To many observers, the stars are aligned to see the final resolution of the century-old Arab-Israeli conflict in the millennium year of 2000. But in a region which too often accentuates romance over realism, more sober analysts will underscore the wide gaps which still divide the parties, the national and personal interests which militate against compromise, and the still-substantial threats to peace that have the potential to derail the region's diplomacy altogether. Millennial aspirations aside, 2000 has as much chance to be a year of brinkmanship, conflict and violence as it does a year of breakthrough, success and peace.

THE PEACE PROCESS: A CAPSULE HISTORY

If the Arab-Israeli conflict is about a century old, then the history of Arab-Israeli negotiations stretches back almost as far. But the current phase of peacemaking dates to October 1991. Taking advantage of a unique confluence of American dominance, European and Russian deference, Arab realism and the weakness of Middle Eastern radicals in the post-Gulf War environment, the Madrid Peace Conference was convened to launch diplomacy to address both main aspects of the Arab-Israeli conflict-the inter-state dimension (between Israel and Arab states) and the inter-communal dimension (between Zionists and Palestinians within Mandatory Palestine). Despite its hopeful and historic start, negotiations failed to achieve the desired success. The 1992 election in Israel of the Labour-led government of the ageing war hero, Yitzhak Rabin, replacing the less accommodating Likud, gave a fillip to the negotiating process but, even so, progress was glacial, at best.

The important breakthrough came in August 1993. Just as Anwar Sadat had broken the mould through his journey to Jerusalem nearly sixteen years earlier, leading to peace between Israel and the most powerful Arab state, Rabin decided to cut the Gordian knot and reach out to Israel's nemeses with courageous offers.

As a strategic thinker who wanted to close off any possibility of renewed warfare on Israel's borders, Rabin's preferred partner for peacemaking was Israel's leading state-to-state antagonist, Syria. In July-August 1993, after several turbulent weeks of violence in Lebanon, Rabin offered the Syrian leader, Hafez al-Assad, a move to full throttle to reach a peace deal. Communicating via the United States, Rabin implied that Israel would consider Syria's territorial demand-full withdrawal from the Golan Heights-should Syria accede to Israel's set of demands regarding security arrangements and details of a peace treaty. Assad, however, temporised.

Left with no alternative, a disappointed but committed Rabin turned to the Palestinian track. There, he reluctantly lent his imprimatur to a brash plan, hatched by academics and moulded by diplomats, to exploit the post-Gulf War weakness of the Palestine Liberation Organisation to transform it from an outlaw band into Israel's principal partner for peace. The product was a Declaration of Principles popularly called the Oslo Accords, by which Israel and the PLO, Rabin and Yassir Arafat, formally recognised each other and committed themselves to resolve all disagreements through peaceful negotiations.
For Arafat, Oslo was a huge achievement. Before Oslo, his organisation had diplomatic recognition from most of the world's countries and had even declared the independence of the 'State of Palestine' in 1988, but it did not control a single inch of Palestine. Oslo rescued the PLO from political oblivion, gave it the diplomatic recognition of the only country that really mattered (Israel) and even provided Arafat and his cohort with a foothold in Palestine (in the West Bank town of Jericho and in the coastal strip of Gaza) that a generation of violence, terrorism and 'armed struggle' had failed to achieve. Perhaps most importantly, Oslo offered a pathway, a set of negotiations, through which Palestinians could seek redress from Israel for all outstanding claims by the close of a five-year 'interim period'.

For Israel, Oslo also held out substantial benefits, foremost being the end of terrorism and the promise of a peaceful resolution of the 'core' of the Arab-Israeli conflict, i.e. the Israeli Palestinian dispute. In addition, recognition of Israel by the PLO made obsolete (at least in theory) the refusal of all other Arab states to recognise Israel and deal with it, too. After all, how could other Arabs be more Palestinian than the Palestinians could be? (That was soon realised with the signing of a preliminary accord with Jordan just days after the Oslo Accords were reached; a full peace treaty with Jordan was eventually signed in October 1994.) On a regional and international basis, Oslo offered the end of Israel's isolation, in political, economic, commercial and cultural terms, opening Israel to unprecedented opportunities for business, trade and tourism from East Asia, Europe and elsewhere.

Oslo, however, also contained its own internal contradictions. At the core, it meant different things to different people. Both sides considered the mere signing of Oslo as the ultimate act of national compromise: for Palestinians, to recognise Israel within any borders; for Israel, to give legitimacy to the PLO, hand over West Bank territory and even to hint that more was open to bargaining. Many Israelis were pleased to be rid of the most problematic territories (e.g. the teeming refugee camps of Gaza) but there was no national consensus on where to draw a final border, except that no one in Israel would countenance the return to the pre-1967 frontiers, which seemed to many Israelis only to invite attack. Palestinians did have a national consensus; many viewed Oslo's five-year 'interim period' as simply the painful postponement of the promised establishment of an independent state within all the territory of the West Bank and Gaza, including eastern Jerusalem, i.e. the 1967 borders. Israelis tended to view Oslo as an incremental process in which the two sides would tackle relatively easy problems first as a way to build confidence to address more thorny issues, but no one in Israel accepted what many Palestinians took for granted as an inevitable outcome of the process.

In the years since 1994, three realities have come to dominate the Israeli-Palestinian scene:

- The absence of a commonly agreed vision for the final arrangement between Israelis and Palestinians,
- The persistence of terrorism, which took more Israeli lives in the five years after Oslo than it did in the five years before (not to mention the Israeli-on-Israeli terrorism that killed Prime Minister Rabin),
- The political and economic disappointment of Palestinians living in the Palestinian Authority, the authoritarian, monopolistic entity that was governed by Arafat and PLO 'returnees' from other Arab countries and that was established by Oslo.

To be sure, the two sides have negotiated numerous successor agreements to the original Declaration of Principles, spelling out details of political, economic and security implementation of the 'interim period'. In fact, they have signed agreements at the rate of
more than one per annum. However, the frequency of signing ceremonies has not compensated for these three persistent problems. And now that the 'interim period' has (technically, at least) come to a close, the parties face the prospect of long-postponed 'permanent status negotiations' with a wide gulf of differences still separating them.

PROSPECTS FOR Y2K

In May 1999, Ehud Barak routed the incumbent Likud Prime Minister, Benjamin Netanyahu, in Israel's national election. Netanyahu himself had been elected three years earlier, promising to bolster Israeli security and slowdown the pace of Israeli concessions and withdrawals following a series of heinous bus bombings in the heart of Israel's major cities. He succeeded, but perhaps too well for his own political benefit, since the relative calm Israel enjoyed by 1999 made many Israelis ready once again to re-engage more energetically in a deliberate but purposeful peace process with the Arabs.

A former army Chief of Staff with only five years experience in politics, Barak immediately injected a new variable into Arab-Israeli peacemaking. Like many Israelis, Barak opposed incremental Israeli withdrawals from the West Bank without having a clear idea of the ultimate shape of a final arrangement between the two sides. Within three months of his election, he won Arafat's agreement to amend the Oslo formula of talks to seek by mid-February 2000 a "framework agreement on permanent status" that would provide both sides with a clear road map of their final peace deal, possibly to be reached through a Camp David-style summit meeting hosted by President Clinton. According to this plan, the details of a permanent settlement are to be worked out in an agreement by September 2000. Implicit in this plan, though certainly not a principle that Arafat would accept, is the notion that Israel would make no further West Bank withdrawals after February 2000, unless this agreement-in-principle is reached.

This is indeed an ambitious timetable. At issue in these negotiations is a set of complex, sensitive and deeply profound questions, including: Will there be a Palestinian state? How independent and sovereign will it be? Where will the border lie between Israel and this 'entity'? What political, economic, security and human relationships-i.e. separation, cooperation, integration, or combinations of all three-will govern ties between the two entities? What is the future of the nearly 150 Israeli communities ('settlements', in political parlance) whose 200,000 residents live inside the West Bank and Gaza? Will the millions of Palestinian refugees win a 'right to return' (to Israel or the future Palestinian entity), receive compensation or be resettled in their host countries? What is the future of Jerusalem, a holy city claimed as temporal capital by both Israelis and Palestinians?

Of all these thorny questions, the most intractable surrounds the issue that has been at the heart of the Arab-Israeli dispute from its very inception: land. While both sides have made what are for them huge compromises, they remain very far apart. Inside Israel, public opinion has come to accept the concept of a Palestinian state, with certain limitations on its sovereignty, and to consider various options for rationalising the number and extent of Jewish settlements in the West Bank and Gaza. However, no mainstream Israeli political party is even close to accepting the idea of full Israeli withdrawal to the 1967 borders, with Labour and Likud seeking to retain control of between 20 and 40 per cent of the territory for security, settlement and historic reasons. For their part, the Palestinians believe they have compromised in accepting 'only' the 1967 borders, rather than insisting on the lines of the original UN partition plan of 1947. While the Israeli consensus has moved steadily towards compromise
over the past half-dozen years, the Palestinian consensus is frozen: not one single Palestinian political leader has ever publicly suggested accepting less than the entirety of the West Bank and Gaza, including formerly Jordan-held Jerusalem. Without some compromise on this issue—i.e. without the Palestinians agreeing to forswear irrevocably their claim to some post-1967 territory, not just postpone their claim—even the enthusiasm of Barak and the urgency of an ageing Arafat will not forge an agreement where none exists.

But even so, the peace process is likely to survive. As a result of Oslo, which itself emerged from the immovable realities of demography and geography, Israelis and Palestinians are fated to live together. The fact that their relationship is defined by negotiations periodically interrupted by violence rather than by violence with intermittent negotiations is a positive trend that gives some hope that peace might indeed be finally attained in the new century, if not in its first year then in its first score years. In the meantime, Israelis and Palestinians are likely to continue to reach agreements that inch closer to real peace, though not in the foreseeable future attain the hoped-for goal of a permanent arrangement that settles their conflict once and for all.

Similarly, resolving the outstanding dimensions of the inter-state conflict may take some time, too. Upon taking office, Barak also announced ambitious plans to catalyse moribund talks with Syria. While affirming the positions of previous Labour governments about the potential scope of territorial withdrawal from the Golan Heights, Barak also announced his intention to withdraw all Israeli forces from their south Lebanon security zone, from which Israel has maintained a forward defence of its northern border since 1985. Though this promise largely reflects a mood shift in Israeli public opinion towards involvement in Lebanon, it also shook up the prospects for talks with Syria, which is a patron (along with radical Iran) of the Hizbollah (Party of God) guerrilla militia operating against Israel. While Israel has said it would prefer an orderly withdrawal as part of a regional agreement with Syria and Lebanon that also settles the dispute with Syria over the Golan Heights and includes peace treaties with both countries, Barak has also hinted broadly that he may authorise a unilateral withdrawal in case no such diplomatic progress is possible.

In the convoluted politics of Middle East diplomacy, Syria and Lebanon both oppose an Israeli unilateral withdrawal, despite years of calling for it, because it would then decrease Israel's incentive to address Syrian demands over the Golan. In the event Barak fulfils his withdrawal promise by pulling back unilaterally from Lebanon, Israel's antagonists on the Lebanese side—an unholy alliance of Iran, Syria and radical groups like Hizbollah, Hamas and Palestinian Islamic Jihad—almost surely will raise the level of violence and terrorism. A cycle of violence, escalating into armed conflict, should not be discounted.

The December 1999 resumption of Syria-Israel negotiations, with a view to negotiating a full 'land for peace' treaty between the two states, raised hopes that diplomacy could avert this negative spiral. The Syrian leader's surprise decision to send a delegation to Washington to meet face-to-face with Israel's Prime Minister sent shock waves through the Middle East that a deal was in the offing, and soon. Sadly, however, these expectations proved inflated and premature. Although Barak has signalled his eagerness to reach an agreement, supported by President Clinton's willingness to invest time, energy and financial support, Damascus seems to be hardening its position on the important territorial issue. This includes Syria's public statement that it expects Israel not only to issue a written commitment to withdraw to the '4 June 1967 lines', which includes territory of hydraulic importance beyond the international border between Syria and Mandatory Palestine, but that it also demands an Israeli withdrawal
to the shores of the Sea of Galilee, a condition no Israeli government could accept. Moreover, in an exchange of leaked documents concerning the negotiations, Syria has moved away from media reports of an early commitment to full normalisation with Israel and seems only to offer a frigid peace, cooler even than what Egypt offered two decades ago. To be sure, at year's end, the parties may only still be posturing for public opinion back home while seeking to influence the American mediator, but the prospects for a speedy deal that would close the 'circle of peace' around Israel's borders still have significant obstacles to overcome.

(It is important to note that this negotiation has special significance for Turkey. From the resolution of disputed water sources to changes in the deployment of Syrian forces to Syria's possible receipt of international economic and perhaps even military assistance, these negotiations will have a direct impact on Turkish interests and the ever-growing strategic relationship between Turkey and Israel.)

Syria's stiffer diplomatic posture emerged against a backdrop of growing uncertainty within Syria about the state of Assad's health and the murky prospects for succession in that closed, Alawite-controlled society. Indeed, while some observers opined that Assad was keen to conclude peace with Israel so as to provide his son and putative heir, Bashar, with a clean slate for his own presidency, there is today a growing sense that Assad is leery about a peace deal with Israel that even hints at compromise on any issue lest Bashar be tainted with the sin of treason. The bottom line is that, as the millennium begins, the inter-state conflict remains, along with the inter-communal conflict, unresolved.

CONCLUSION

In the short term, therefore, Arab-Israeli peacemakers face an uphill test to end this long simmering conflict by the end of 2000. Instead, the millennium year could witness more violence than amity. While chances for a real breakthrough remain, the gaps between the parties remain, too. That should not, however, deter the peacemakers from an optimistic assessment of their long-term prospects for success. In the broad sweep of history, the peace process is moving in a positive direction: just fifty years after Israel's founding, formal peace exists between the Jewish state and the largest Arab state (Egypt) and the state with the longest border with Israel (Jordan), a framework for peacemaking exists with the Palestinians, the contours for peace with Syria are well known, and Israel's most implacable enemies-like Iraq, Iran and Libya-remain isolated and weakened. While threats to regional stability are severe, highlighted by internal instability in key Arab states and the spread of weapons of mass destruction and the means to deliver them, history seems to be moving in the right direction. But the key ingredient-one that is in too short supply-is time.