

Approaching May 1999:

U.S. Policy and the Arab-Israeli Peace Process

Oct 17, 1998



In-Depth Reports

Because I will not be speaking about the events occurring at the Wye Plantation, "Wye Not" might be the title of my address today. Hassan Asfour and I are operating under considerable constraints following the President Bill Clinton's request that we not talk publicly about developments at Wye in the hope that discretion will create a more conducive environment for focusing on the very difficult issues that must be resolved there. Therefore, to be useful as well as prudent, I will try to place the issues of Wye, unfolding as we speak, into the much broader context of strategic developments in the Middle East.

The United States faces a great risk of being dragged down into the weeds because it has no choice but to try its best to put the Israeli-Palestinian peace process back on track. In the eighteen-month-long effort to reach an agreement, the United States has found itself dragged into the minutiae because of the fundamental breakdown in trust and communication between the two parties. Harvey Sicherman used to remind his coworkers at the Washington Institute that the question of who drinks out of whose well in Nablus -- he actually put it a little more colorfully than that -- is not a strategic issue for the United States. Yet, because the Israeli-Palestinian peace process is, and has been for some time, in crisis, the United States finds itself having to deal with almost precisely that issue -- in particular, who controls the drinking water in the West Bank. As a result, today I have an opportunity to examine how those types of issues affect what the United States is trying to do, not just at Wye but more generally in terms of promoting U.S. interests in a vital area, and to look at the broader strategic picture.

To lift one's eyes to the horizon and paint a strategic picture of the Middle East, the most troubling aspects of this volatile region demand a great deal of attention. Institute chairman Barbi Weinberg already mentioned the proliferation of weapons of mass destruction -- WMD -- which is an issue of profound concern to all who have an interest in peace and stability in the region. Its importance has been underscored most recently by the testing of a medium-range ballistic missile by Iran, the Shahab-3. Development of the Shahab-4, which is a longer-range missile, is not far behind. Of course, no country would invest such a great amount of money and energy in developing a long-range ballistic missile without an important component to give the missile some broader purpose. Consequently, the United States is concerned not only about Iran's acquisition of long-range missiles but also, and perhaps more so, about its nuclear program. Although the United States has been understandably focused on the missile program over the past few years, and although it should pay a good deal more attention to Iran's nuclear program, that is just one aspect of the danger of the proliferation of weapons of mass destruction.

The United States is also very much focused at present on the potential proliferation threat from Iraq, where United Nations (UN) Security Council resolutions founded in the Persian Gulf War have imposed a very effective and intensive arms control regime on Iraq's WMD programs. Obviously, that sanctions regime is now being challenged by Iraq, which could, if it successfully freed itself of the controls imposed by the UN on behalf of the international community, reconstitute its WMD program in a fairly short time and again pose a dangerous threat to its neighbors.

The second strategic-level issue of concern is succession. In many Middle Eastern countries, leaders who have ruled

for decades are now heading into their twilight years. In Saudi Arabia and Jordan, the succession is well-organized and a system is in place to manage this issue. In other countries, the succession process is far less established, and uncertainty reigns regarding who will take over as head of state when the time comes, adding another element of instability to an already fairly unstable situation.

The third troubling development is the dramatic drop in oil prices, profoundly reducing the revenues of the oil-rich countries of the Middle East and, inevitably, the poor countries of the region that depend on their richer neighbors for opportunities for their workers or exports. The global economic crisis has also affected the Middle East more extensively than on the singular issue of oil prices, although the drop in oil revenues remains its most marked effect. For example, Iran is facing a 40 percent shortfall in budget revenues this year, which translates to roughly \$4 billion. Facing the prospect of defaulting on its international loans, Iran will likely enter into an emergency situation, possibly including debt payment rescheduling, to avoid default. Simultaneously, expectations of change in Iran have been dramatically encouraged by the election of President Muhammad Khatami on a platform that includes economic reforms. Further, the impact of a downturn in oil prices on the ability of a government to meet the basic needs of its people is visible in Syria, which is dependent on oil exports for its revenues.

Finally, the stalled peace process also has a destabilizing effect on the region because of the loss of the sense of momentum in the process begun by the end of the Persian Gulf War, the collapse of the Soviet Union, and the launching of the Madrid peace process, and which led eventually to the conclusion of the Oslo accords and the Israel-Jordan peace treaty. Every other actor in this arena was forced to react to the peace process by this momentum, which was driven by the United States, acting as the only dominant power in the region. Because the United States is so clearly identified with the now-stalled peace process and loss of momentum, however, a vacuum has appeared that those forces opposed to peace seek to fill as the United States engages in a Herculean effort to move the process forward again.

On the strategic horizon, a troubling picture emerges, but to paint in only dark hues ignores other factors at work. Iraq, although potentially able to reconstitute its weapons of mass destruction program, remains in a much weakened position. Ironically, the perception that Iraq is no longer a threat to its neighbors contributes to the U.S. difficulties, complicating the mobilization of regional support for the very tough policy on Iraq that the United States seeks to pursue. As for the process of change in Iran, its revolution clearly has entered the thermidor stage in which the forces of light and darkness are engaged in a very intense struggle. Nevertheless, it is already possible to perceive a changed Iranian policy regarding its neighbors, with the emergence of a more moderate tone that reduces one of the sources of considerable tension in the Persian Gulf region.

It is important to look beyond the anger that has come to typify the Arab street, and to the reality that Arab governments, particularly in the Persian Gulf, seek U.S. engagement and protection. Quietly, but in very significant ways, the United States has enhanced its military relationships with all of the Gulf Cooperation Council states, resulting in a much greater ability to protect and promote U.S. interests in that part of the region than previously existed, particularly at the time of the Persian Gulf War.

An interesting phenomenon that has garnered little attention involves Yemen, which in terms of population is the largest state on the Arabian Peninsula, but which is also the poorest. Its government has embarked on a process of economic and political reform, including a stronger relationship with the United States. Yemen sided with Iraq during the Persian Gulf crisis, and that the Yemeni government is seeking with such vigor to build its relationship with the United States is a bellwether of a very real understanding in the Middle East that a close and strong relationship with the United States benefits those Arab governments.

Syria has become a type of nexus point between the negative, disturbing trends mentioned earlier and other underlying trends that could, if the United States succeeds in advancing the peace process, coalesce and allow the

United States to advance its agenda while containing the enemies of peace. Syria is now clearly indicating a considerable desire to reengage Israel in peace negotiations. Considering Syria's position as the throbbing heart of Arab nationalism and the supposed last holdout in the peace process, it is interesting that, although the peace process is stalled, the Syrians are knocking on the U.S. door, saying, "We want you to engage with us in an effort to relaunch those negotiations."

This overture may be an indication of uncertainty about succession in Syria and a desire to stabilize the situation. It is also an indication that, when faced with the alternative that I will address shortly, the Syrian government would prefer to follow the route of peace than to return to the balance of power game emerging as the alternative scenario. This option was brought into stark relief by the crisis during the last several weeks [early October] between Syria and Turkey. Originally, tension arose between Syria and Turkey from Syrian support for the Kurdistan Workers' Party, or PKK. This tension has existed for fifteen years but has been exacerbated recently by the Syrian perception of an emerging axis between Israel, Turkey, and Jordan aimed at Damascus -- Israeli, Turkish, and American protestations notwithstanding. That perception has been motivating the Syrians on one hand to seek resumption of peace negotiations, but on the other hand to rebuild its relationship with Iraq and solidify its relationship with Iran. Competing axes are therefore emerging between Syria, Iraq, and Iran, and Turkey, Israel, and Jordan. Although these combinations have not coalesced yet, the potential Syrian conflict with Turkey and the potential Iranian conflict with Afghanistan is creating a situation encouraging Syria, Iraq, and Iran to consider cooperation. If this type of balance of power game returned to the region -- a trend reinforced by the other factors mentioned earlier -- the Middle East would become very unstable, particularly because of the proliferation of WMD and the much greater intensity of competition between two such power blocs.

This potential alignment provides a glimpse of a possible alternative order in the region to the pax Americana that has prevailed since the end of the Persian Gulf War. The United States should focus on Syria because bringing Syria into the circle of peace will have profound consequences for the future of the region. It will put an end to the notion of this alternative axis and will dramatically enhance the momentum of the peace process that has been lost in the last two years.

The parties involved must begin making progress on the Palestinian track and the final status negotiations and encourage both sides to implement their obligations in such a manner that would stabilize the Palestinian-Israeli negotiations, focus them on the issues surrounding the final status, and enable the United States to move forward on this broader strategic agenda. In addition, many other troubling topics must be addressed, from promoting economic and political reform to addressing the threat posed by WMD through defense, deterrence, anti-proliferation efforts, and initiatives to support moderation in those regimes that might have such weapons. The challenge to the United States today in the region is to find a way to move the process forward, to stabilize the region, to slow down proliferation, and to prevent the emergence of a new struggle for power that could have devastating effects for the people of the region and for our interests there.

RECOMMENDED

BRIEF ANALYSIS

[Libya's Renewed Legitimacy Crisis](#)

Feb 14, 2022



Ben Fishman

[\(/policy-analysis/libyas-renewed-legitimacy-crisis\)](#)



BRIEF ANALYSIS

[The UAE Formally Ceases to be a Tax-Free Haven](#)

Feb 14, 2022



Sana Quadri,
Hamdullah Baycar

[\(/policy-analysis/uae-formally-ceases-be-tax-free-haven\)](#)



BRIEF ANALYSIS

[Facing Syria's Food Crisis](#)

Feb 14, 2022



Ishtar Al Shami

[\(/policy-analysis/facing-syrias-food-crisis\)](#)

TOPICS

[Peace Process \(/policy-analysis/peace-process\)](#)

[U.S. Policy \(/policy-analysis/us-policy\)](#)

REGIONS & COUNTRIES

[Israel \(/policy-analysis/israel\)](#)

[Palestinians \(/policy-analysis/palestinians\)](#)