 17 July 2000; 'Cashing in on the refugees', *Mideast Mirror*, 18 July 2000; and *Middle East Economic Digest*, 4 Aug. 2000. For a critical account of what was on offer on Jerusalem, see Dumper, M., 'Talking about Jerusalem', *Middle East International*, 18 Aug. 2000 where the author argues that what was on offer was little more than the Palestinians already had.

²² For the Trilateral Statement on the Middle East Peace Process Summit at Camp David, 25 July 2000, see the Internet site of the Israeli Ministry of Foreign Affairs at URL <<http://www.israel-mfa.gov.il>>. See also 'Limiting Camp David's damage' (note 20).

²³ 'Camp David's disputed city', *The Economist*, 20 July 2000; 'Home from Camp David' (note 20); and *International Herald Tribune*, 29 Nov. 2000. For documents relating to the summit meeting and the

Arafat returned to the West Bank and Gaza a hero for refusing to buckle under at Camp David. However, his standing was eroded when, bowing to international and regional pressure, he failed yet again to declare a Palestinian state in September 2000 and instead resumed negotiations with Israel under the auspices of the USA, which, particularly after Camp David, was seen as hopelessly pro-Israel by most Palestinians.²⁴ Barak came back to Israel to face an eroding domestic support base and a minority government. Right-wing Israelis felt that he had given too much away at Camp David, and on Jerusalem in particular. Left-wingers felt that he had offered as much as he could and were disappointed by the Palestinian response. Increasing numbers of Israelis were persuaded that the Palestinians were unwilling to make a peace that Israelis could accept. Barak's personal position continued to decline. Many Israelis viewed his 'civil revolution' of 19 August, aimed at secular-oriented reform, as ill-considered and untimely. The resignation of his Chief of Staff of 15 years after publicly voicing complaints that Barak ignored his advice and failed to delegate responsibility was grist to the mill of those who claimed that Barak was a dangerous know-all who listened to no one. He barely survived a vote of no-confidence in the Knesset on 23 August, after which the Knesset went into recess until the end of October.²⁵

The Clinton Administration, itself with elections approaching, sought to take advantage of what must have seemed like a last window of opportunity. Following intensive rounds of US diplomatic activity to restart negotiations, President Clinton held separate meetings with Barak and Arafat on the sidelines of the UN Millennium summit in New York on 6 September. Negotiations began again in the USA only to be broken off.²⁶ On 26 September, Arafat and Barak met privately in an effort to revitalize the process and there were hopes that there would be progress in negotiations which were due to begin in the USA the next day.²⁷ However, these hopes were dealt a crushing blow by events in Israel and Palestine.

IV. Breakdown

At the end of September, the West Bank and Gaza exploded into violence that spilled over into Israel. By early October, this was being characterized as the most serious violence since the Occupation of 1967 and the worst inside Israel since the state was established. By the end of October, there were reports of 141 dead, including

Israeli perspective see the Internet site of the Israeli Ministry of Foreign Affairs at URL <<http://www.israel-mfa.gov.il>>. See in particular 'The conclusion of the Camp David summit: key points'. For an account by an Israeli participant at Camp David, see Rubinstein, E., 'Camp David collapse: a behind the scenes assessment by a participant', *PeaceWatch: The Washington Institute's Special Reports on the Arab-Israeli Peace Process*, no. 272 (26 July 2000). For what was reportedly on offer at Camp David, see *Strategic Assessment* (Jaffee Centre for Strategic Studies), vol. 3, no. 2 (Sep. 2000); and 'Crossroads of conflict: Israeli-Palestinian relations face an uncertain future', Special Report for the Foundation for Middle East Peace, Washington, DC, winter 2000. Another useful assessment is Benin, J., 'Camp David II', MERIP (Middle East Research and Information Project) Press Information Notes, 26 July 2000, URL <<http://www.merip.org>>.

²⁴ 'Home from Camp David' (note 20); and 'Statehood delay dashes hopes of Arafat's people', *The Guardian*, 11 Sep. 2000.

²⁵ 'Crowds out for Arafat, daggers out for Barak', *The Guardian*, 27 July 2000; 'Civil revolution', *The Economist*, 24 Aug. 2000; and *The Guardian*, 11 Sep. 2000.

²⁶ *Middle East Economic Digest*, 15 Sep. 2000.

²⁷ 'The road to war', *The Economist*, 5 Oct. 2000.

117 Palestinians, 13 Palestinian citizens of Israel²⁸ and 11 Israeli citizens, and thousands injured. By the end of the year, the number of dead had reportedly risen to 332, of whom 278 were Palestinians, 13 were Palestinian citizens of Israel and 41 were Israeli citizens—a ratio of about seven Palestinians for every Israeli killed.²⁹ From the outset, Israel was strongly criticized for using excessive force by the UN Security Council and various human rights organizations.³⁰ Many of the Palestinian dead were under the age of 18 and many of those killed had been unarmed. Many had been carefully targeted and killed by gunshots to the head or neck.³¹ At the end of the year the violence was still continuing.

While many observers were surprised by the extent of the violence, others had been predicting it for some time. For them, the May outbreak had been a warning of the degree of Palestinian frustration with the peace process and disappointment with the Palestinian leadership. Others pointed to the hardening of positions in the wake of the Camp David summit meeting. And while there was shock at the harshness of the Israeli response, there was little surprise that it had been hard.³²

Most observers traced the violence to the visit of Likud leader Ariel Sharon to the Haram al-Sharif (Temple Mount) on 28 September. However, Israeli analysts accused Arafat of cynically exploiting the visit in an attempt to gain ground after Camp David and the blame directed at him by the USA and much of the international community.³³ Palestinian and other analysts trace the violence to the harshness of the Israeli response to Palestinian stone-throwers on 29 September, when at least five Palestinians were shot dead, and on subsequent days. Muhammad al-Durra, the 12-year old shot dead on 30 September by the Israeli Army in Gaza in full view of a television cameraman, was a particularly potent symbol. These analysts argued that as the body count mounted it was becoming increasingly difficult for Arafat to call an end to what Palestinians were calling the battle for Jerusalem.³⁴

²⁸ Palestinian Israelis make up about 18% of the population of Israel and are sometimes referred to as Israeli Arabs. They are the Palestinians who remained in Israel after 1948 and their descendants. Although citizens of the state of Israel, they face discrimination in many areas of life.

²⁹ These figures are taken from the Internet site of the Israeli Information Center for Human Rights in the Occupied Territories, at URL <<http://www.btselem.org>>. They were correct as of 2 Feb. 2001. The site warns that the numbers are updated as new information comes in. This source gives generally lower figures than those provided by Palestinian human rights organizations. See also *The Guardian*, 17 Oct. 2000.

³⁰ 'Clinton, between Arafat and Barak', *The Economist*, 9 Nov. 2000. For the Israeli response see 'After a nightmare week, Israel fights back in the war of words: spin doctors team tries to justify strength of response', *The Guardian*, 17 Oct. 2000.

³¹ 'Clinton, between Arafat and Barak' (note 30) reported that by then 170 Palestinians had died, one-third of them aged under 18 and one-half killed by gun shots to the head or neck. It put the number of Israeli deaths at 16. One feature of the violence was the extraordinary dissonance between the way Israelis perceived their army's behaviour and the way the Palestinians and much of the international community saw it. Many Israelis agreed with Prime Minister Barak that he was exercising a policy of restraint. Israeli hardliners argued that the army had barely brought a 1000th part of its power into play and should do more. 'Despondency', *The Economist*, 23 Nov. 2000. However, there were signs of change towards the end of the year. See, e.g., Horowitz, D., 'Israel admits using excessive force', *Irish Times*, 13 Dec. 2000. Unnamed military officials were quoted as acknowledging that 'Israel has frequently been using excessive force against the Palestinians' and a 'senior officer' said 'nobody can convince me we didn't needlessly kill dozens of children'.

³² See, e.g., 'How West Bank fighters had planned "war" a year before', *The Observer*, 19 Nov. 2000. The article also contains information on how Israel had prepared for the confrontation.

³³ 'The road to war' (note 27); and 'War in Palestine', *The Economist*, 5 Oct. 2000.

³⁴ *The Guardian*, 29 Sep. 2000; 'The road to war' (note 27); and 'War in Palestine' (note 33). For a Palestinian account of why the new intifada broke out see Husseini, F., 'Why this new intifada and how it might be cooled down', *International Herald Tribune*, 29 Nov. 2000. For an excellent detailed analysis

The crisis steadily escalated in October and November, and continued into December. On 12 October Israel launched unprecedented retaliatory attacks on Palestinian targets after the lynching of two Israeli soldiers by Palestinians in Ramallah, captured live by the world's television cameras.³⁵ On 29 October, the Israeli Army was authorized by the government to take the initiative, involving anti-guerrilla operations like those launched in southern Lebanon. The deputy defence minister later confirmed that this meant, among other operations, assassinations of Palestinians who were seen as threats.³⁶ Apparently in line with this authorization, Israeli helicopters targeted a Fatah official in his car near Bethlehem on 9 November and killed him and two passengers. By the end of the year Palestinian and other sources were claiming that between 20 and 30 Palestinians had been assassinated.³⁷ In mid-November Israel imposed restrictions on movement in the West Bank and halted monthly payments of tax transfers amounting to \$60 million owed by Israel to the PA.³⁸

By the end of October there was more evidence of guns being used on the Palestinian side, for instance, in the nightly attacks on the settlement of Gillo, to which Israeli forces responded with tanks and helicopter gunships.³⁹ Between 10 and 14 November, in what observers from both sides interpreted as a shift in Palestinian tactics from stone-throwing and sporadic shooting to armed guerrilla attacks, six Israelis, including four soldiers, were killed by Palestinians.⁴⁰ There were also car bomb attacks in Jerusalem and Hadera in November, which killed four Israeli Jews.⁴¹

Intensive diplomatic efforts by various parties to secure a ceasefire and get the peace process back on track failed. The USA brought the two leaders together in Paris on 4 October and UN Secretary-General Kofi Annan arrived in the region for an unprecedented visit on 9 October. The limited agreement born of the Sharm el-Sheikh summit meeting of 16–17 October, hosted by Mubarak and involving Barak, Arafat, Annan, King Abdullah of Jordan and Clinton, broke down under the pressure of violence, as did the early November deal stitched together by former Prime Minister Shimon Peres and Arafat.⁴²

The violence has greatly widened the gap between the various parties to the conflict. Israelis were shocked by the scope of the violence in the West Bank and Gaza and by the degree of spillover into Israel. The intensity of the demonstrations by Palestinian Israelis was particularly shocking and led to fears, whipped up by right-

see Hammami, R. and Tamari, S., 'Anatomy of another rebellion', *Middle East Report* (Washington, DC), no. 217 (winter 2000).

³⁵ 'Arabs and Israelis watch, threaten and kill', *The Economist*, 12 Oct. 2000.

³⁶ Ephraim Sneh, Deputy Defence Minister of Israel, when asked about this policy said: 'I can tell you unequivocally what the policy is . . . if anyone has committed or is planning to carry out terrorist attacks, he has to be hit'. 'Israel confirms assassinations of Palestinians seen as threats', *International Herald Tribune*, 9 Jan. 2001.

³⁷ 'Fatah chief blown up by Israeli helicopters', *The Independent*, 10 Nov. 2000; and 'Israel confirms assassinations of Palestinians seen as threats' (note 36). Israeli peace activists were quoted as saying that there had been 'from 8 to 9 such "hits"'. See also 'US asks tough questions about assassinations of Palestinian leaders', *Ha'aretz*, 5 Feb. 2001. For further information from the Palestinian perspective see the Internet site of the Palestinian Negotiation Affairs Department at URL <<http://www.nad-plo.org>>.

³⁸ *The Independent*, 22 Nov. 2000 and 23 Nov. 2000.

³⁹ *The Economist*, 26 Oct. 2000.

⁴⁰ *The Independent*, 10 Nov. 2000; and 'Palestinians kill four Israelis in gun attacks', *The Independent*, 14 Nov. 2000.

⁴¹ 'Two dead in Israeli car bombing', *The Independent*, 22 Nov. 2000; and 'Car bomb kills two as Palestinians hit back', *The Independent*, 23 Nov. 2000.

⁴² *Financial Times*, 5 Oct. 2000 and 18 Oct. 2000; *International Herald Tribune*, 18 Oct. 2000; *The Independent*, 18 Oct. 2000; 'Can it fly?', *The Economist*, 19 Oct. 2000; 'No they explain', *The Economist*, 19 Oct. 2000; 'Israel's unwinnable war', *The Economist*, 2 Nov. 2000; and 'Peres to launch last-ditch peace bid with Arafat', *The Independent*, 1 Nov. 2000.

wingers, about the 'enemy within' and to even greater opposition to Palestinian demands for the implementation of the right of return. Palestinian citizens of Israel were shocked by the harsh response to their demonstrations and by the lack of protection afforded them by the security forces in the face of pogrom-like attacks by Israeli Jewish right-wingers in early October. This resulted in Palestinian Israeli anger and disenchantment with the Barak Government.⁴³

The events of the autumn and the high casualty rate have led Palestinians in the West Bank and Gaza to return to first principles. For many of them, the Oslo process is over and there can be no solution without full implementation of UN resolutions, the right of return and Palestinian sovereignty over all the territory occupied in 1967, including East Jerusalem. Palestinians have taken heart from the support they were given from the earliest days of the Al Aqsa intifada⁴⁴ in street demonstrations from Morocco to Iraq, which were the largest demonstrations seen for years.⁴⁵ Arab governments have had to respond to the surge in popular anger. The Arab summit meeting of 21–22 October in Cairo (the first in four years) harshly criticized Israel, supported the Palestinian position on East Jerusalem and pledged financial support. It failed to advocate more meaningful action. Nevertheless, as violence continued to escalate, Morocco, Oman, Qatar and Tunisia cut back on their relations with Israel. On 21 November Egypt recalled its ambassador to Israel—the most decisive act by an Arab state since the conflict began—and on the same day Jordan said that the replacement of its ambassador in Israel had been postponed.⁴⁶

Against this background, Barak was given a one-month reprieve by Shas when the Knesset reconvened at the end of October. Following the failure of his talks with Likud leader Sharon to secure a government of national unity, Barak decided to preempt opposition efforts to force his resignation at the end of November by calling for elections in 2001. On 9 December he submitted his resignation. Over the next few days there was considerable speculation about what kind of election would be held and who would be running for prime minister. However, by the middle of the month it became clearer that Barak and Sharon would most likely be the candidates. Feeling that his best chance of re-election lay in securing a deal with the Palestinians, Barak began to build on US diplomatic efforts in November in this direction.⁴⁷

On 17 December both sides announced that they were sending negotiators to Washington the next day for separate talks with US mediators, but expressed little expectation of success.⁴⁸ On 20 December President Clinton met the negotiators.⁴⁹ There were reports that Israel had added to its peace proposals by enlarging the extent

⁴³ *The Guardian*, 31 Jan. 2001; and 'Where now for the Middle East?', *Sunday Business Post*, 22 Oct. 2000.

⁴⁴ So called after Al Aqsa, or the Dome of the Rock, on Temple Mount, in reference to Ariel Sharon's visit there on 28 Sep. 2000.

⁴⁵ 'Arab public opinion rallies behind the Palestinians', *Mideast Mirror*, 6 Oct. 2000; 'Burn, baby, burn', *The Economist*, 5 Oct. 2000; and 'Things fall apart: why have recent events in the Middle East inflamed the whole Arab world?', *The Economist*, 19 Oct. 2000.

⁴⁶ 'Egypt recalls ambassador to Israel', *The Independent*, 21 Nov. 2000; *Financial Times*, 22 Nov. 2000; 'The spreading of Palestine's war', *The Economist*, 26 Oct. 2000; and 'Cairene shoppers' intifada', *The Economist*, 2 Nov. 2000.

⁴⁷ 'Barak pins re-election hopes on plan for Palestinian statehood', *Jerusalem Report*, 12 Dec. 2000; 'Barak's deadline for peace' and 'Ehud Barak's race for peace', *The Economist*, 30 Nov. 2000; 'A Middle East Florida', *The Economist*, 11 Dec. 2000; and 'Peace could give Barak a chance of re-election', *The Independent*, 30 Nov. 2000.

⁴⁸ 'Last peace bid for Middle East', *The Guardian*, 18 Dec. 2000; and 'Palestinians and Israelis set for talks', *International Herald Tribune*, 20 Dec. 2000.

⁴⁹ 'Israel is said to sweeten its offer to Palestinians', *International Herald Tribune*, 22 Dec. 2000.

of Israeli withdrawal from the West Bank and the extent of Palestinian sovereignty over Jerusalem.⁵⁰ On the fourth day of the talks, US Secretary of State Madeleine Albright attended to try to add impetus to the proceedings.⁵¹

In late December, with the encouragement of both sides, President Clinton put forward a number of bridging proposals between the demands of Palestinians and Israelis. These included a Palestinian state in 95 per cent of the West Bank and Gaza and 3 per cent of land from within Israel's borders in exchange for the 5 per cent of the West Bank that Israel would need to annex the three settlement blocs of Ma'ale Adumim, Ariel and Gush Etzion. In East Jerusalem, the Palestinians were to have sovereignty over all Arab neighbourhoods while Israel would have sovereignty over the 11 settlements built in post-1967 Jerusalem. The Old City would also be divided ethnically, while the Dome of the Rock area was to be divided according to a more complicated formula.⁵² The Palestinians were to get the right of return to a Palestinian homeland but not to Israel. Those unable or unwilling to exercise this right would be compensated and resettled in their present host countries or in any third country willing to take them in. Israel would also be expected to absorb some refugees, but only in numbers 'consistent with its sovereign decision'. In return, the Palestinians would recognize Israel within its new borders and end the Palestinian-Israeli conflict. Israeli occupation forces would withdraw, to be replaced by an international presence. The army would stay in the Jordan valley for three years or less depending on the regional situation. Israel would keep three early-warning stations in the West Bank, whose status would be reviewed every 10 years.⁵³

Barak reportedly announced on 25 December that he was prepared to accept the US proposals without changes so long as the Palestinians also did so.⁵⁴ On 1 January, in a document circulated to foreign consuls in Jerusalem, the Palestinian negotiators gave their response. Their conclusion was that the proposals failed to satisfy the conditions for permanent peace. They had three main criticisms. First, annexation of the settlement blocs 'would divide the Palestinian state into three separate cantons connected and divided by Jewish only and Arab only roads and jeopardise the states viability'. Second, shared sovereignty in Jerusalem would 'divide Palestinian Jerusalem into a number of unconnected islands separate from each other and from the rest of Palestine'. Third, the US proposals 'force Palestinians to surrender the Right of Return'. The Palestinian document went on: 'There is no historical precedent for a people abandoning their fundamental right to return to their homes, whether they were forced to leave or fled in fear. We will not be the first people to do so'.⁵⁵

Arafat's response to the US proposals was more ambivalent than this document suggests. However, against the background of the ongoing intifada and a death count that was increasing almost daily, he was under overwhelming domestic pressure not

⁵⁰ *International Herald Tribune*, 27 Dec. 2000.

⁵¹ *Financial Times*, 27 Dec. 2000.

⁵² Maps of the Clinton proposal are available on the Internet site of the Palestinian Negotiation Affairs Department at URL <<http://www.nad-plo.org/maps>>.

⁵³ "'No; yes, but'": Arafat answers Clinton', *Middle East International*, 12 Jan. 2001.

⁵⁴ *International Herald Tribune*, 31 Dec. 2000.

⁵⁵ 'Remarks and questions from the Palestinian negotiating team regarding the United States proposal', 1 Jan. 2001, URL <www.nad-plo.org>. See also "'No; yes, but'": Arafat answers Clinton' (note 53); and 'The Palestinian Right of Return', *The Economist*, 4 Jan. 2001. For critical analysis of the US proposals see Fisk, R., 'Sham summit offered little for the Palestinians', *The Independent*, 29 Dec. 2000; and Rabbani, M., 'Negotiating over the Clinton plan', MERIP Press Information Notes, 6 Jan. 2001, URL <<http://www.merip.org>>.

to make concessions.⁵⁶ Intensive negotiations continued but, although both sides claimed to be closer to a conclusion than ever before, there was no agreement before the Israeli elections. By then Barak's position had declined even more markedly in Israel partly because of his preparedness to make concessions to the Palestinians despite the continuing violence. In the February prime ministerial elections Ariel Sharon won by an even greater margin than predicted by most of the pundits.⁵⁷

V. Conclusions

The year 2000 ended in violence with Israel and the Palestinians further apart than at any time since 1993. However, this should not obscure the fact that some progress was made in the course of the year. Of crucial importance is the fact that the issue of Jerusalem, formerly a taboo subject for Israel, has been opened up for negotiation. There were also signs of some movement on the issue of Palestinian refugees and the right of return. However, in the short term at least, the future looks bleak.

It is difficult to see how the new Israeli Prime Minister Ariel Sharon can live up to his pledge to bring peace with security to Israel given his current public position. He is offering the Palestinians much less than Ehud Barak, whose proposals they turned down. The Palestinian position has hardened as a result of the bloodshed of recent months, and after Sharon's victory the Palestinian leadership on the ground called for an escalation of the intifada.

In the Arab world, where he is widely seen as an anti-Arab racist and a warmonger, Sharon's victory has been met with great foreboding.⁵⁸ The potential for instability is high at a transitional time in the region. New, relatively inexperienced leaders have replaced veterans in Syria and Jordan, and Arafat and Mubarak are ageing. The continuing crisis in Iraq fleshes out a fairly gloomy picture in the wider Middle East.

Much will depend on the role of the new US Administration of President George W. Bush, and while it feels its way in the region and the world Europe's role in filling the vacuum may be crucial. As for the longer term, there is widespread recognition in the region and elsewhere that there is no alternative to a peace process in the Middle East. The Palestinians need to reach an agreement with the Israelis to secure their state and Israel needs the Palestinians if there is to be an end to the Arab-Israeli conflict.

⁵⁶ "'No; yes, but": Arafat answers Clinton' (note 53).

⁵⁷ 'Barak's downfall', *Jerusalem Report*, 12 Dec. 2000; 'The flawed saviour', *Jerusalem Report*, 1 Jan. 2001; and *International Herald Tribune*, 1 Feb. 2001. See also *The Guardian*, 30 Dec. 2000, quoting opinion polls in *Yedioth Ahronoth* and *Ma'ariv* whose predictions were very close to the outcome, putting support for Sharon at 53% and for Barak at 30%. With 92% of the vote counted, the margin was 62% to 38% in favour of Ariel Sharon. 'Israel gives up on peace with Sharon victory', *The Guardian*, 7 Feb. 2001. See also 'Barak's deadline for peace' and 'Ehud Barak's race for peace' (note 47).

⁵⁸ For an analysis of Sharon's difficulties, see 'Experts say Sharon coalition could founder within months', *Sunday Business Post*, 18 Feb. 2001. For Sharon's policy, see 'The two faces of Ariel Sharon', *The Guardian*, 23 Jan. 2001. There is a revealing interview with Sharon in 'Arafat's gift; the return of Ariel Sharon', *New Yorker*, 29 Jan. 2001.