The Peace Monitor is a quarterly summary of bilateral, multilateral, regional, and international events affecting the peace process.

BILATERALS

Palestinian-Israeli Track

Although redeployment and elections went ahead as scheduled this quarter (see below), differences over Jerusalem persisted. Israel banned several Palestinian Authority (PA) functions in East Jerusalem, including a conference cosponsored by the UN (12/10), a cultural conference 12/14, and an exhibit of Palestinian artists (1/30). Israeli police also raided the Palestinian Vocational Training Institute in East Jerusalem (12/14), looking for connections between the institute and the PA that would make operating in the city illegal, and detained (12/20) four East Jerusalem Palestinians from the Jerusalem Center for Academic Vocational Studies on charges of operating a PA institution in the city illegally. In addition, the Israel Defense Forces (IDF) raided the Preventive Security Forces (PSF) headquarters in Salfit on 11/23 and the Palestinian Bureau of Statistics in Ramallah on 11/22.

On 12/6, PA negotiator Ziyad Abu Zayyad admitted that the PA and Israel have been holding informal talks on Jerusalem for over a year, exchanging draft plans in hopes of bridging as many gaps as possible in advance of final status negotiations, which must begin by 5/4 according to the Declaration of Principles and Gaza-Jericho Agreement. Israeli mayor of Jerusalem, Ehud Olmert, and Arafat's adviser, Faisal Husseini, confirmed the report 1/16. PM Peres, however, announced (1/28) that Jerusalem would not be included in May's final status talks. The May date itself came into question 2/11, when Peres announced early Israeli elections, tentatively set for 5/21.

The Palestinian-Israeli Steering and Monitoring Committee (PISM C) charged with overseeing Oslo II implementation held frequent meetings: on 11/16 to review elections, redeployment, and economic matters; in late 11/95 to discuss settler security and Hebron; on 12/5 to discuss prisoner releases, the temporary halt to redeployment 11/30, and industrial parks; on 12/6 to brief U.S. special envoy Dennis Ross; on 12/20 to discuss illegal wells in Janin and theft of Israeli vehicles; on 12/21 to discuss withdrawal from Abu-Dis and Sawahirah (see below); and on 1/21 to discuss the elections and the PLO charter.

Israel agreed (12/19) to repatriate 80 Palestinian families from the Canada camp in Egypt to Tal al-Sultan in Ramallah as a good-will gesture and eased travel restrictions on Arafat (11/26), allowing him to fly on two routes between Gaza and the West Bank instead of one and give four hours notice before flying instead of 24 hours. On 1/3 however, Israel announced that it would not compensate Palestinians

Journal of Palestine Studies XXV, no. 3 (Spring 1996), pp. 119-130.
for injuries, damage, or suffering that occurred under occupation. Palestinians injured in the intifada will not be allowed to sue the state, though a special panel will be set up to review "exceptional cases." To date, Palestinians have filed claims against Israel totalling $180 m.

Arafat appointed (2/4) a committee—comprising Fathi Azzam, Ibrahim al-Daghmeh, Farid al-Jallah, Frayh Abu-Madayn, Anis Kassim, Eugene Kassim, Camille Mansour, Nabil Shaath, Salim al-Za ' nun—to draw up a Palestinian constitution.

**Expanded Self-rule:** The Israeli military authority and Civil Administration (CA) continued to transfer civil powers to the PA in keeping with the PA's ability to train employees to assume them, as dictated by Oslo II. For example: West Bank transportation and employment were turned over 11/16; Ramallah meteorology, passports 11/18; West Bank population registration, land-value estimation 11/18; Tulkarm property tax collection 11/28; West Bank property registration, archaeology 11/19; Tulkarm and Qalqilya planning, housing, absentees' property 12/4; West Bank religion, natural reserves, surveys 12/9; West Bank banking authority 12/15; Ramallah nature protection, mining, employee affairs 12/17; Ramallah property tax, courts, company registration, antiquities 12/18; Ramallah communications, land registration, forests 12/19; Ramallah environment, housing, planning, surveying, absentees' property 12/20; West Bank agriculture, Ramallah public works 12/21; Ramallah housing, absentees' housing 12/22; 17 areas of responsibility for Hebron, including antiquities, construction, environment, justice, labor, planning, public works 12/28.

On 12/7, the CA turned over its Tulkarm office to the PA and shut its administrative offices in Nablus. On 1/18, it turned over its Abu-Dis offices.

**Redeployment:** The IDF revised the redeployment schedule frequently during the quarter (11/17, 12/3, 12/6) in an attempt to speed up its withdrawal. The process was halted only once for 24 hours on 11/ 30 in response to security incidents that day in Nablus, Qabatiyya, and Janin (see "Chronology"). The IDF completed its redeployment from Tulkarm 12/10, Nablus 12/11-12, Qalqilya 12/17, Bethlehem 12/21, and Ramallah 12/26. The last villages in Hebron and Ramallah districts were turned over to the PA 12/26.

Withdrawal from Nablus, marred by a clash between withdrawing IDF troops and jubilant Palestinians massing to welcome the incoming PA policemen, prompted the IDF (12/13) to change redeployment procedures, imposing an interval between departing IDF troops and entering PA police. The PA's first act upon assuming control of Nablus was to suppress the Fatah Hawks, the city's self-appointed moral police (see "Chronology" for details), arresting 30 leaders and members 12/17.

Israel initially refused to withdraw from the villages of Abu-Dis and Sawahirah near Jerusalem and part of the Bethlehem district under Oslo II, arguing that the Oslo II maps incorrectly included the villages in zone A (see "Peace Monitor" in JPS 98). After the PA lodged a formal protest with the PSMC (12/21), Israel relented and turned over the areas 1/19.

Elections: The Oslo II agreement passed the three readings before the Knesset (one on 1/8, two on 1/16) required by Israeli law to permit the election process to go ahead as scheduled.

The PA presented the draft election law for discussion to Palestine National Council (PNC) members (11/29, 12/1) and to PNC, nationalist, and Islamist representatives (excluding the Democratic Front for the Liberation of Palestine [DFLP], Islamic Jihad, and Hamas, who refused to participate) on 11/30. The PA cabinet approved the draft 12/2. After final corrections by the Judicial Ministry, the law went into effect 12/7.

The European Union (EU) voter registration campaign ended 12/2, though Palestinians could still register on their own after that date. The last day to register was extended to 1/5 and then to 1/16 to allow released prisoners to sign up. On 1/5, the Central Election Commission (CEC) announced that a total of 1,013,235, over 90 percent of those eligible to vote, had registered (see Doc. B2). As required by Oslo II, the registries were turned over to the Israeli Interior Min. for approval. The only broad discrepancies were noted on the Jerusalem lists: The PA submitted 91,148 names in two batches (12/6, 12/25). Of those, the Interior Min. approved 49,915, removing 28,742 as double entries and 12,491 for holding Israeli passports.
On 12/15, Arafat issued a presidential decree giving the distribution of legislative council seats. Six seats were allocated to Christians (2 in Bethlehem, 1 in Gaza, 2 in Jerusalem, 1 in Ramallah). One new seat, added to Nablus, was allocated to the Samaritans, bringing total number of seats on the Palestinian Council to 83, not including a seat for the president. Hoping to entice Islamist candidates to run, Arafat and Peres agreed (12/23) to add five council seats (Gaza City 2, Hebron 1, Jerusalem 1, Khan Yunis 1), bringing the total to 88 (see Doc. B2 for final allocations).

The CEC was not formed until 12/22. It was to have been in place by 12/14, but Arafat delayed the formation in the hope Hamas would participate (see below). Arafat was criticized not only for the late formation of the CEC but for appointing Mahmud Abbas (candidate and member of the Fatah campaign committee) as its head. Until 12/22, the elections process was handled by the PA's temporary election commission, under the authority of Saeb Erakat.

Similarly, the five-judge Election Court of Appeals, which examines contestations and appeals concerning the elections process, was established 12/23, nine days late. The constituent committees—responsible for such administrative tasks as preparing electoral rolls, receiving applications for nominations, and monitoring vote counting and casting in each of the 16 voting districts—were named 12/27-28. On 12/13, Arafat announced the guidelines for nomination, requiring candidates to gather 1,000s of signatures and pay steep registration fees ($3,000 to run for president, $1,000 to run for the legislative council). The temporary election commission began accepting nominations 12/14, four days late. Nominations were set to close 12/22 but were extended through 12/23 and then through 12/31 once additional seats were added. On 12/24, the CEC called on all PA officials running for the Palestinian Council to resign their posts. Nine PA ministers did so; 15 did not.


Arafat unilaterally declared a one-week delay in opening the campaign period, moving the start date from 12/31 to 1/7. After complaints from monitors, the CEC overrode Arafat and opened the campaign 1/2. It officially closed 1/18.

On 11/20, the Fatah Central Committee formed a campaign committee to select and support the party's official candidates and recommended several members nominate themselves. The campaign committee was criticized for including members running for seats (e.g., Mahmud Abbas, Nabil Shaath, Ahmad Qura'i, Intisar al-Wazir). Many Fatah members who were not chosen to run on the official lists opted to run as independents, prompting the Central Committee to warn (12/24) that members who ran in opposition to the official lists would be ousted from the party. Though this did not deter dozens of members from running, and roughly two dozen pro-Fatah independents from winning seats, Fatah did not expel anyone.

The PA held ongoing talks with Hamas in hopes of getting the movement to participate in elections, including discussions on the election law (12/6); approving (11/18) the formation of the NISP, a de facto, if unofficial, Hamas party; and intensive reconciliation talks in Cairo (12/18-21). Although Hamas members inside the self-rule areas appeared willing to participate (three members enrolled as candidates 12/30 but withdrew 1/2), the diaspora leadership (in meetings in Khartoum 12/13-17) encouraged a hard line. Hamas and the NISP consequently opted to sit out elections. Hamas and the PA did, however, form a liaison committee to build on understandings reached at the Cairo talks, and the PA gave permission (1/28) to Hamas to open an office and newspaper in Gaza.

Elections were held 1/20 as scheduled. Two candidates (Arafat and Samia Khalil, former head of the General Union of Palestinian Women) ran for president, and 676
ran for the council (see Andoni and Shikaki articles in this issue for details).

Based on a 1/9 agreement, the IDF pulled its troops out of Palestinian population centers in Hebron during voting. The 20,000 PA security personnel on duty the day of elections voted at special mobile voting stations in the voting district where they worked for candidates in the districts in which they were registered. Only 4,400 Palestinians registered in Jerusalem were allowed to vote through the post offices in the city. The rest were required to vote at stations inside the West Bank. Israel required that the ballot boxes from the post offices be transported to the West Bank for counting.

Despite a number of reported election violations (including Israeli and PA voter intimidation, temporary loss of ballot boxes, the closure of central Hebron following a stabbing, IDF videotaping of voters, and problems bussing Jerusalem voters to their polling stations in the West Bank), most independent observers declared the elections to be free and fair, claiming irregularities were not on a scale that would have altered the outcome. On 1/22, the CEC called for a recount in Gaza and later demanded a rerun in two voting stations in North Gaza, which took place 1/31.

The CEC issued final results 2/11 (see Doc. B3 for list of winners by district and Andoni and Shikaki articles for analysis), showing Arafat winning 87.1 percent of the vote compared to Khalil's 9.6 percent. Despite boycotts by Islamic Jihad, DFLP, and the Popular Front for the Liberation of Palestine (PFLP) and Hamas's nonparticipation, voter turnout reached 79.7 percent.

On 1/31, the PA announced plans to hold municipal elections within five months for some 350 village and municipal councils in 644 populations centers. Each council will have between seven and 13 seats. So far all parties plan to participate, meaning (based on figures from the 1/20 elections) there could be between 15,000 and 20,000 candidates. Legislation governing these elections has yet to be drafted.

The PLO Charter: According to Oslo II, the PNC must amend 12 articles of the PLO charter calling for Israel's destruction within 60 days of the inauguration of the Palestinian Council, which has yet to be convened. By the PA election law, the new council members automatically become PNC members, increasing the likelihood that Arafat will get the two-thirds vote required to pass the amendments. At the close of elections 1/20, PM Peres invited all PNC members, including rejectionists and Islamists, to return to the self-rule areas (excluding Jerusalem) for discussions and voting on the changes. As a "humanitarian gesture," Peres gave permission (1/23) to PNC speaker 'Abd al-Hamid al-Sa'ith to return to his family home in East Jerusalem.

PLO Executive Committee members met in Egypt (2/5–6) and decided to delay indefinitely setting the date for a PNC meeting to amend the charter, saying they were leaning toward drafting a declaration of independence that would replace the entire charter. Only 11 of 18 members attended the meeting, the DFLP and PFLP boycotting.

Also of note: on 2/14, the Labor party began internal discussions on eliminating from its 11/91 manifesto a clause which opposes the creation of a Palestinian state.

Prisoner Release: The second stage of the three-stage prisoner release took place on schedule. 812 men, most belonging to Islamist or leftist groups opposed to the Oslo process, were released 1/10; 24 had been convicted of killing collaborators. 230 others, mostly from Fatah, were released 1/11. On 1/15, 90 prisoners were turned over to PA custody and 40 were released.

On 12/27 however, Israel's special ministerial committee on the prisoner release decided it would not free five women excluded from the first stage of release (see "Peace Monitor" in JPS 98). As a result, all female prisoners again refused to leave jail.

Security Arrangements: Joint IDF-PA district coordination offices (DCOs) were opened in Tulkarm (11/19), Nablus (11/27), Qalqilya (11/28), Bethlehem (12/3), Hebron (12/10), and Ramallah (12/11), in preparation for IDF redeployment. Symbolic groups of around 25 PA policemen were sent to open each DCO and set up operations in advance of full withdrawal. Only when the PA assumed control of the districts could the full number of police, set by Oslo II (Annex I, Appendix 2), enter: Tulkarm 400; Nablus 1,200; Qalqilya 400; Bethlehem 850; Hebron 950 (400 in city); Ramallah 1,200.
Israel also approved the requests to return for hundreds of PLO cadres living in Egypt, Iraq, Jordan, Libya, Tunisia, and Yemen (1,400 on 12/6; 2,500 on 12/13; 300 on 12/30). Most will be incorporated into the PA security services and will not be allowed to bring their families. The first group of 285 from Libya began entering Gaza 1/30.

On 11/22, the CA began construction of 11 new West Bank border crossings. In mid-January, safe-passage routes began operating for several hours each day.

In 2/96, the PA disputed the IDF's construction of a wall narrowing the road in front of Rachel's Tomb in Bethlehem as part of its security measures at the religious site, saying the wall was obstructing traffic and hindering tourists from visiting other Bethlehem attractions.

Economic Matters: Israel eased restrictions on the movement of Palestinian workers through the Israeli-Gaza checkpoints on 11/19 and transferred responsibility for maintaining the checkpoints from the IDF to the CA. Peres also issued 9,500 additional work permits for Gazans (12/8) and 3,000 for Palestinians from Hebron (1/24), raising the total number of Palestinians allowed to work in Israel to 48,000.

Israel agreed to construction of an Ashdod-Rafah railway, an eastern Gaza railway, an electric passenger rail network connecting Gazan cities, and a Palestinian-Israeli hospital (2/19); and to allow entry of Arab and international publications to the self-rule areas without restrictions (12/10).

On 11/30, Israel's Bezeq company, which routes international calls for the PA, cut off phone service for nonpayment. Service was restored 12/7 when the PA made a partial payment on its $7-m. debt.

Diplomatic Matters: The PA had issued 40,000 passports to Palestinians in Gaza as of 11/16 and began later that month to issue them to West Bank residents. On 1/2, the PA announced that Palestinians would have to show a voter registration card to receive a passport. Though it began accepting the passports at all crossing points (12/6), Israel now requires Palestinians to receive preapproval to travel on the document and automatically denies permission to 1948 or 1967 refugees or those living in Jordan. Bahrain recognized the passport 12/23, as did Lebanon 2/9 and Kyrgyzstan, Tajikistan, and Uzbekistan 2/13.

On 11/28, PA released a Palestinian stamp through the seven West Bank and Gaza post offices under its control.

Israel blocked the entry into Gaza of the Tunisian representative to the PA (11/22) and protested (2/5) to Cyprus after it recognized a PLO official there as a PA representative. (The Oslo agreements forbid the PA to have representation abroad.) Representatives to the PA from Qatar (11/22), China (12/23), and Pakistan (1/13), however, arrived in the self-rule areas to take up their posts. The Palestinian-Russian Joint Committee held its first meeting in Gaza 11/30, attended by Arafat and Russian Dep. FM Viktor Posuvalyuk.

Palestinian Opinion

[The following data are excerpted from an election-day exit poll conducted on 20 January by the Nablus-based Center for Palestine Research and Studies (CPRS). Results are based on a survey of 2,775 men and women from the West Bank and Gaza. The poll was made available by CPRS's office in Nablus.]

1. In your view, the elected Palestinian Council should enjoy?
   a. More authority than that of the president 40%
   b. Less authority than that of the president 21%
   c. Equal authority to that of the president 39%

2. In general, you describe yourself as
   a. Opposed to the Oslo agreements 17%
   b. Supporting the Oslo agreements 33%
   c. Between support and opposition 50%

3. In these elections, did you vote for a candidate from your family?
   a. There were no candidates from my family in the race. 54%
   b. I voted for a candidate(s) from my family 18%
   c. I did not vote for a candidate from my family 17%
   d. Other 11%
4. Which of the following trends do you support?
   a. PPP 3%
   b. PFLP 5%
   c. Fatah 57%
   d. Hamas 7%
   e. DFLP 1%
   f. Islamic Jihad 2%
   g. FIDA 1%
   h. Independent Islamists 4%
   i. Independent Nationalists 11%
   j. No one 7%
   k. Others 2%

5. Which of the following do you see as the most important issue confronting Palestinian society and the one that must be addressed?
   a. Complete negotiations with Israel 31%
   b. Solve economic problems 28%
   c. Achieve democracy 18%
   d. Maintain order and security 23%

6. Which of the above mentioned qualities was the most important factor in the selection of your preferred candidate?
   a. Religious 24%
   b. From an established family 3%
   c. Having moral values 17%
   d. A fighter/activist 28%
   e. Having served his/her district 16%
   f. Educated 12%

Jordanian-Israeli Track

King Hussein dissolved the Jordanian government (2/4), replacing PM Sharif Zaid Bin Shakir with PM 'Abd al-Karim Kabariti and calling on Kabariti to form a new cabinet. Jordanian Amb. to Israel Marwan Mu'asher was reassigned as information minister, and at press time, a new ambassador had not been named.

The Jordanian government also cracked down on the press and political opposition: PM Bin Shakir warned the press (11/18) that “destructive criticism” of the government would be considered “tantamount to treason.” In keeping with the threat, Jordan arrested several people on charges of inciting sedition for making statements critical of the king and normalization, including: Laith Shubailat (12/9), head of the engineers’ union and a leading opponent of normalization; his assistant Imad Ghanim (12/31); and Atta Abu Rushthi (sentenced 2/6), spokesman of the banned Islamic Liberation Party. The editors of al-Majd (12/18), Sawt al-Mar'ah (12/13), and Shihan (12/17) were detained on other political charges; and the second-in-charge at the Iranian embassy was expelled (12/9) for plotting to ambush Israeli tourists at Petra.

On 12/18, Israel informed Jordan that the issue of Jordanian-owned property in the occupied territories (see “Peace Monitor” in JPS 98) could not be addressed as a bilateral issue but must be discussed in the context of the broader final status negotiations on Palestinian refugees.

On 12/14, Israel and Jordan began discussion on the possibility of Israel releasing 40 Jordanian detainees (mostly infiltrators) held in Israeli prisons. On 1/2, Israel agreed in principle to releasing 16 detainees.

On 1/23, Israel asked Jordan for permission to transport Israeli produce across Jordanian territory to the Gulf, saying it wants to compete with Europe, which currently supplies the Gulf states with $10 b./year of produce.

Agreements: The last of the 13 agreements required by the Jordanian-Israeli peace treaty were signed this quarter, officially normalizing relations between the two nations. Previous agreements addressed tourism (2/6/95), border crossings (early 1995), energy (8/20), health (8/28), environment (9/7), police and the war on drugs (10/14), trade and economic cooperation (10/25), and agriculture (10/26). The last agreements covered:

- civil aviation (12/6). The first direct flight between the Aqaba and Ben Gurion airports flew 1/18.
- transportation (1/16), covering regulation of transportation of Jordanian and Israeli goods and tourists across the border via land, sea, and air; development of railways; and meteorological services.
- science and culture (1/18), forming a framework for cooperation on research and development, professional training, and cultural exchanges.
- communications (1/18), legalizing the existing postal connection between the countries, planning for future coordination of broadcast frequencies.
- Aqaba-Elat development (1/18), creating a framework for transforming the area into a single district for cooperation in tourism, industry, trade, environment, and infrastructure, including setting up an ocean park straddling both shores of the gulf.
- maritime border (1/18), determining arrangements for marking the maritime border between the countries, Israel's only recognized sea border.

With the signing of the last agreements 1/18, the Supervisory Committee coordinating contacts between the various negotiating teams was disbanded. Three working groups will continue to operate: the Jordan Valley Development Committee, the Water Committee, and the Special Regime for Tsofar and Naharayim. All other contacts will be made through regular diplomatic channels. Officials say they will now switch their focus to promoting economic cooperation and business interaction between the governments and private sectors of the two countries.

Meetings: Several meetings between Israeli and Jordanian officials were held this quarter: King Hussein and PM Peres with Secy. of State Christopher on the sidelines of an event honoring slain PM Rabin (1/10); PM Peres and King Hussein on the possibility of Israel upgrading Jordan's old F-16 planes, the transportation agreement, and Syrian-Israeli talks (12/6); Israeli Dep. FM Eli Dayan and FM Kabariti on detainees, facilitating crossing procedures, airport construction, and creation of an Aqaba tourist area and commercial zone (12/14); Israeli FMin. Dir. Gen. Uri Savir and Finance Min. Dir. Gen. David Brodet with Crown Prince Hassan and PM Kabariti on economic issues (2/13); King Hussein with a delegation from Israel's Democratic Front for Peace (11/16) and with an 81-member delegation of Israeli labor council heads (1/15).

Also of note: On 12/10, Jordan announced that its tourism revenue had increased 24 percent since the signing of its treaty with Israel.

On his visit to Jordan and Israel (1/7-8), U.S. Defense Secy. William Perry announced that in light of its peace agreement with Israel, the U.S. will give Jordan $300 m. in military hardware from its draw-down stock (including 16 F-16 fighters, 50 M60-A3 tanks, 1 C-130 cargo plane, and night vision equipment) to upgrade its deteriorating military. By way of upgrade, the U.S. gave Jordan $100-m. worth of surplus equipment in 1995. (The cost will be covered by the U.S. military's draw-down budget and allocations to Jordan in the U.S. foreign military assistance program.) Israel, which also has F-16s, agreed to train the Jordanian flyers. Perry also announced that the U.S. will give an additional $200 m. to Israel's Arrow missile project.

Syrian-Israeli Track

The quarter opened with both Israel and Syria making promising statements on the possibility of concluding a comprehensive agreement by the 10/96 Israeli elections (see "Peace Monitor" in JPS 98). As a confidence building measure, top foreign ministry officials from both countries met on the sidelines of the Euro-Mediterranean conference preparatory meeting in Barcelona 11/16—the highest level contact since negotiations began. A second meeting was held during the conference to discuss the conference's final statement. Although a hoped-for meeting between foreign ministers Ehud Barak and Faruq Shara' never materialized, both did address each other in their speeches from the floor (11/27), expressing their willingness to resume negotiations.

PM Peres conducted a tour of the region to gauge the support of King Hussein (12/6), Mubarak (12/7), and Arafat (12/8) for Israel resuming negotiations with Syria before heading to the U.S. (12/10) to lay the groundwork for the talks. Secy. of State Christopher then headed to the region to clarify procedures with Asad (12/14, 12/15) and Peres (12/15, 12/16). On 12/16, Christopher announced talks would resume 12/27, using a format devised by the U.S.: one round of talks (3 days of meetings, several days' recess, 3 days of meetings), followed by a trip to the region by Christopher to meet with the leaders and assess progress, and then a second round of talks and another shuttle, following the same pattern indefinitely.

Christopher transmitted to Asad (12/14) four proposals for negotiating formats that Peres gave Clinton 12/11: Camp David-style, Oslo-style, Dayan-Tuhaimi exploratory channel, setting a timetable to reach a breakthrough. In his telephone conversation with Clinton 12/11, Asad expressed his preference for Oslo-style talks, with Syrian-Israeli teams simultaneously holding parallel talks on various issues. On 12/18, Peres presented the Knesset with a ten-point plan to govern talks with Syria, based on ten understandings between the U.S. and Israel (see Doc. C4) that had been "accepted" by Syria and which echoed Asad's call (12/10) for both sides to return to the table without precon-
ditions. Syria called the ten-point plan “realistic and logical” on 12/21.

The first round of “exploratory” talks convened in Maryland 12/27–1/5 under a media blackout. The delegations felt that the first three-day session (12/27–29) was so positive, particularly in tone, that they agreed to stay in Washington during the recess to hold informal meetings instead of returning to their respective capitals to brief their leaders. Talks focused on the quality of peace after an agreement in largely economic terms, with Syria agreeing to discuss remuneration for Israeli withdrawal from the Golan in theory. Israel also suggested establishing a direct link between the Syrian and Israeli embassies in Washington as a confidence-building measure, but Syria declined. At close of talks, both sides claimed to have made substantive progress on key issues, but did not elaborate.

Christopher travelled to the region 1/10–14 and presented Asad with an Israeli request to accelerate the pace of talks and to include water, economic, and military experts on the teams for the next round. Asad agreed only to add military experts. Following Christopher’s visit, Israeli and Syrian media showed a marked decline in optimism for a quick agreement.

The second round was held in Maryland 1/24–31. The addition of military experts shifted the focus to the highly charged issues of security arrangements. Though talks closed with both sides saying progress had been achieved, and the U.S. deciding enough headway had been made to send Christopher back to the region (2/4–7), momentum was clearly lost. Some (notably Israeli Environmental M Yossi Sarid) blamed Israeli FM Barak, who joined this round of talks, for forcing a harder line—saying Israel would not discuss depth of withdrawal until Syria agreed to full Israeli control of Lake Tiberias and gave assurances on halting attacks in s. Lebanon—and for contradicting Peres’s stand by denouncing U.S. use of bridging proposals. Syria ultimately refused to discuss water bilaterally.

With the slowed pace of talks, Peres moved up Israeli elections to 5/21. Christopher’s second visit (2/4–7) therefore aimed at keeping talks going despite early elections. Asad agreed to go back to Maryland, and talks were set to resume 2/26 (later moved to 2/28).

On his February trip, Christopher took with him a State Department team led by Toni Verstanding that remained in Syria to explore the country’s economic priorities and gather information about its economy with the purpose of finding ways to bring indirect aid into Syria if Asad signs an agreement with Israel. On 2/14, the State Department decided to keep Syria on its 1996 list of rogue states, meaning direct U.S. aid will remain out of the question.

The U.S. and Israel also noted (2/5) that Syrian pressure on Hizballah to curb its operations in s. Lebanon had led to a significant drop in Hizballah activity between 1/22–28 and coinciding with visits by VP Al Gore and Secy. of State Christopher. Syria said publicly (12/19) that it wanted to “quiet things down” in s. Lebanon and end cross-border attacks, and Lebanon demanded (12/27) Palestinian factions transfer their arms out of Lebanon or risk their confiscation.

Also of note: The Israeli Agricultural Ministry earmarked (11/30) $40 m. of its 1996 budget to investment in Golan and West Bank settlements; the Housing Ministry agreed to construct 100 new housing units (12/10) and sell 500 vacant units (1/5) in the Golani settlement of Qatzrin; and the Jewish Agency Settlement Dept. targeted $45 m. to development of the Golani, Jordan Valley, and Dead Sea areas (12/26).

On 12/5, Israeli DMln. officials began an internal discussion of whether Israel should ask the U.S. for a special defense pact in return for making peace with Syria and, if so, what it should include. The concern that a delineated agreement could constrain Israel’s ability to respond to conflict kept Peres from broaching the subject with the U.S., though the topic remained a point of debate throughout the quarter.

REGIONAL AFFAIRS

Refugees

The Technical Committee on Refugees met in Haifa 1/4 for its fifth round of discussions on defining and quantifying “displaced persons” but made no progress. This meeting was originally scheduled for 11/6 but was postponed in the wake of the Rabin assassination. At sixth meeting in Cairo 2/13–14, sides claimed progress on quantifying the displaced but released no details.
Israeli-Arab Relations

On the sidelines of the Barcelona conference (11/27), Israeli FM Barak signed an agreement establishing diplomatic relations with Mauritania and met with Morocco’s PM ‘Abd al-Latif Filali. PM Peres also met with King Hassan in Morocco (12/13) to discuss the possibility of establishing diplomatic ties before Israel signs an agreement with Syria. The Israeli interest office in Rabat sponsored an Israeli cultural week in Morocco in mid-January, attended by FM Barak. In preparation for the events, a Moroccan delegation visited Israel in late 12/95 and also discussed upgrading relations.

On 11/18, Israel completed two days of talks with Qatar toward reaching an aviation agreement and obtained assurances from Saudi Arabia that Qatari flights headed to Tel Aviv would be given overflight permission.

Israeli and Tunisian foreign ministers discussed (11/26) implementing their 10/1/94 agreement on exchanging interest offices. Following a joint meeting with Christopher (1/22), they agreed to open the offices through the Belgian embassies in Tel Aviv and Tunis by 4/15.

In mid-January, Malaysia lifted its trade embargo in Israel. And on 2/6, Israeli and Eritrea signed an agricultural and medical cooperation agreement.

Inter-Arab Highlights

Turkey announced (11/95) a $1.62-b. agreement with Austria, Belgium, France, and Germany for construction of a fourth dam on the Euphrates. Syria and Iraq, fearing the impact on their water supply, began a coordinated campaign to have international corporations and banks stop financing to Turkey. Discussions culminated in the first official meeting between Iraq and Syria since the Gulf War (2/10-15). As talks between Syria and Israel resumed and appeared to make headway, Turkey, concerned about its own water interests, sent its foreign minister to Jerusalem (1/12) to request assurances from Peres.

Jordan and the PA agreed (1/25) to set up a standing committee to follow up on Jordanian-Palestinian relations and implement bilateral agreements. Arafat then made a two-day visit (1/27-28) to Amman to meet with King Hussein.

King Hussein held two meetings with Iraqi opposition leaders in London (11/23) and one in Amman (1/18), offering to host a meeting of opposition members in Jordan to discuss governing Iraq after Saddam (12/6) and sponsoring a symposium on the invasion of Kuwait (1/18). He also presented a proposal to the U.S. via Israel (12/10) for setting up a strategic partnership among Israel, Jordan, Turkey, and a new Iraq (a confederation of Kurdish, Shi’ite, and Sunni districts). These contacts angered Syria, which initiated a media campaign, attacking Jordan for its attempts to divide Iraq.

Jordan also attacked Syria for attending the Barcelona conference (see below) when it had boycotted the Amman economic summit (see “Peace Monitor” in JPS 98). In early 1/96, Syria prevented the entry of 70 Jordanian trucks transporting goods to Lebanon. Jordan threatened to retaliate by preventing Syrian trucks going to Iraq passage through the kingdom.

Jordan’s relations with Saudi Arabia showed improvement. Saudi FM Prince Sa’ud al-Faysal met with the king in Amman 1/9-11 and declared relations between the two countries to be solid and back on track after the Gulf War. King Hussein then visited Saudi Arabia (2/11-12) for talks with Crown Prince ‘Abdullah.

Regional Economic Affairs

A two-day Euro-Mediterranean economic conference convened in Barcelona 11/27-28 and focused on establishing economic and cultural relations among Mediterranean nations and setting up a regional free-trade zone by 2010. All EU states, Algeria, Cyprus, Egypt, Israel, Jordan, Lebanon, Malta, Morocco, the PA, Syria, Tunisia, and Turkey attended.

Egypt, Israel, Jordan, and the PA held their third quadrupartite ministerial meeting on regional economic planning at The Hague (1/30). They decided to create a network of top academic planning experts from around the world, plus from six to ten professional experts from the government sectors of each of their countries, to identify each member’s relative advantages as the first step in drafting a joint economic plan. The quadrupartite meetings are held roughly every six months.

Israel, Jordan, and the PA initialled (2/13) an agreement on managing scarce water resources in the region and agreed to set up a trilateral water commission. The accord provides a framework for co-
operation on efficient water management and finding new water sources but does not address allocations. The meeting was held outside the multilateral negotiations.

INTERNATIONAL

United States: In late 11/95, Congress granted the Middle East Peace Facilitation Act (MEPFA), which waives bans on U.S. government dealings with the PLO and allows the PLO to continue receiving installments on its five-year, $500-m. U.S. aid package, a fifth emergency one-month extension through 12/31. By unanimous approval, Congress agreed on 12/31 to extend MEPFA through 3/31.

On 2/8, 110 congressmen sent a letter to Arafat, warning him that MEPFA would be canceled and all U.S. assistance suspended if the PNC does not amend or nullify the PLO charter as agreed under Oslo II.

The State Dept. issued its fifth six-month PLO compliance report 12/1, covering the period 6/1-11/30 (see Doc. D1).

Russia: Israel and Russia signed (12/1) a two-year memorandum of understanding on security, covering exchanges of visits and information, joint research on advanced avionic systems, and Israeli upgrades for Russian weapons (both for Russia and countries supplied by Russia). DM Pavel Grachev also asked PM Peres to use Israel's influence with the U.S. and Egypt to prevent them from undermining Russia's $1-b. oil pipeline construction deal with the Sudan.

Russia also deported (2/6) an Israeli diplomat for spying and gave his family three weeks to leave Moscow. Russia refused to give details of the allegations, complaining that the Israeli government had broken promises to keep the story out of the press.

European Union: On 11/20, the EU signed a trade accord with Israel, granting Israel further tariff reductions, relaxing rules of origin on Israeli products, and allowing Israelis to participate as nonvoting members in the EU's research and development science program.

The EU troika (comprising foreign ministers representing the past, current, future holders of the EU presidency—Italy, Spain, and Ireland) visited the region in January and February, meeting with PA officials at Orient House (1/22), Pres. Asad in Damascus (2/13), and PM Peres in Jerusalem (2/14).

Vatican: Rabin's widow met with Pope John Paul II in the Vatican 12/14 and afterward claimed he acknowledged Jerusalem as the capital of Israel. As a result, Vatican officials reaffirmed the belief that Jerusalem is occupied territory several times (12/14, 12/19 at Orient House, 12/21, 1/13).

United Nations: On 12/1, the UN General Assembly passed a resolution [121-1 (Israel), with 25 abstentions (incl. U.S.)] denouncing Israeli measures against Syrian citizens in the Golan and urging the removal of Israeli settlements there.

On 12/4, the assembly passed three resolutions. The first renewed (133 to 1 [Israel], with 13 abstentions (incl. U.S.)) a resolution calling Israel's decision to impose its laws and administration over Jerusalem illegal, null, and void and deploring transfer by some states of their diplomatic missions to Jerusalem. The second renewed (66 to 2 [Israel, U.S.], with 79 abstentions) a resolution demanding Israeli withdraw from the Golan to the 6/4/67 line. The third (passed by 148 to 4 [Iran, Lebanon, Libya, Syria] with 1 abstention [Sudan]) expressed support for achievements of the peace process and called for rapid progress on the remaining tracks.

On 12/6, the UN passed (145-1 [Israel]) a resolution funding the UNRWA until June 1999. Although it had voted for the resolution every year since 1948, the U.S. abstained in this round, expressing reservations regarding clauses affirming refugees' right to return to their homes and/or receive adequate compensation.

During the same session, the assembly aborted a U.S.-Israeli effort to eliminate the special committee to investigate Israeli practices affecting human rights of Palestinians in the occupied territories, instead commending the committee's work, deploring Israeli practices, and reaffirming applicability of Fourth Geneva Conventions.

Meetings and Regional Tours: Most visits revolved around the resumption of Syrian-Israeli negotiations: U.S. special envoy Ross with Israeli FM Barak and negotiator Uri Savir in Israel (12/4), Pres. Asad in Damascus and PM Peres in Israel (12/5); Lebanese PM Rafiq Hariri, Speaker Nabih Birri, Syrian VP 'Abd al-Halim Khaddam, and FM Shara' in Damascus (12/4-5); PM
Peres with Pres. Clinton (12/10), Defense Secy. Perry (12/11), members of Congress (12/12); Secy. of State Christopher with King Hussein in Aqaba and Arafat in Jericho (12/15); Pres. Mubarak and King Hussein in Cairo (12/26); Lebanese FM Faris Buwayz and Syrian FM Shara' in Beirut (12/19); Pres. Mubarak with Pres. Asad and FM Barak separately in Cairo (12/23); Syrian VP Khaddam with Lebanese Speaker Birri and PM Hariri in Damascus (12/28-29); Syrian FM Shara' with Lebanese Pres. Ilyas Hrawi in Beirut (1/15, 2/8); VP Gore, PM Peres, and FM Barak in Israel (1/16); FM Barak with Secy. of State Christopher and Defense Secy. Perry (1/22), National Security Adviser Anthony Lake and members of Congress (1/23), and UN Secy. Gen. Butros Butros Ghali (1/25); and the meeting of the Syrian-Lebanese Higher Council (1/27-28).

U.S. special envoy Ross made a separate tour to the region to view progress on the Palestinian-Israeli track, meeting with Israeli negotiator Savir and PA negotiator Ahmad Qur'a' (11/18), Peres (11/19), the PISMC (12/6), and Arafat (12/7). Russian Dep. FM Posuvalyuk made a similar trip, meeting with King Hussein in Amman (12/4), FM Shara' in Damascus (12/5), and Israeli M Yossi Beilin in Israel (12/5).

French FM Hervé de Charette visited PM Peres (12/21), Arafat (12/22), and Orient House (12/23) and participated in PA Christmas celebrations in Bethlehem. He returned to the region in mid-January, meeting with Lebanese FM Buwayz (1/16) and Syrian FM Shara' (1/17).

Other meetings and tours included:
- a delegation from the Anti-Defamation League which toured Egypt, Israel, the self-rule areas, and Saudi Arabia (11/17-27).
- a Joint Chiefs of Staff delegation which met with Jordanian PM Bin Shakir in Amman (11/25).
- Israeli FM Barak with Russian FM Andrei Kosyrev in Budapest (12/7).
- Israeli FM Barak and Egyptian FM Amr Musa in Cairo (12/24).
- UK minister of state for foreign affairs Jeremy Hanley with Arafat (1/4) and officials at Orient House (1/5).
- Secy. of State Christopher and Arafat in Gaza (1/13).
- VP Gore with Likud leader Benjamin Netanyahu (1/15), PM Peres and FM Barak (1/16), and Arafat (1/16).
- Arafat and FM Bin Shakir in Amman (1/18).

DONORS

All activity this quarter was geared toward finalizing the PA budget for 1996 and agreeing on a Core Investment Program to stimulate and direct Palestinian economic development over FY 1996-98 for presentation to the ministerial level donor conference in Paris 1/9. On 11/22, following two Local Aid Coordinating Committee meetings in Gaza, donor countries recommended offering $75 m. to the PA to cover its budget deficit and $600 m. to cover investment projects.

An informal Ad-Hoc Liaison Committee (AHLC) meeting was held in Washington 11/30 to discuss the PA budget, deficit, and investment projects and Israeli closures and to sign off on the Core Investment Program. The projects selected were the largest of those presented at the 10/18 Consultative Group meeting (see “Peace Monitor” in JPS 98) and adequately represent the donors’ desire to focus investment on housing, infrastructure, and institutional development.

At the 1/9 Paris meeting, donors allocated $865 m. to the $550-m. core package. The $865 m. amount includes new pledges and some money pledged in 1993 that had not previously been allocated. $500 m. is guaranteed to be disbursed before 3/97. $75 m. was also approved for disbursement to cover the PA budget deficit. The donors, PA, and Israel also signed a revised Tripartite Action Plan (TAP) targeting a better balance between fiscal budgeting and longer term development (for details, see Brynen article in this issue.)

At the close of the quarter, the Holst Fund was solvent, with $4-5 m. available for disbursement. Officials anticipated the fund would be liquid through 1996.

At the 11/22 meeting, the EU and PA signed a cooperation agreement, providing the PA with $65 m. for 1996: $5 m. to cover administrative costs, $7 m. for vocational training, $13 m. for municipal support, $17.5 for new schools, $18 m. for higher education. Other bilateral deals with the PA coincided with the 1/9 Paris donors’ meeting, including:
- $300 m. over the next three years from the EU for unspecified costs (12/25).
- $250 m. from Qatar to form a holding company to promote industrial and devel-
opment activities in the self-rule areas (12/20) and another $30 m. for construction of a "sport city" in Bayt Lahiyia, Gaza (12/27).

- $114 m. in easy-term loans from France for construction of the Gaza port, water purification projects, street repair, medical equipment, and a television transmission service (1/8).
- $40 m. from Switzerland for infrastructure building and institutional support (1/3).

- $7.2 m. from Spain for waste treatment projects, three recreation centers, medical supplies, and equipment for the PA police (12/30).
- $2 m. from the UK to establish a communications network for the PA police in the West Bank (1/4).
- $800,000 from Japan to cover costs of running the elections (1/4).

Compiled by Michele L. Kjorlien