Along the Difficult Road of Israeli-Palestinian Peace: The Wye Agreement and Early Elections

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Introduction

The Israeli-Palestinian peace agreement, started by former Israeli Prime Minister Yitzchak Rabin and Palestinian Chairman Yasser Arafat, during the Oslo Accords of 1993, is in imminent danger of collapsing. Nearly three years after the rise to power of the right-wing Netanyahu government, the implementation of the Agreements has come to a virtual halt with both sides accusing the other of not living up to their respective obligations. Despite the implementation of the revised Hebron Agreement in 1996-1997, and the recent signing of the Wye Plantation Accords, the level of mutual trust between the two sides has reverted almost to what it was prior to Oslo.

The calling of early elections by Prime Minister Netanyahu, to be held in May 1999, has meant that any further implementation of the Wye Accords will now be put on hold until a new government has been sworn in. Events are tied in with each other, as the expected unilateral declaration of the establishment of an independent Palestinian State in May 1999, could well influence the Israeli vote in favour of yet another right-wing government, but this time one which would be openly committed to bringing a halt to the process started in Oslo over five years ago. Unlike his pre-election promises to honour and move ahead with the Oslo Accords in 1996. Netanyahu's platform this time round is likely to be more uncompromising and less ready to enter into any further negotiations with the Palestinians.

Leading up to the Wye Agreement

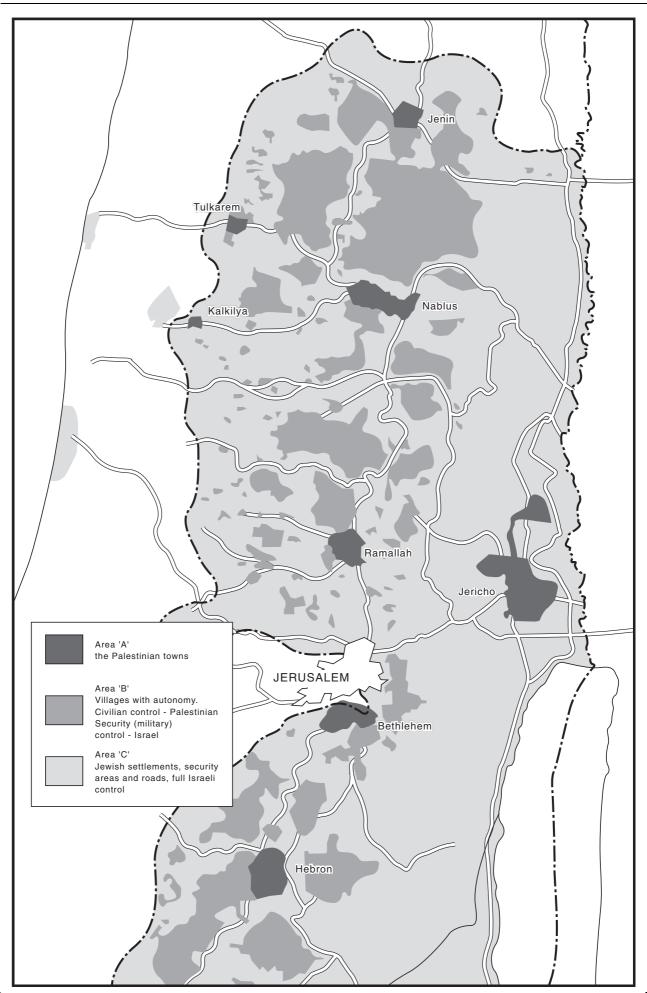
The territorial arrangements of the Oslo II Agreement created a series of discontinuous and fragmented territorial exclaves which now constitute the Palestinian autonomous areas (for an analysis of the geographic and territorial outcome of the Oslo II Agreement, see *Boundary and Security Bulletin*, Vol. 3 (4)) (see map). While this enabled a greater degree of self-rule for the majority of the West Bank and Gaza Palestinians, it also resulted in the formation of a fragmented and discontinuous territorial pattern, making it difficult

for the Palestinian Authority to exercise its authority and at the same time making it relatively easy for the Israeli army to exercise overall control.

Following the increase in Hamas attacks on Israelis, curfews were imposed upon the autonomy enclaves, making it increasingly difficult for Palestinians to find employment in the Israeli economy, their places being taken by a growing migrant worker population which was considered to be more reliable and less dangerous by Israeli employers. Overall, the economic status of most Palestinians decreased, rather than improved, during the first years of autonomy, bringing with it a growing dissatisfaction with the Palestinian leadership and Yasser Arafat, and a growing support for the Jihad and Hamas Islamic movements. Both movements reject the Oslo Accords, seeing them as a "sell out" to Israel and the United States with no tangible benefits – political or economic – having been achieved in return.

During the two-and-a-half year period following the election of the right-wing administration of Benjamin Netanyahu, the government has carried out its obligations under the terms of the Oslo II Agreement and the revised Hebron protocol (see *Boundary and Security Bulletin*, Vol. 4 (4)). The Israeli government may not have wanted to implement the revised Hebron Agreement, but it had little alternative given the fact that the Hebron withdrawal was originally agreed upon by the previous Israeli administration.

Netanyahu had made it clear that although he was opposed to the details of the Oslo II Agreement, he would, as a democratically elected leader, honour the commitments entered into by the previous government. But while there was an Israeli commitment to enter into further negotiations, it was clear that once all previous government commitments had been honoured, the real test of the Netanyahu administration would be its willingness to enter into negotiations over further territorial withdrawals from the West Bank.



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In particular, Netanyahu insisted on a much more stringent interpretation concerning the extent to which the Palestinian Authority honoured its own commitments to the Oslo Accords. Netanyahu argued that for as long as the Palestinian Authority did not combat terror (even acts that were committed by the religious fundamentalist Hamas movement), did not publicly abrogate the Palestinian Charter calling for the destruction of Israel, and did not extradite Palestinians responsible for killing Israeli citizens, there would be no further agreements or territorial withdrawals on the part of Israel. The fact that the terrorist attacks were carried out by the religious fundamentalist Hamas movement who were in opposition to Arafat's Authority, or the fact that the Palestinian Authority had already made a public statement to the effect that the Palestinian Charter had been amended, did not cut any ice with the Netanyahu administration.

For his part, Netanyahu reverted to a policy of favouring investment in the expansion of Jewish settlements in the West Bank, an act which was equally interpreted by the Palestinians as being in direct contravention of the agreements reached in the two Oslo Accords. Netanyahu argued that the Agreements only forbade the establishment of new settlements, not the expansion and consolidation of existing communities (a practice which has accounted for 80% of the settler growth during the past seven years) while in the run-up to the Wye Agreement, hawkish Foreign Minister, Ariel Sharon, called for the settlers to expand their settlement activity in order to lay claim to land which could not subsequently be relinquished as part of a future agreement.

The government's settlement activities in East Jerusalem proved to be particularly contentious. The preparation of the infrastructure for a new Jewish neighbourhood in Rass Ammud resulted in some of the worst scenes of violence, including fatalities, since the days of the Intifada some ten years previously.

One of the few signs of cooperation to have emerged during this period was the result of a territorial oddity – the establishment of an international casino in the town of Jericho in the Jordan Valley. Established as a result of foreign investment, the casino is manned by Austrian and Palestinian workers but is only open for business to foreign residents, which by definition includes Israeli citizens. Israel does not allow the operation of casinos on its own territory (the only other casinos are located in offshore boats in Elat/Aqaba).

The Jericho casino has become one of the few places in the Palestinian Autonomy which is regularly visited by thousands of Israeli citizens and where the security arrangements are such that there are no fears for their safety. The Israeli government, alarmed at the flow of foreign currency to the Palestinian Authority, has suggested – in turn – banning Israeli citizens from travelling to the casino and/or legalising gambling as a means of retaining the foreign currency within Israel itself.

Overall however, the peace process had almost come to a standstill by the latter part of 1998. This resulted in the direct (re)intervention of the American administration in trying to get the process back on track. The US government threatened to totally withdraw from the Middle East arena (a threat which was unlikely to have been carried out given the strong US interest in maintaining a major influence in the region) and insisted on jumpstarting a further round of negotiations between the respective leaders. Under the Rabin-Peres administrations, the United States had taken a back seat, allowing the two sides to get on with the negotiation process which brought about the two Oslo Agreements, and only intervening where and when requested by the two sides, more often than not to offer assurances in return for the concessions being made by both Israel and the Palestinians. Paradoxically it has been the go-slow tactics of the right-wing government, a government which opposes all forms of foreign intervention, that has brought the Americans back in as a means by which negotiations can be restarted.

In October 1998, President Clinton convened a marathon ten days of intensive negotiations between the Israeli and Palestinian leaders at Wye Plantation just outside Washington D.C.. The respective leaders were politely, but strongly, forced into this meeting at a time when they clearly had little desire to enter into another series of direct negotiations. This followed a period of some ten months in which Netanyahu and Arafat had done their best not to meet with each other.

Modelled on the Camp David negotiations between Israel and Egypt some twenty years previously, the leaders and their aides were kept at a secluded retreat, with the American negotiators acting as gobetweens in their attempt to bring about a further stage in the process of conflict resolution. But unlike the Camp David situation, where the respective Israeli and Egyptian leaders had been fully aware of the historic significance of their meeting and where both were intent on reaching an agreement which would prevent further wars

between the two countries, the attitudes of the respective leaders at Wye were less than cooperative.

Having been forced into the meeting by the US administration, the leaders, so dependent on American financial support, could do little else but agree to attend. But, as was seen, in the petty bickering over a multitude of relatively minor clauses, they both did their utmost to make it as difficult as possible for the other side to sign on the dotted line. At one point, an ailing King Hussein of Jordan was brought in from his sick-bed to act as a last form of appeal to both leaders. Despite the efforts at brinkmanship from both sets of negotiators, including a number of threats to pack their bags and go home without signing an agreement, the Wye Accords were finally drawn up and signed, like the previous agreements, in a ceremony at the White House.

A Territorial Analysis of the Wye Agreement

Prior to the Wye negotiations, public discourse within Israel had focused on the extent of additional territory to be handed over to the Palestinian Authority in any new agreement. Under the Oslo II Accords, less than 30% of the West Bank (equalling less than 10% of Mandate Palestine) had been transferred to the Palestinian Authority, much of it under the framework of Area "B" status, in which the Israeli army still undertook some security operations.

Within the government, the "minimalists" argued that no more than 8-9% of additional land should be evacuated, while the "maximalists", were prepared to hand over as much as thirteen percent. The Palestinians insisted that the full thirteen percent be handed over to the Palestinian Authority and that this, like previous Agreements, should be seen as no more than a stage on the way to even further territorial withdrawal in the future. For its part, Israel argued that this next stage of territorial withdrawal would mark the end of the process and that the Palestinians could not expect to receive any further territory in future negotiations.

This debate was itself a sign of the way in which the territorial discourse had changed since Netanyahu came to power in 1996. Prior to the change of government, the territorial debate centred around the question as to whether the whole of the West Bank would eventually be transferred to Palestinian rule, necessitating the evacuation of Jewish settlements, or whether some settlements would remain under Israeli sovereignty, with the majority

of the region destined to become part of the Palestinian administration.

In the much publicised Beilin-Abu Maazen Plan, drawn up shortly before the Spring 1996 elections, it was suggested that Israel would retain control of small sections of the West Bank in which the majority of the settlements were located, in return for which the Palestinian Authority would receive compensatory territory in the Negev desert, enabling them to expand the territorial size of the Gaza Strip region.

This discourse became irrelevant following the return to power of the right wing-government in 1996. Instead, over a period of two years, the territorial debate changed to one in which a "maximalist" transfer of territory to the Palestinian Authority entailed a further 13%, much of it transferred from Areas "B" (already under limited Palestinian autonomy) to Areas "A", rather than the previous discourse which focused on the whole of the West Bank.

The Palestinian leadership appealed to the United States to ensure that they would receive the "whole thirteen percent" rather than just the 8-9% proposed by the Netanyahu administration. This indicated a gradual, albeit unwilling, acceptance on the part of the Palestinian Authority that the rules of the game had changed since Netanyahu's rise to power and that negotiations now centred on a relatively small part of the area. However, having started on the long road towards territorial autonomy and eventually statehood, the Palestinian leadership were no longer in a position to break off negotiations even though the terms of discourse had clearly taken a change for the worse.

In the eventuality, Israel agreed to transfer the entire 13% to Palestinian control as part of the Wye Agreement, but in a staged withdrawal which would be dependent on the mutuality of implementation on the part of the Palestinian Authorities. This included a renewed clamp-down on Hamas terrorist activity and a formal annulment by the elected Palestinian Authority of those clauses in the Palestinian Charter which called for the destruction of Israel and the continuation of armed struggle.

This latter condition was met within a few weeks of the signing of the Wye Agreement, but backfired on Israel when it provided the occasion of the first visit of a United States President to the Palestinian Authority, thus strengthening the claim for independence and sovereignty. Another important achievement on the part of the Palestinian Authority

was the opening of their own international airport at Dahaniyeh, another in the long list of symbols of statehood which already exist – such as travel documents (passports), stamps, flag, anthem – and so on. In many senses this represented all the trappings of independence without the formal recognition of sovereignty.

As in the previous Oslo Agreements, the transfer of territory as part of the Wye Accords created a mess of enclaves, exclaves and new bypass roads, constructed to ensure the physical safety of the minority settler population. Although aimed at enlarging some of the existing Palestinian territorial enclaves, the Agreement did little to merge them into a continuous and/or compact territorial shape. Even if the Wye Accords were to be fully implemented, they would still leave numerous Palestinian "A" and "B" areas disconnected from each other and bisected by Areas "C" under Israeli control and lateral roads deemed to constitute a security imperative for the Israeli army (not least those roads linking Israel proper in the west to the Jordan Valley in the east).

As in the previous agreements, not a single Israeli settlement was evacuated or transferred to Palestinian control. But while this ensured that many of the Palestinian areas would remain disconnected, a number of settlements were now transformed into isolated outliers, all but surrounded by Palestinian autonomy zones. Even in these cases, they all retained direct territorial links to Israel, with new bypass roads being constructed, at great expense, which would enable direct access from every settlement to Israel without having to go through areas under Palestinian control.

Since the implementation of the first Oslo Agreement, the Israeli government has poured a huge amount of resources into the construction of bypass roads, improving much of the route infrastructure to an extent which had not been carried out during the previous thirty years of Israeli Occupation of the region. While the roads were not built for the exclusive use of Israeli settlers, they are all located within Areas "C", that is those areas which remain at this stage under total Israeli control, so as to ensure safe passage for Israeli settlers, and under direct security control of the Israeli military authorities.

Notwithstanding, shortly after the signing of the Wye Agreement, there were reports of settlers who declared their willingness to leave their settlement and return to Israel proper, given an adequate form of economic compensation. This was particularly

the case amongst settlements which were not composed of the hard-core territorial ideologues of the religious nationalist Gush Emunim movement and/or those which, in the aftermath of implementation, would find themselves virtually enclosed by Palestinian-controlled territory on both sides. The government were quick to hush these signs of discontent (as indeed had the previous Labour government in the negotiations over the Oslo II Agreement) so that it should not be interpreted as a sign of weakness by the other side.

However, even amongst the right-wing settlers, there is a general acknowledgement that there is no going back to the pre-Oslo, maybe even the pre-Wye, realities, and that they have to "prevent" even further territorial withdrawals on the part of the government. Within the ultra right-wing religious party, the Mafdal, a major component of the Netanyahu coalition, there was heated debate between two factions, one which argued that it was incumbent upon the party to leave the government and bring it down because of its "betrayal of the Land of Israel" by agreeing to further territorial concessions in the Wye Agreement, the other arguing that despite this "betraval", it was incumbent upon the party to remain inside the government and the cabinet so as to prevent even further agreements of a similar nature in the future.

While the symbolic and religious dimensions of the territorial discourse continue to fill a central role in the public rhetoric of both the settlers and many of the government ministers, not least Netanyahu himself, it is the security and strategic dimensions of territory which are the focus for negotiations – both within Israel between the government and the settlers, as well as between Israel and the Palestinians.

The symbolic discourse is a zero-sum discourse, in which each side believes that their right to exclusive control of the entire territory is infallible, due to a variety of historic and religious reasons. But once sitting around the negotiation table, assuming a mutual desire on the part of both sides to reach some sort of agreement, it is the nitty-gritty of territorial partition which is discussed, with the perceived security function of micro-territories, upland areas, bypass roads and defensible borders constituting the essence of the give and take.

The Israeli insistence that they must retain control over the east-west lateral roads (a demand which was not made by the previous Labour governments) and their refusal to consider any form of withdrawal from the eastern boundary along the Jordan River, means that any future Palestinian territory would

always remain fragmented into numerous small territories, and enclosed by Israeli territory on all sides. Such a scenario, even if it were to be accepted by Palestinian negotiators as a "no-choice" situation (unlikely as that may be) would further enhance the conditions of territorial and political instability which exist today.

Following the first, relatively minor, implementation of part of the Wye Agreement, and the renunciation of the Palestinian Charter clauses in the presence of President Clinton, the Israeli administration once again found reason to fault the Palestinian Authority with failure to honour their side of the bargain. A series of attacks on Israeli settlers and travellers, resulting in renewed fatalities, was enough for Netanyahu to once again call for a cessation of the implementation. Within his own government coalition, there was pressure from the centrist parties to continue with the process of implementation, while the right-wing coalition parties worked towards the annulment of the Wye Agreements altogether.

In particular, Arafat's public speeches in which he stated his intention to declare the establishment of an independent Palestinian State in May 1999, five years to the day of the implementation of the first Oslo Agreement, and despite clauses to the contrary in the latest Wye Accords, brought renewed criticism of the Agreements from Netanyahu's right-wing coalition partners. Unable to put together a government of National Unity, even for the purpose of implementing the Wye Accords, the Knesset (Israeli Parliament) voted to dissolve and hold early elections. This, in turn, enabled Netanyahu to completely suspend any further implementation of the Wye Agreements, on the grounds that it was not fitting to carry out controversial policies during a period of election campaigning, and that any further implementation would have to wait until after the elections and the formation of a new government.

Early Elections

Despite the vote to hold early elections, the two major political parties then decided not to hold the elections until mid-May 1999 – nearly five months after the bill to dissolve the Knesset was passed. This served the political interests of both parties and their respective leaders, both of whom have been subject to criticism from their own party following, leading to a series of defections from amongst some party leaders and the formation of new, mostly centrist, party lists.

Clearly, the two leaders, Benjamin Netanyahu and Ehud Barak, desired to consolidate their position within their own parties and to have as much time as possible in delegitimising the new parties and Prime Ministerial contenders in the process of emerging. Within three weeks of setting the election date, three new candidates had declared themselves as Prime Ministerial candidates. Two of these, former ministers in the Netanyahu government who had both resigned, Dan Meridor and Benny Begin (the son of former Israeli Prime Minister Begin) defected from the Likud party, the former moving into the centre of the political field, the latter setting up an alternative, right-wing, anti-Oslo platform.

The third, and potentially the strongest of the alternative, candidates, is that of former military Chief of Staff, Amnon Shahak who, despite his similar positions to that of Barak (also a former Chief of Staff) has argued that Barak has not proved his worth as leader of the opposition, and that he (Barak) will be unable to beat Netanyahu in a runoff for Prime Minister. Despite setting up yet another "centre" party, Shahak is generally seen as holding views to the left of Barak, and would probably be prepared, if elected, to make more farreaching concessions than the present Labour Party who have spent much of the past two years distancing themselves from the policies of the Rabin-Peres administrations, seen by many Israelis to be too far-reaching and, in the view of some party leaders, having been responsible for losing the election of 1996.

A critical issue which could determine the election is the decision by Yasser Arafat to make good his threat to unilaterally declare the establishment of an independent Palestinian State on 7 May. The elections have been set to take place just two weeks after this date. While there is a growing acceptance amongst Israelis that some form of territorial separation between the two national populations is inevitable, there is still strong opposition to the establishment of another independent State west of the River Jordan.

A public declaration to that effect on the part of the Palestinian leadership could have a similar impact on the election results to that of the bus suicide bombings in Israeli cities shortly before the previous elections, namely the decision by floating voters to vote for the parties of the right and their candidate for Prime Minister, Benjamin Netanyahu. The Israeli press has rumoured that the American administration is bringing strong pressure to bear on Arafat not to make the declaration prior to the elections, although such rumours also have the

effect of strengthening the right-wing who come out strongly against foreign intervention in favour of the left-wing parties.

While numerous social and economic issues are increasingly taking their place at the centre of Israeli political debate, the issue of peace and security remains the main point of contention between right and left-wing parties in Israel. It will be this issue which will figure most prominently in the election campaign, and around which the vast majority of Israeli voters will cast their ballot in May. In his first public speeches following the announcement of early elections, Prime Minister Netanyahu intimated that the return of a Labour government would bring about the establishment of a Palestinian state and the partition of Jerusalem, the two issues around which there appears to be a consensus opposition amongst the Israeli (Jewish) public.

Netanyahu had made similar accusations in the previous election campaign, accusations which were not adequately refuted by the then Prime Minister Shimon Peres. This time, Labour Party leader Ehud Barak in his bid to win over the central ground of floating voters (that group which will probably decide the fate of the elections) was quick to respond by stating that the Labour Party is opposed to both of these policies. He has even rebuked former Prime Minister Peres, now No. 2 on the Labour Party list, for having stated, on a visit to the Palestinian Authority in Ramallah, that the establishment of a Palestinian state is an inevitable outcome of the peace process in the longer term. In short, the Labour Party policy is itself a centrist policy, aimed at winning the election and removing Netanyahu from the reins of government, rather than providing a real ideological alternative to the policies of the present government.

On the same day that the bill for early elections was passed by a two-thirds majority in the Knesset, another bill was passed making it more difficult for future territorial concessions to be made by Israel in other areas. This bill proposed that any future government decisions to withdraw from territories which were subject to Israeli civilian law must be put to a general referendum as well as being supported by at least 61 Knesset members (the Knesset is made up of 120 members). This will make such future territorial withdrawals as part of a peace agreement much more difficult to implement. In effect, this bill was aimed at preventing future territorial withdrawal from the Golan Heights and East Jerusalem, the two areas occupied in 1967 which have been annexed by Israel (East Jerusalem in 1967 and the Golan Heights in 1982) and are now subject to Israeli civilian, rather than military, administration.

This bill did not apply to the Gaza Strip or the West Bank, both of which have remained under Israeli military control and have not been subject to annexation by the Israeli parliament, even during the periods of the right-wing governments of the 1980s and early 1990s. Most of the Labour party leadership, including Barak, voted in favour of this bill, thus currying favour with the centrist voters and not opening themselves to further criticism by the right-wing during the election campaign.

Whatever the outcome of the election, the current electoral system with its low threshold of only 1.5% of the votes, encourages the setting up of small sectoral parties and the fragmentation of the large bloc voting. The direct election of the Prime Minister also allows for the voters to split their ballot, voting for a Prime Ministerial candidate from the Likud (right-wing) or Labour (left-wing) parties, and an alternative party which represents an ideological programme closer to their preferences. An attempt to raise the minimum threshold to 5%, also put forward on the day early elections were called, was roundly defeated in the Knesset. This means that the next election will, once again, be a very close call with the Prime Minister (be he of the left or the right) gaining a small majority, possibly on a second ballot, and having to create a coalition government composed of many small parties, each of which will demand resources and political power. As such, governmental instability is likely to be similar to that which existed in the period leading up to the dispersal of the Knesset, and it is unlikely that such a government, be it of the left or right, will be any more successful in carrying out its policies than the current administration.

Concluding Comments

The calling of early elections has enabled the Netanyahu administration to further delay the implementation of the Wye Accords. At the same time, the Palestinians would play into Netanyahu's hands if there were to be further incidents of terrorism against Israeli civilians or if the Palestinian Authority were to declare the establishment of an independent Palestinian State in the period leading up to the May elections.

A Netanyahu victory would probably bring about an even more hard-line policy on the part of his government, unless it was dependent on centrist parties to hold the coalition together. A Labour victory, under the leadership of either former Chief

of Staff – Barak or Shahak – would bring about a renewal of the peace process and a return to the optimism of the post-Oslo period, albeit with a more realistic approach concerning the difficulties of implementation and the need for greater mutuality and confidence-building by each of the protagonists.

The eventual establishment of a Palestinian State would appear to be an inevitable outcome of the process. Such a declaration would, almost certainly, be recognised by the United Nations, thus providing the same *de jure* justification for a sovereign Palestinian State as that which Israel enjoys by virtue of the 1947 Partition Resolution recognising the right to establish an independent Jewish State in Palestine. Right-wing leaders have threatened to respond to such an act by pressing the government to annex those parts of the West Bank which have not, by then, been handed over to the Palestinian Authority.

Whatever the outcome, it is clear that a Palestinian entity/state can not function under a situation of continued territorial fragmentation and the closure of Israel's economy to Palestinian workers and goods. If future stability is to be achieved, it requires the rebuilding of confidence on the part of both sides. Given the possible return of another right-wing government in Israel, or a unilateral declaration of independence on the part of the Palestinians, the immediate scenario for Israeli-Palestinian peace is not optimistic.

Appendix: The Wye Agreement

The following are steps to facilitate implementation of the Interim Agreement on the West Bank and Gaza Strip of September 28, 1995 (the "Interim Agreement") and other related agreements including the Note for the Record of January 17, 1997 (hereinafter referred to as "the prior agreements") so that the Israeli and Palestinian sides can more effectively carry out their reciprocal responsibilities, including those relating to further redeployments and security respectively. These steps are to be carried out in a parallel phased approach in accordance with this Memorandum and the attached time line. They are subject to the relevant terms and conditions of the prior agreements and do not supersede their other requirements. I. FURTHER REDEPLOYMENTS

A. Phase One and Two Further Redeployments
1. Pursuant to the Interim Agreement and subsequent agreements, the Israeli side's implementation of the first and second F.R.D. will consist of the transfer to the Palestinian side of 13% from Area C as follows:

1% to Area (A)

12% to Area (B)

The Palestinian side has informed that it will allocate an area/areas amounting to 3% from the above Area (B) to be designated as Green Areas and/or Nature Reserves. The Palestinian side has further informed that they will act according to the established scientific standards, and that therefore there will be no changes in the status of these areas, without prejudice to the rights of the existing inhabitants in these areas including Bedouins; while these standards do not allow new construction in these areas, existing roads and buildings may be maintained.

The Israeli side will retain in these Green Areas/Nature Reserves the overriding security responsibility for the purpose of protecting Israelis and confronting the threat of terrorism. Activities and movements of the Palestinian Police forces may be carried out after coordination and confirmation; the Israeli side will respond to such requests expeditiously.

- 2. As part of the foregoing implementation of the first and second F.R.D., 14.2% from Area (B) will become Area (A).
- B. Third Phase of Further Redeployments With regard to the terms of the Interim Agreement and of Secretary Christopher's letters to the two sides of January 17, 1997 relating to the further redeployment process, there will be a committee to address this question. The United States will be briefed regularly.

II. SECURITY

In the provisions on security arrangements of the Interim Agreement, the Palestinian side agreed to take all measures necessary in order to prevent acts of terrorism, crime and hostilities directed against the Israeli side, against individuals falling under the Israeli side's authority and against their property, just as the Israeli side agreed to take all measures necessary in order to prevent acts of terrorism, crime and hostilities directed against the Palestinian side, against individuals falling under the Palestinian side's authority and against their property. The two sides also agreed to take legal measures against offenders within their jurisdiction and to prevent incitement against each other by any organizations, groups or individuals within their jurisdiction.

Both sides recognize that it is in their vital interests to combat terrorism and fight violence in accordance with Annex I of the Interim Agreement and the Note for the Record. They also recognize that the struggle against terror and violence must be comprehensive in that it deals with terrorists, the terror support structure, and the environment conducive to the support of terror. It must be continuous and constant over a long-term, in that there can be no pauses in the work against terrorists and their structure. It must be cooperative in that no effort can be fully effective without Israeli-Palestinian cooperation and the continuous exchange of information, concepts, and actions.

Pursuant to the prior agreements, the Palestinian side's implementation of its responsibilities for security, security cooperation, and other issues will be as detailed below during the time periods specified in the attached time line:

A. Security Actions

1. <u>Outlawing and Combating Terrorist</u> <u>Organizations</u>

The Palestinian side will make known its policy of zero tolerance for terror and violence against both sides.

A work plan developed by the Palestinian side will be shared with the U.S. and thereafter implementation will begin immediately to ensure the systematic and effective combat of terrorist organizations and their infrastructure.

In addition to the bilateral Israeli-Palestinian security cooperation, a U.S.-Palestinian committee will meet biweekly to review the steps being taken to eliminate terrorist cells and the support structure that plans, finances, supplies and abets terror. In these meetings, the Palestinian side will inform the U.S. fully of the actions it has taken to outlaw all organizations (or wings of organizations, as appropriate) of a military, terrorist or violent character and their support structure and to prevent them from operating in areas under its jurisdiction.

The Palestinian side will apprehend the specific individuals suspected of perpetrating acts of violence and terror for the purpose of further investigation, and prosecution and punishment of all persons involved in acts of violence and terror.

A U.S.-Palestinian committee will meet to review and evaluate information pertinent to

the decisions on prosecution, punishment or other legal measures which affect the status of individuals suspected of abetting or perpetrating acts of violence and terror.

2. Prohibiting Illegal Weapons

The Palestinian side will ensure an effective legal framework is in place to criminalize, in conformity with the prior agreements, any importation, manufacturing or unlicensed sale, acquisition or possession of firearms, ammunition or weapons in areas under Palestinian jurisdiction.

In addition, the Palestinian side will establish and vigorously and continuously implement a systematic program for the collection and appropriate handling of all such illegal items in accordance with the prior agreements. The U.S. has agreed to assist in carrying out this program.

A U.S.-Palestinian-Israeli committee will be established to assist and enhance cooperation in preventing the smuggling or other unauthorized introduction of weapons or explosive materials into areas under Palestinian jurisdiction.

3. Preventing Incitement

Drawing on relevant international practice and pursuant to Article XXII (1) of the Interim Agreement and the Note for the Record, the Palestinian side will issue a decree prohibiting all forms of incitement to violence or terror, and establishing mechanisms for acting systematically against all expressions or threats of violence or terror. This decree will be comparable to the existing Israeli legislation which deals with the same subject.

A U.S.-Palestinian-Israeli committee will meet on a regular basis to monitor cases of possible incitement to violence or terror and to make recommendations and reports on how to prevent such incitement. The Israeli, Palestinian and U.S. sides will each appoint a media specialist, a law enforcement representative, an educational specialist and a current or former elected official to the committee.

B. Security Cooperation

The two sides agree that their security cooperation will be based on a spirit of partnership and will include, among other things, the following steps:

1. Bilateral Cooperation

There will be full bilateral security cooperation between the two sides which will be continuous, intensive and comprehensive.

2. Forensic Cooperation

There will be an exchange of forensic expertise, training, and other assistance.

3. Trilateral Committee

In addition to the bilateral Israeli-Palestinian security cooperation, a high-ranking U.S.-Palestinian-Israeli committee will meet as required and not less than biweekly to assess current threats, deal with any impediments to effective security cooperation and coordination and address the steps being taken to combat terror and terrorist organizations. The committee will also serve as a forum to address the issue of external support for terror. In these meetings, the Palestinian side will fully inform the members of the committee of the results of its investigations concerning terrorist suspects already in custody and the participants will exchange additional relevant information The committee will report regularly to the leaders of the two sides on the status of cooperation, the results of the meetings and its recommendations.

C. Other Issues

1. Palestinian Police Force

The Palestinian side will provide a list of its policemen to the Israeli side in conformity with the prior agreements.

Should the Palestinian side request technical assistance, the U.S. has indicated its willingness to help meet these needs in cooperation with other donors.

The Monitoring and Steering Committee will, as part of its functions, monitor the implementation of this provision and brief the U.S.

2. PLO Charter

The Executive Committee of the Palestine Liberation Organization and the Palestinian Central Council will reaffirm the letter of 22 January 1998 from PLO Chairman Yasir Arafat to President Clinton concerning the nullification of the Palestinian National Charter provisions that are inconsistent with the letters exchanged between the PLO and the Government of Israel on 9/10 September 1993. PLO Chairman Arafat, the Speaker of the Palestine National Council, and the Speaker of the Palestinian Council will invite the members of the PNC, as well as the members of the Central Council, the Council, and the Palestinian Heads of Ministries to a meeting to be addressed by President Clinton

to reaffirm their support for the peace process and the aforementioned decisions of the Executive Committee and the Central Council.

- 3. Legal Assistance in Criminal Matters Among other forms of legal assistance in criminal matters, the requests for arrest and transfer of suspects and defendants pursuant to Article II (7) of Annex IV of the Interim Agreement will be submitted (or resubmitted) through the mechanism of the Joint Israeli-Palestinian Legal Committee and will be responded to in conformity with Article II (7) (f) of Annex IV of the Interim Agreement within the twelve week period. Requests submitted after the eighth week will be responded to in conformity with Article II (7) (f) within four weeks of their submission. The U.S. has been requested by the sides to report on a regular basis on the steps being taken to respond to the above requests.
- 4. <u>Human Rights and the Rule of Law</u>
 Pursuant to Article XI (1) of Annex I of the
 Interim Agreement, and without derogating
 from the above, the Palestinian Police will
 exercise powers and responsibilities to
 implement this Memorandum with due regard
 to internationally accepted norms of human
 rights and the rule of law, and will be guided
 by the need to protect the public, respect
 human dignity, and avoid harassment.

III. <u>INTERIM COMMITTEES AND ECONOMIC</u> ISSUES

- 1. The Israeli and Palestinian sides reaffirm their commitment to enhancing their relationship and agree on the need actively to promote economic development in the West Bank and Gaza. In this regard, the parties agree to continue or to reactivate all standing committees established by the Interim Agreement, including the Monitoring and Steering Committee, the Joint Economic Committee (JEC), the Civil Affairs Committee (CAC), the Legal Committee, and the Standing Cooperation Committee.
- 2. The Israeli and Palestinian sides have agreed on arrangements which will permit the timely opening of the Gaza Industrial Estate. They also have concluded a "Protocol Regarding the Establishment and Operation of the International Airport in the Gaza Strip During the Interim Period."
- 3. Both sides will renew negotiations on Safe Passage immediately. As regards the southern route, the sides will make best efforts to conclude the agreement within a week of the entry into force of this Memorandum. Operation of the southern route will start as

soon as possible thereafter. As regards the northern route, negotiations will continue with the goal of reaching agreement as soon as possible. Implementation will take place expeditiously thereafter.

- 4. The Israeli and Palestinian sides acknowledge the great importance of the Port of Gaza for the development of the Palestinian economy, and the expansion of Palestinian trade. They commit themselves to proceeding without delay to conclude an agreement to allow the construction and operation of the port in accordance with the prior agreements. The Israeli-Palestinian Committee will reactivate its work immediately with a goal of concluding the protocol within sixty days, which will allow commencement of the construction of the port.
- 5. The two sides recognize that unresolved legal issues adversely affect the relationship between the two peoples. They therefore will accelerate efforts through the Legal Committee to address outstanding legal issues and to implement solutions to these issues in the shortest possible period. The Palestinian side will provide to the Israeli side copies of all of its laws in effect.
- 6. The Israeli and Palestinian sides also will launch a strategic economic dialogue to enhance their economic relationship. They will establish within the framework of the JEC an Ad Hoc Committee for this purpose. The committee will review the following four issues: (1) Israeli purchase taxes; (2) cooperation in combating vehicle theft; (3) dealing with unpaid Palestinian debts; and (4) the impact of Israeli standards as barriers to trade and the expansion of the A1 and A2 lists. The committee will submit an interim report within three weeks of the entry into force of this Memorandum, and within six weeks will submit its conclusions and recommendations to be implemented.
- 7. The two sides agree on the importance of continued international donor assistance to facilitate implementation by both sides of agreements reached. They also recognize the need for enhanced donor support for economic development in the West Bank and Gaza. They agree to jointly approach the donor community to organize a Ministerial Conference before the end of 1998 to seek pledges for enhanced levels of assistance.

IV. PERMANENT STATUS NEGOTIATIONS

The two sides will immediately resume permanent status negotiations on an accelerated basis and will make a determined effort to achieve the mutual goal of reaching an agreement by May 4, 1999. The negotiations will be continuous and without interruption. The U.S. has expressed its willingness to facilitate these negotiations.

V. <u>UNILATERAL ACTIONS</u>

Recognizing the necessity to create a positive environment for the negotiations, neither side shall initiate or take any step that will change the status of the West Bank and the Gaza Strip in accordance with the Interim Agreement.

ATTACHMENT: Time Line

This Memorandum will enter into force ten days from the date of signature.

Done at Washington, D.C. this 23d day of October 1998.

Government of the State of Israel: Benjamin Netanyahu

For the PLO: Yassir Arafat

Witnessed by: William J. Clinton The United States of America

(available at: www.israel-mfa.gov.il/peace/wye.html).

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