Diplomacy's Value

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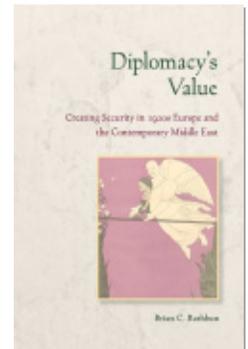
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Additional Value

The Rise and Fall of the Israeli-Palestinian
Peace Process

In this chapter, I extend the analysis by telling the story of two groups attempting to transcend what was largely perceived as an intractable conflict. The weaker group, having lost considerable territory through ill-advised military action and now occupied by the stronger group, made gestures toward peace, including the recognition of lost lands and a promise to end violent confrontation. Even though, in many ways, the weaker side had no other options due to its structural position, the moves toward conciliation were initiated by pragmatists in the group against the strident opposition of extremists who preferred coercive methods to force the stronger group out. A third group, with stakes in the peace and stability of the region and historical ties to the stronger group, attempted the role of honest broker, trying to lead the two sides toward compromise by institutionalizing a process of diplomatic exchange. Although helpful, the process yielded success only when a prosocially minded leftist government of the stronger group, instead of exploiting its leverage, engaged in a diplomatic process of openly and honestly exchanging information. A pragmatic-prosocial combination generated a value-creating spirit that yielded a win-win outcome for both sides in which the cessation of hostilities was exchanged for the promise of the gradual return of territorial sovereignty. The weaker side had parlayed a very weak hand into long-sought-after goals. A Nobel Prize was awarded.

Yet, even though all sides declared that a new spirit had emerged, the two groups found it difficult to consolidate their gains through future agreements when a rightist party returned to power in the stronger group. Even though its conception of the national interest was increasingly similar to that of the left, it used a different diplomatic style, coercive bargaining, that contributed to a value claiming dynamic between

the two groups. Mutual recriminations and increasingly violent actions by both sides sidetracked the prospect of permanent peace for over a decade.

Readers might believe that they have already heard this story and in some ways they have. But it was largely repeated in a different part of the world decades later. There are remarkable parallels between the interwar relations of the European powers and the relations of the Israelis and Palestinians in recent decades that show the broader applicability of my theory. In this chapter, I apply the theory advanced in previous chapters to this more contemporary case, the rise and fall of the peace process. As was true in 1920s Europe, key events in Israeli-Palestinian relations cannot be understood solely in terms of the distribution of power and interests. In a different time and in a different part of the world, diplomacy was necessary to achieve the negotiation successes and, perhaps, even sufficient to bring about the failures.

In the late 1980s, the Palestinian Liberation Organization (PLO), the national movement for the Palestinian people that had engaged in terrorist and other military activities against the Israelis for decades, took tentative steps toward reaching a rapprochement with Israel. Pragmatists in the group succeeded in having it endorse a diplomatic settlement with Israel to form a Palestinian state located in territories taken by the Israelis in the 1967 war: the West Bank of the Jordan River, including East Jerusalem, and the Gaza Strip on the Mediterranean Sea bordering Egypt. Land would be traded for peace, as long called for by UN Resolution 242. The organization formally renounced the use of violence and gave up its claim to the rest of Mandatory Palestine, the territory carved out of the Ottoman Empire and administered by the British after World War I. This amounted to the acceptance of the existence of Israel on the land for which it fought a coalition of Arab states in 1948, a conflict that Israelis refer to as the War of Independence and Palestinians call Al-Nakbar ("the catastrophe"), which led to the exodus of hundreds of thousands of Palestinian refugees.

Like Stresemann, these pragmatists were willing to let go of their claims to former lands and renounce the use of aggression in the hopes that such moves would end the occupation. The PLO was bankrupt, militarily overmatched, and increasingly without international allies, yet only the pragmatists had the epistemic motivation that allowed the admission of these facts. Just as Germany, destitute and occupied after World War I, was nevertheless conflicted over the style of diplomacy to pursue after its military loss, so too were the Palestinians. Structure was not determinant.

Sensing an opportunity to create greater stability in the Middle East, an area of key strategic concern, the United States tried to bring the

Palestinians and Israelis together at the negotiating table. Just as the British had valued peace on the continent and had been willing to push their French allies to make concessions, so did the Americans approach the Middle East. Despite its greater strategic and affective ties with Israel, the George H. W. Bush administration (and later the Bill Clinton administration) took on the role of honest broker between both sides, urging both toward compromise. James Baker, the pragmatic secretary of state of the first Bush administration, wanted to institutionalize a process of diplomatic interaction between the two sides, just as Chamberlain had tried to do between France and Germany.

Yet, as was the case in 1920s France, real progress occurred only after the election in Israel of a leftist government, led by the Labor Party, which replaced the Yitzhak Shamir government, led by the rightist Likud Party, in 1992. A diplomatic back channel in Norway with PLO pragmatists led to the drafting of the Declaration of Principles, in which the two sides agreed to recognize one another, curb violence, and begin a gradual transfer of autonomy to the territories taken by Israel in 1967. Pragmatic statecraft was necessary on the Palestinian side. Instead of insisting, as they historically had, on a commitment to full Israeli evacuation all at once, they agreed as Stresemann had to accept a concession—the Israeli surrender of Gaza—as the first step in a long-term process toward returning the West Bank to Palestinian control. For their part, the prosocial Israelis, as the prosocial French had done for the pragmatic Germans, rewarded the Palestinians for their shift in diplomatic style. Rather than exploiting the greater leverage of Israel, the Labor government granted the Palestinians a foothold in the West Bank at the onset of the process and committed to a reasoned dialogue about a number of issues that Israel had previously refused to discuss, such as the right of return and the establishment of a Palestinian capital in East Jerusalem.

A Palestinian-Israeli agreement in the early 1990s was as unlikely as a Franco-German rapprochement in the 1920s. This was a hard case for diplomacy, one of the most intractable conflicts in recent history (Wanis-St. John 2011: 1–2). Even one of the greatest Israeli "doves," Shimon Peres, writes that at the time it "had become effectively impossible to conceive of borderlines that could be acceptable to a solid majority of Israeli opinion, let alone the Palestinians. That underlying confusion made the prospects of a negotiated settlement appear increasingly remote" (1995: 278). Ron Pundak, an academic who helped initiate the back channel in Oslo, later reminisced that the "baleful history between Israelis and Palestinians represents an almost insurmountable obstacle for conventional negotiations, taking as a point of departure the existing imbalance of power between the occupier and the occupied that impeded conventional negotiations" (2001: 32–33).

Despite these obstacles, a new "spirit of Oslo" facilitated over the next few years the establishment of a Palestinian Authority with autonomy over most of the major population centers in the West Bank, gains that persist today. The victory was particularly sweet for the PLO, which, like interwar Germany, redirected the political momentum and completely revived its sagging fortunes despite its lack of bargaining strength. The two sides worked toward these ends even in the face of suicide terrorism by Palestinian religious extremists against Israeli civilians and a brutal crackdown by Israeli security forces that negatively impacted the lives of ordinary Palestinians in a dramatic way.

Then, just as the return of Poincaré and the right to power in France interrupted the new negotiating dynamic that had emerged with Germany in 1926, the election of a Likud government in 1996 under Benjamin Netanyahu put the peace process on hold. Even though its conception of foreign policy goals demonstrated increasing convergence with those of the Israeli left, the Likud government used a diplomatic style of coercive bargaining. The prime minister insisted that the Palestinians take the first steps to push the peace process forward. Netanyahu sought to increase Israeli leverage over the territorial dimension of a final status agreement through the expansion of Israeli settlement activity in the West Bank, including in the very sensitive area of Jerusalem. Progress in the peace process was contingent on the spirit of negotiations that prevailed among the parties, not just on the foreign policy interests of the two sides. The peace process is a process, one that is contingent on the behavior of multiple parties, and style matters just as much as substance.

A last gasp at settling all the remaining issues on the table began under the leadership of Ehud Barak, who led a Labor government to Camp David in 2000 in the hopes of achieving a final status agreement with the Palestinians. Yet, as was the case at the Hague Conference of 1929, the Camp David Summit was marked by a spirit of value claiming, given the combination of coercive bargaining by the two sides. Barak's behavior appears to be something of an anomaly for the analysis presented in this book, yet his combination of coercive bargaining, on the one hand, and a greater willingness to compromise, on the other, makes sense given the political complexion of his government, which also included a number right-wing parties. In any case, the character of the interactions among the parties at the conference made it harder for the two sides to identify a zone of possible agreement between the two sides, and talks broke down.

The findings of this chapter must be regarded as more tentative than those of the previous chapters. Unlike for 1920s Europe, there is a dearth of primary documents available, leading me to rely more extensively on

secondary sources and memoirs of the key participants. This makes it difficult to definitively establish the diplomatic styles used because the bottom lines of the various sides are sometimes very cloudy. For instance, it still cannot be determined whether there was a deal at Camp David that both sides preferred to the status quo.

This lack of documentation is particularly true of the Palestinian side, so my assessment of Israeli behavior stands on firmer evidentiary ground. Unlike Israel, the PLO and the Palestinian Authority are not transparent democracies. And for most of the period under study, both organizations were led by the enigmatic figure of Yasser Arafat, who maintained control by playing his high-ranking aides against each other. He empowered multiple negotiating teams, often with conflicting instructions, resulting in a Byzantine labyrinth that makes systematic analysis very difficult. Because the PLO and Palestinian Authority lacked a coherent ideological space and party structure akin to mature democracies, it is also impossible to identify those indirect manifestations of epistemic and social motivation among the Palestinian elites that would make us more confident in our measurement, separate from behavior.[1] For all these reasons, critics might rightly call this analysis Israeli-centric in its focus, if not its sympathies. Nevertheless, a strong case can be made that diplomatic styles are a necessary component of any explanation of the initiation, the successes and failures, and the collapse of the peace process.

Palestinian Pragmatists: Accepting Land for Peace

Without a fundamental change in the goals of the PLO, there was no possibility of a diplomatic agreement, much less a lasting peace, with Israel. It was only in 1988, at the PLO leadership conference in Algiers, that the organization endorsed the principle of "land for peace" and a two-state solution to the conflict. The organization also condemned the use of terrorism in service of this goal; an agreement should be reached through diplomatic means (Meital 2006: 33; Rasler 2000; Segev 1998: 89). Prior to that point, the official position of the PLO was that its goal was the liberation of all of Mandatory Palestine. Because this territory included all existing Israeli territory, this goal amounted to a call for the elimination of a Jewish national home. Although the "land for peace"

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1. There were also multiple external influences, such as the neighboring Arab countries of Egypt, Jordan, and Syria, whose diplomacy and foreign policies would be necessary for any complete account, but which I do not deal with here.

formula would require Israel to leave the West Bank and Gaza, the Palestinian acceptance of this principle as the basis for agreement amounted, in their eyes, to a significant concession—a state constituting only 22 percent of what they regarded as rightfully Palestinian territory. The new policy was tantamount to a recognition of the right of Israel to exist, a revision of the 1968 PLO Covenant (Meital 2006: 33; Segev 1998: 89). The move strongly parallels the initiative of the German realists in 1925 in which Stresemann offered France a nonaggression pact and simultaneously conceded that Germany had lost the territory of Alsace-Lorraine.

The new positions were pushed by PLO groups with all the characteristics of pragmatic realists, in particular a high level of epistemic motivation relative to their more rejectionist colleagues. In addition to purely egoistic considerations, they stressed the importance of prioritizing vital interests over peripheral considerations and the need to make painful trade-offs; self-consciously adopted an objective and unemotional appraisal of their environment, including the interests of other parties; and emphasized the necessity of thinking in terms of steps toward a long-term goal.

These pragmatists actively tried to understand the Israeli position and complained of the refusal of their peers to do so. In his memoirs, Mahmoud Abbas, the future successor to Arafat as Palestinian president and perhaps the most important Palestinian leader other than the chairman of the PLO during this period (also known by his *nom de guerre*, Abu Mazen), writes of his colleagues, "I discovered that none of them [members of Palestinian National Council, PNC] knew what they were talking about, that their knowledge of Israel was limited to the simple fact that it was the enemy against whom continuous war should be waged" (1995: 14). Ahmed Qurie (also known by his *nom de guerre*, Abu Ala), who later became prime minister of the Palestinian Authority, complained of Palestinians' cognitive closure "The majority of Palestinian leaders and opinion-makers adhered nevertheless to their old slogans, maintaining rigid positions which were based on confusion between politics and ideology" (2006: 35). He writes, "There was no intellectual dialogue and no attempt to understand" (Qurie 2006: 8). Abbas writes, "Our quarrel is with those who see the world from their own perspective and perceive history through their inherited dogmas" (1995: 39).

Abbas had some time before set out to better understand the Israeli position and to establish contact with more sympathetic Israelis, making him suspect in the eyes of many Palestinians (1995: 14).[2] By learning

2. "Foolishly, knowing nothing of the enemy was turned into a virtue, as if willful ignorance would somehow reduce his potency. Reading material about Israel was interpreted as evidence of Zionist tendencies," said Abbas (in Beilin 1999: 168).

about Israel, Qurie explains, the pragmatists "understood better than ever before Israel's hyper-sensitivity to the security issues which it held sacrosanct. We were ready to respond more positively to the internal fears with which Israel was obsessed" (2006: 75). This contrasted with the rejectionist view in which (in Abbas's words) "Israel was thought of as all-powerful, as the source of the disaster which had befallen the Palestinian people, as the Devil," (in Beilin 1999: 168).

Abbas was hardly sentimental or genuinely empathetic toward Israel. He and others had a proself motivation and based their position "on the basis of realities." The acceptance of "land for peace" "emanated basically from Arab impotence and the inability of Palestinians to liberate their homeland single-handedly," not a genuine sympathy or understanding of the Jewish position (Abbas 1995: 12). He did not complain that his compatriots did not commiserate with the Israeli plight, only that the "slogan, 'Know Thine Enemy' . . . was not acted upon" (Abbas 1995: 12). The empathy of the pragmatists was instrumental. Abbas writes of how he "let my views on how to deal with enemies infiltrate and to suggest ways of attaining our goal" (1995: 14). His position was realist, not liberal.

The Palestinian pragmatists also were not wide-eyed idealists. Although they were pessimistic about the chances for diplomacy to bear fruit, they did not let their beliefs prevent them from trying, the essence of epistemic motivation. "Pessimistically, we supposed that [deadlock] would be the most probable result," remembers Qurie (2006: 72). He notes that he "was gratified in theory that I might be able to initiate some kind of useful contact, but frankly I had no desire in practice to follow the idea through." He had actually never met an Israeli in person. Yet Qurie did not let this deter him: "I later learned the lesson that it was possible to reach peace and to cooperate, even with one's enemies" (2006: 41).

The pragmatist position was based on a careful cost-benefit calculation that the Palestinians would gain more through diplomacy than through force. Qurie writes, "We knew that many people in Israel had begun to feel, today perhaps more than ever before, that the cost of continuous confrontation with the Palestinians was too high. Palestinian public opinion had begun to show an inclination to accept a compromise based on the 4 June 1967 frontier lines, with a willingness to accept the coexistence of the two peoples. . . . An intensified and bloody confrontation would only inflict more pain on both sides" (2006: 73). This conclusion was not based on a principled opposition to violence, something made obvious by previous PLO actions. As a pragmatist, Abbas and others did not rely on only one method but adjusted to the circumstances. "I did not scorn the gun," he writes, but realized that there were other options (1995: 14). The means of coercive leverage, such as piggybacking on the spontaneous

1987 uprising in the territories, were declining in utility. The intifada (literally, the "shaking off") "had already outlived its purpose." Following reprisals by Israel, the "negative effects . . . began to outweigh the Intifada's benefits" (Abbas 1995: 35). There was simply not a military path to victory. "Experience has taught us that our continued refusal to recognize the existence of Israel will not bring us the freedom we seek," Qurie explained later (2006: 148).

As was the case with Stresemann's diplomacy, the new position of the PLO might be seen as an inevitable surrendering to realities, the recognition of the overwhelming disparity in power between the Palestinians and the Israelis and the impossibility of achieving the overly ambitious aims of the PLO. But, just as with interwar Germany, such a crude structural account misses the crucial point that only a certain moderate faction of the PLO was willing to admit such hard truths. Institutional changes within the PLO as well as the disastrous experience of the Lebanon War in 1982, in which the PLO was expelled by Israel, empowered this group within the leadership and allowed this change in the direction of the PLO (Rasler 2000; Qurie 2006: 75). Abbas writes that it "was . . . an honest and courageous view, which recognized the international climate, the limitations of the Arabs on the one hand and Israel's strength on the other" (1995: 12). Like the pragmatists discussed in previous chapters, these Palestinians saw the necessity of making painful concessions for long-term gains. There were plenty of members of the PLO, not to mention Islamicist groups, who vigorously opposed this path, often violently. Abbas confronted his colleagues who advocated the exclusive use of coercive means, daring a Palestinian compatriot, "Are you prepared to think with me without being restricted by 'red lines' and worrying about what we regard as forbidden?" (1995: 21).

The greater epistemic motivation of the pragmatists allowed them to more objectively realize their increasingly weaker position. Qurie claims that the Palestinians needed to "admit frankly to ourselves that our position was in reality infinitely worse than that of Israel" (2006: 74). His faction was "more flexible and receptive to the profound regional and international challenges which were under way, all of which had their effect on the situation of the Palestinians" (2006: 12, see also 35). The end of the Cold War deprived the PLO of its long-standing patron, the Soviet Union, precipitating a financial crisis. And the organization foolishly backed Saddam Hussein during the first Gulf War, putting it on the wrong side of an international coalition against Iraq that included most Arab nations. The Kuwaitis and Saudis expelled thousands of Palestinians in retaliation. During the Gulf War, the PLO budget declined 56 percent and the flow of funds to the territories declined from $120 million to $45 million (Rasler 2000; Behrendt 2007: 12, 21–22, 25;

Ross 2004: 48–49; Segev 1998: 89; Rabinovich 2011: 23; Barari 2004: 113; Qurie 2006: 35). For the pragmatists, this created the imperative to act quickly to reverse the decline in Palestinian fortunes. Echoing Streseman's thinking in early 1925, Qurie writes of using the "little leverage which remained to it to keep the Palestinian problem on the world agenda." He proposed to "reverse the isolation of the PLO, freeing it from the huge political financial burdens it bore as a result of the position adopted by the Palestinians in the Gulf War of 1990–91" (2006: 35).

The advocates of realistic, pragmatic statecraft understood themselves as such. Ahmed Qurie writes of an increasingly "mature national liberation movement, based on realism and moderation" (2006: 10). His faction aimed at being "flexible and pragmatic" (Qurie 2006: 75). Abbas writes of the "rational thinking behind the Palestinian peace initiative" (1995: 22); Qurie describes a "new Palestinian rationality" (2006: 12).

No Settling for Peace: The Coercive Bargaining of the Israeli Right

The Palestinians needed a partner, however, and Israeli domestic politics had been dominated in recent years by Likud, the main Israeli party of the right. Under the leadership of Prime Minister Yitzhak Shamir, Likud approached the conflict with the Palestinians with a zero-sum mind-set, the heuristic that characterizes coercive bargaining (Steinberg 1995). Shamir viewed a Palestinian state as "an option which we would fight with all our strength as bearing within it no less than the seeds of Israel's destruction" (1994: 200). Likud supporters were therefore deeply pessimistic about the possibility of a negotiated solution to the conflict (Rynhold and Waxman 2008: 22). Shamir demonstrated no empathy with the Palestinian cause. Dennis Ross, U.S. diplomat, perhaps the most important career bureaucratic player in the U.S. administration, writes, "[Shamir's] insensitivity to Palestinian needs and concerns mirrored Arafat's insensitivity and indifference to Israeli needs a decade earlier" (2004: 82).

Shamir rejected the basic trade-off of "land for peace" as requiring too great a sacrifice for Israel. He preferred "peace for peace."[3] To some

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3. He complained that "not a year passed without some official proposal being made. . . . There were few if any new elements, just old proposals recycled, changed a bit, always centering on Israel's withdrawal from territory. . . . The Arab states and the PLO always insisting on what, however it was phrased, amounted to peace in exchange for territory; recognition in exchange for territory; never 'just' peace" (Shamir 1994: 175).

degree, this reflects Shamir's conception of Israeli national interests and his foreign policy goals. It indicates his satisfaction with the status quo and the low price he was willing to pay for peace. In addition, how Likud treated the territory issue also reflects its preferred diplomatic style. Shamir sought to increase Israeli leverage by rapidly expanding settlements in the territories, creating a fait accompli that would force the Palestinians to give up any hope for independence and compromise. He later admitted, "I would have carried on autonomy talks for ten years; meanwhile we would have reached half a million Jews in Judea and Samaria. Without this demographic revolution, there is no reason to hold autonomy talks" (in Rynhold and Waxman 2008; see also Rasler 2000: 713; Kurtzer et al. 2013: 28). The settler movement proceeded more rapidly under Shamir than any other previous Israeli government, with the prime minister setting a goal of 750,000 settlers, which would forestall the possibility of a viable Palestinian state (Segev 1998: 144). Likud was the party of the settlers but also the party that used the settlements as diplomatic leverage.

Shamir saw negotiations with the Palestinians as a game of chicken, as is typical of coercive bargainers. "The truth is that, in the final analysis, the search for peace has always been a matter of who would tire of the struggle first, and blink. Would it be the Arabs, finally accepting, as they had started to do, Israel's conditions for a genuine and lasting peace? Or one day, might an Israeli government . . . believing in the doctrine of 'land for peace,' giving way to impatience and political ambition, capitulate to Arab demands at the possible cost of Israel's future?" (Shamir 1994: 259). The prime minister took pride in his "reputation as a tough, committed negotiator" (Shamir 1994: 182). As a consequence, Shamir found it difficult to compromise even on the most minor of issues, much less make any major concessions that would be necessary for a long-term solution: "I regarded every loophole possibly left unblocked, every possibility of irrevocable damage being done to us, every yielding for the sake of being 'nice' or 'reasonable' that might constrict or distort Israel's stand as being of the utmost importance" (1994: 230).

Shamir demanded that the Palestinians prove their goodwill and intentions first by ending terror and the intifada (1994: 259). But, like Poincaré in 1920s France, he was unimpressed by his adversary's signals of reassurance, as we would expect given his low level of epistemic motivation. "I do not see, nor do I expect, any fundamental change," Shamir said. "They set up their organization to destroy Israel and when they conclude that this goal will not be achieved, they will disband" (in Abbas 1995: 28). The prime minister engaged in reactive devaluation, denigrating the significance of the steps taken by the PLO in Algiers.

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The Likud commitment to coercive bargaining is perhaps most evident in its refusal to consider lifting the legal ban on meeting with any representatives of the PLO (Rabinovich 2011: 22; Sassley 2010; Shamir 1994: 200). Indeed, Shamir also refused to hold a dialogue with anyone deported from the West Bank or Gaza, any leader of the intifada, anyone who was not a permanent resident of the territories, or anyone from East Jerusalem because doing so would undermine the Israeli claim to the city. There were very few influential Palestinians who fit this bill (Segev 1998: 111). A refusal to talk is the antithesis of reasoned dialogue.

Republican Realism: U.S. Pragmatic Statecraft and Value Claiming over Settlements

The beginning of what would become known as the "peace process" therefore had its origins in the United States. Following the triumphant U.S. victory over Iraq in the first Gulf War, the administration of George H. W. Bush tried to consolidate new-found stability in the Middle East by bringing Israel and its historical adversaries together for talks (Rabinovich 2011: 24). The Bush administration was dominated by Republican Party moderates naturally inclined toward pragmatic statecraft, best personified by Baker. Aaron David Miller (2008: 94), who participated directly as a high-ranking aide for the entire duration of the peace process, notes that a Nexus search of post-1989 news stories revealed 390 hits in which Baker's name appeared within thirty words of *pragmatic* or *pragmatism.* Baker himself wrote that "principles are fine, but if you're going to succeed in carrying them out, you need to be pragmatic" (in Miller 2008: 94).

Baker had all the characteristics of a realist diplomat. First, he had a proself social motivation. As Miller describes him, he was "not an empathetic guy. He didn't feel your pain. What he felt and intuited was your politics, your weaknesses and how to play them" (2008: 202). The Israelis agreed; "No sentiment there," an official said (in Miller 2008: 219). And Baker used an array of methods, adapting to the particular situation he faced. Miller calls this the "plain commonsense realization that American power and interests are multifaceted and complex and that the instruments needed to advance them require a careful, deliberate adjustment depending on circumstances" (2008: 194). Baker used diplomacy "to coerce, to reward, and to embarrass," a "combination of honey and vinegar" (Miller 2008: 218–19). Yet, as much as Baker adapted to constraints, he also believed in the ability of diplomacy to affect the outcome. Miller writes that Baker thought that "American efforts could actually make a difference and that he could make a deal" (2008:194). The secretary of state believed in diplomacy's value.

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Baker used the same tactics as the center-right British government in the 1920s. Like Chamberlain, Baker thought of the U.S. role as one of an honest broker between the two sides, even if U.S. interests were much more closely aligned with Israel, just as British interests had been with France. He would criticize the Israelis in his meetings with Palestinians and do the opposite when he met Shamir (Miller 2008: 202). His "trash-talking to the Arabs about Israel helped build confidence in him," remembers Miller (2008: 221). Baker was also hard on both sides. He "used both incentives and disincentives to cajole and persuade both Arabs *and* Israelis" (Miller 2008: 202, emphasis added). Miller recounts one such instance: "Having blasted them the night before, he now gathered the Palestinians around him, much as a football coach would huddle with his players for a pregame pep talk. The yelling had stopped; the reassuring now began" (2008: 223).

Baker also urged moderation on both sides based on a realistic and objective appraisal of the situation. In a May 1989 speech before the *American Israel Public Affairs Committee* (AIPAC), a Jewish lobbying group, he called on both sides to make difficult admissions. To the Palestinians, he spoke of the "illusion of control over all of Palestine" (in Shamir 1994: 202). He advised them to recognize Israel and admit that violence will not work (Segev 1998: 109). He urged Israelis to accept the principle of "land for peace" and "to lay aside, once and for all, the unrealistic vision of a greater Israel" (in Miller 2008: 207; Kurtzer et al. 2013: 21; Shamir 1994: 202). He did the same privately. Regardless of any moral claims that the Palestinians might make, Baker told one of their delegations: "It's not a question of fairness or what is right. It's a question of reality" (in Kurtzer at al. 2013: 25). He told Shamir to avoid "digging one's heels in" (in Shamir 1994: 200).

The combination of the preference of the Israeli right for coercive bargaining and U.S. pragmatic statecraft resulted in value claiming negotiation. Just as the allies Britain and France had struggled to find agreement under a French conservative government, strong ties were not enough to bring the United States and Israel together over the Palestinian issue. The Israelis were prepared for such a confrontation. When meeting Baker for the first time, Shamir writes that he told Baker, "I thought he should know that he had been described to me as an 'ever-flexible pragmatist,' and I suspected that he had been told that I was an inflexible man of ideological principle" (1994: 200). Consistent with his coercive diplomatic style, Shamir did not back down despite his relative weakness. "If Mr. Baker thought for one moment that those Israelis who were determined not to trade their land for peace . . . would be influenced by his advice or agree that their vision was 'unrealistic,' he had badly misread them," remembers Shamir (1994: 203). Adapting, as pragmatists do, to

the diplomatic style of the other side, Baker responded with his own coercive tactics. Expressing indifference and aloofness, he publicly gave the Israelis the number for the White House switchboard: "I can only say 'Take this number: 202-456-1414. When you're serious about peace, call us" (in Shamir 1994: 203).[4]

The Americans particularly stressed the need to stop settlement activity as a necessary condition for any peace deal (Ross 2004: 82). Baker said, "I don't think there is any greater obstacle to peace than settlement activity" (in Kurtzer et al. 2013: 23). Bush called the issue "literally miniscule in importance compared to the objective of peace" (in Shamir 1994: 234). The question came to a head following the end of the Cold War. Emigration to Israel from the former Soviet Union soared, increasing the general population by 20 percent (Ross 2004: 82). The Israelis asked the United States for $400 million in loan guarantees that would reduce borrowing costs. Concerned that the Israelis would use the greater financial flexibility to pursue settlement activity and encourage the new immigrants to establish homes in the territories, the Bush administration asked for assurances that the Israeli government would disclose its expenditures on settlements to make sure they did not increase.

The U.S. administration figured that, in their position of need, the Israelis would meet their commitments (Ross 2004: 83; Miller 2008: 224). But, whereas a more pragmatic government might have done so, the Likud government did not comply. The Israeli coercive bargaining induced value claiming negotiations between the two countries. Miller writes, "let's not forget that Shamir was asking the United States for political backing without extending much reciprocity, particularly given Israel's stonewalling on providing credible information on settlement activity" (2008: 229). Bush became angry that the Israelis were allowing Soviet immigrants to settle in the "occupied territory" of East Jerusalem, a characterization that upset the Israelis (Segev 1998: 115). The pragmatic Bush administration then adapted its tactics to Israeli actions. The president postponed the consideration of a subsequent request for $10 billion in loan guarantees, demanding a freezing of settlements and the Israeli

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4. Much as the British realists thought that French and German nationalists were undermining their own national interests through their coercive bargaining, the realist-dominated Republican administration thought that Shamir's diplomacy did not actually serve Israeli ends. The Bush administration believed that, had Shamir granted tangible steps in the direction of autonomy and stopped the most hated of Israeli practices, such as settlements and checkpoints, the prime minister might have produced an indigenous Palestinian leadership from the territories. This could have served as a viable alternative to the PLO, a long-standing goal of Shamir (Kurtzer et al. 2013: 28).

endorsement of "land for peace" in exchange for their release. Shamir did not relent. He refused this effort at coercive linkage, calling it "blackmail" (Segev 1998: 131). The prime minister took a hard line, betting that he could use the leverage offered by the Jewish lobby in Congress against the Bush administration, leaving the Americans no choice but to compromise (Miller 2008: 225). But Bush did not back down either, complaining publicly about how a "thousand lobbyists on the Hill are working the other side of the question." "I don't care if I get only one vote," he proclaimed. "I believe the American people will be with me" (in Shamir 1994: 234). This cost the Bush administration significantly in terms of domestic politics because it provoked the U.S. Jewish community, but the Israelis lost the confrontation, as generally happens to the weaker side in value claiming negotiations (Segev 1998: 103).

Learning to Crawl: The Madrid Conference

The Bush administration also had difficulties in securing its primary goal, bringing the two sides (as well as the historical Israeli antagonists Syria and Jordan) together for an international conference in Madrid sponsored by the United States and the Soviet Union in 1991. Shamir recalls, "There were bitter, prolonged disputes at almost every point about almost everything including what the gathering itself should be called" (1994: 239). Through extensive shuttle diplomacy, Baker eventually succeeded, but as Shlomo Ben-Ami, the Israeli foreign minister, recalls, "Shamir was practically dragged to Madrid by President Bush. The message was forcefully, by way of pressure and intimidation, brought home to him that he could have either America's friendship or the territories, not both" (in Kurtzer et al. 2013: 29). Shamir admits as much (1994: 228). There is unanimity among participants and secondary accounts that had it not been for U.S. pressure, Israel would never have consented to attending (Behrendt 2007: 16; Segev 1998: 147; Rasler 2000: 713; Peres 1995: 274; Qurie 2006: 36). Shamir worried that such an international gathering would put pressure on the Israelis to make concessions that would inevitably lead to the establishment of a Palestinian state. As a coercive bargainer, he wanted to avoid putting himself in a weaker position (Steinberg 1995: 176–80)

Despite U.S. pleas for the participants to engage in pragmatic diplomacy, however, the conference was marked by its spirit of value claiming (Ross 2004: 80).[5] Abbas writes, "Both sides had to resort to sending

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5. In Spain, President Bush pleaded in his opening remarks for each side to practice pragmatic statecraft: "Peace will only come as a result of direct negotiations, compromises, give and

memoranda to each other expressing their respective viewpoints and demands" with little actual deliberation among the parties (1995: 89). Qurie complains that it amounted to a "dialogue of the deaf, grinding to a virtual halt amid a welter of mutual accusations" (2006: 36). There was no reasoned dialogue. Miller, who attended, writes, "Madrid came out of an environment in which the sides had no contact, no trust, no agreed-upon anything. In fact they were openly hostile and disdainful" (2008: 201). It "had as much warmth and good feeling as a shotgun wedding" (Miller 2008: 229). Given that the conference emerged from U.S. pressure rather than the combination of diplomatic styles conducive to value creating negotiation, this is not a surprise. Miller writes, "This time, Shamir, Assad and the PLO authorized a conference because they couldn't afford not to, and they weren't happy about it. Their concessions were made not to one another but to America and to Jim Baker" (2008: 203).

In the opening speeches, each side played to the cameras at home, repeating its grievances with no reference to or consideration of the legitimate needs of the other side. Shamir referred to the rightful claim of Israel to the "Land of Israel," meaning the West Bank. "We are the only people who have lived in the Land of Israel without interruption for nearly 4000 years. . . . We are the only people for whom Jerusalem has been a capital. We are the only people whose sacred places are only in the Land of Israel. . . . Only Eretz Israel, the Land of Israel, is our true homeland" (Shamir 1994: 238). The prime minister expressed no willingness to make concessions on territory or settlement activity: "It will be regrettable if the talks focus primarily and exclusively on territory. It will be the quickest way to an impasse" (Shamir 1994: 240). Instead of expressing consideration for the Palestinian and Arab positions, he accused them of pushing "Israel into a defenceless position and . . . to destruction. . . . The issue is not territory but our existence" (Shamir 1994: 240). He remembers, "I took my listeners . . . through the history of the Zionist claim to the Land of Israel . . . of the armed Arab rejection of it and deadly assaults upon the state that came into being and of Arab hostility to Israel'" (Shamir 1994: 239). The Palestinians, in turn, did no better. A PLO delegate declared, "We come to you from a tortured land and a proud, though captive people, having been asked to negotiate with our occupiers, but leaving behind the children of the intifada and a people under occupation and under curfew, who enjoined us not to surrender or forget"

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take. . . . We come here to Madrid as realists. We don't expect peace to be negotiated in a day, or a week, or a month, or even a year. It will take time. Indeed it should take time." Consistent with the U.S. role as honest broker, he emphasized the legitimate concerns of both sides, the Israeli need for security and the Palestinian need for a territorial home (in Segev 1998: 97–98).

(in Segev 1998: 99). They made no promise to call off the intifada as a confidence-building measure.

Even though the Americans had forced Shamir to attend, they could not force him to negotiate. Ben-Ami explains that Shamir went to Madrid to "protect his possessions, not to negotiate them away" (in Miller 2008: 230). Shamir did not even understand the conference as a negotiation. He later referred to the "drama of this first historic *confrontation* between Israel and its neighbors which offered an unparalleled background for the retelling of our story to a worldwide audience" (Shamir 1994: 236, emphasis added). As the Palestinians saw it, Madrid was "little more than a platform for the intransigence of the right-wing Likud government" (Qurie 2006: 36).

In the substantive bilateral negotiations that followed in Washington between the Israelis and Palestinians, the pattern continued. Each side made maximalist and inflated demands. The Palestinians wanted all the land that Israel had seized in 1967, the end to settlements, the right of return for all Palestinian refugees, and a capital in East Jerusalem. Israel rejected all these demands, even at one point denying the existence of the Palestinians as a separate Arab people (Segev 1998: 133).

Nevertheless, the Madrid conference was significant and perhaps a necessary condition for the diplomatic successes that followed. It was the first time that Arabs had sat across from Israelis since the Camp David Accords were reached in 1978 (Segev 1998: 101) and the first time ever that Israelis, Syrians, Jordanians, and Palestinians had come together at the same table (Miller 2008: 195). For his part, Baker never had any illusions that Madrid would lead to any dramatic deals in the short term. The secretary of state saw this "as a way to break taboos and create an investment trap that would keep Arabs and Israelis at the table for a long time" (Miller 2008: 217). He later said its "real significance was that it happened at all. It was not a substantive breakthrough, but it was a procedural one" (in Kurtzer et al. 2013: 30).

Baker was trying to lay the institutional foundation for future value creating negotiation, much like pragmatic foreign secretary Austen Chamberlain's vision of using the League of Nations as a regular meeting place for the French and Germans. This reflected the long-term perspective of the Bush administration, characteristic of pragmatic diplomacy. "It wasn't about reaching agreements or wrestling with the tough issues," writes Miller. "In fact, Baker tried to finesse or kick down the road every contentious issue that might constitute what he called a dealbreaker." He told his team, "'Boys, you need to crawl before you walk and walk before you run'. . . . For Baker, the goal on this hunt was to get them to the table" (Miller 2008: 21). Baker had a "negotiator's mindset, a tendency to see the world of power and politics in terms of problems to be solved, managed or deferred" (Miller 2008: 193).

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A Partner for the Palestinians:
The Diplomatic Style of Labor

U.S. statecraft was responsible for institutionalizing a process that allowed cover, time, and space for diplomacy to continue until domestic political conditions in Israel shifted to make the possibility of value-creating negotiation more likely (Miller 2008: 233). The Americans were waiting for a new Israeli government with a new diplomatic style (Rabinovich 2011: 26). In 1992, the left-wing Labor Party came to power. Miller writes that the fact that Baker paid little attention to the post-Madrid negotiations until Yitzhak Rabin, the Labor candidate, defeated Shamir in June 1992 "was all you needed to know. At best, Madrid was intended as a stage-setter" (2008: 195). When Labor replaced Likud, according to Dennis Ross, the U.S. envoy to the peace process, "it was if a great weight had been lifted off the body politic. Hope was alive again. Expectations soared about peace being possible" (Ross 2004: 84).

The Palestinian pragmatists were also buoyed (Abbas 1995: 53). "We knew that Likud would not take one single step towards a settlement, and so we became doubly interested in the preparations for the elections that were announced in June 1992," Abbas recalls (1995: 90). Leading Palestinians had gone so far as to quietly coordinate their activities to benefit Labor in the election (Segev 1998:135). For instance, Abbas instructed Palestinians to avoid raising the issue of Jerusalem because this would "do Likud a great service because it can then claim that there is no common ground for negotiation" (1995: 60–61). He did not anticipate major substantial changes to Israeli positions but, rather, a different diplomatic approach. "We expected that the victory of Labor and its allies would bring in a new style of negotiating and novel ideas to it," explains Abbas (1995: 92).

There is universal agreement in the literature on Israeli-Palestinian relations that the election of Labor was a necessary condition for progress in peace talks in the early 1990s. Nevertheless, most accounts stress the different foreign policy preferences of the parties involved (Rasler 2000; Sassley 2010; Abbas 1995: 53; Behrendt 2007: 65; Kydd and Walter 2002; Hermann and Yuchtman-Yaar 2002; Rabinovich 2011: 28; Segev 1998: 152; Barari 2004: 104–5; Telhami 1996; Steinberg 1995). Likud, according to this argument, was less willing to cede territory in exchange for peace because it valued peace less and territory more than Labor did. The former was more attached to the notion of *Eretz Israel* ("Land of Israel"). For Likud, Judea and Samaria (which the rest of the world calls the West Bank) rightfully belongs to the Jews by divine mandate. This was the site of the biblical Jewish kingdom and the cradle of early Jewish civilization. Although Likud leaders frequently argued that

ceding any of the West Bank would endanger Israeli security by creating a base for terrorists and making it easier for a joint Arab attack, the real objection of the party to any territorial concessions was the "profound emotional and symbolic value" of the area, which made it more difficult to let it go. As such, Likud valued the status quo more highly (Miller 2008: 209).

For Labor, the Land of Israel was, according to Sassley's (2010), "expendable," tradable for other more high-ranking priorities. Yossi Beilin, a key Labor figure who features centrally in the narrative that follows, writes of his early political awakening, "I saw how unimportant the occupied territories were to us, and how to a great extent we had become the prisoners of our own conquests. . . . I decided to work inside the Labor Party towards strengthening the peace camp within it" (1999: 11). In this view, withdrawing from the territories was a prerequisite for maintaining Israel as a liberal democratic state. Maintaining control over the Palestinians morally corrupts the Jews, threatening the Israeli commitment to human rights and engendering the hatred of its Arab neighbors (Sassley 2010; Waxman 2008). This was particularly true given the demographic changes occurring in the region; that is, the Arab birthrate has been much higher than the Jewish birthrate. Evacuating the West Bank and Gaza would help bring about peace.

If the political parties approached the negotiations differently because they had different evaluations of the value of different assets, then this is a foreign policy rather than a diplomatic account. There is little doubt that there were differences in the Labor and Likud conceptions of Israeli foreign policy interests; nevertheless, such differences can also be overstated. There has been an increasing consensus between the two parties, Labor and Likud, that demographic considerations make a permanent annexation of the West Bank impossible (Rynhold and Waxman 2008). Certainly Likud liked to claim in the early 1990s that Labor would quickly trade away the West Bank for an illusory peace (Shamir 1994), but even at that time, the plans offered by the two parties for dealing with the issue were remarkably similar. Both endorsed some sort of Palestinian autonomy. Likud leaders said as early as 1986 that "it is our aspiration that [the Palestinians] will be able to run their affairs by themselves" (Shamir 1994: 167). Shamir's national unity government proposed elections in the occupied territories to provide representatives with whom the Israelis could negotiate the creation of a self-governing administration (Shamir 1994: 195; Segev 1998: 108).

Also, the two major Labor figures at the time, Yitzhak Rabin and the more dovish Shimon Peres, opposed the creation of a sovereign Palestinian state as being too dangerous for Israeli security. This was part of the official 1992 party platform (Steinberg 1998: 223). Their positions on the

return to the 1967 borders, the disposition of the settlements in any permanent agreement, and the indivisibility of Jerusalem were also identical to those of Likud (Peres 1995: 262–64; Segev 1998: 152; Barari 2004: 83; Behrendt 2007: 64, 72; Ben-Yehuda 1997: 205). Following his election, Rabin pledged publicly that he would attempt to conclude an autonomy agreement with the Palestinians that would grant the Palestinians local authority over internal matters. Elections would be held, as in the earlier plans endorsed by Likud and that offered by Shamir's apparent heir, Benjamin Netanyahu (1993: 351–53). Beilin describes the Palestinian position of establishing a state with Jerusalem as its capital, the return of the Palestinian refugees, and dismantling the Jewish settlements as "a prospect which the Labor Party obviously could not countenance" (1999: 21). As Wanis-St. John concludes, the Rabin government "held fast to the key assumption of the previous Likud government: that Palestinian self-government could only have functional attributes and no territorial sovereignty" (2011: 107).

Labor differed substantially, however, in terms of its diplomatic style, which was liberal rather than coercive. Rather than feigning indifference to draw out negotiations and extort greater concessions, Rabin promised the interim agreement within six to nine months. He believed an agreement on elections could be concluded by December 1992 and one on the extent of the jurisdiction of the new entity by February 1993, with elections to be held in May 1993 (Segev 1998: 158). He also gave the Palestinians a firm time line for the conclusion of a final status accord. There would be a five-year transition period, with final status talks beginning three years into the process on the basis of the principle of "land for peace" (Abbas 1995: 57; Behrendt 2007: 68, 84; Segev 1998: 149; Rabinovich 2011: 29). Shamir had simply proposed to hold elections and talk after, holding future concessions as bargaining chips to secure a better deal (Ross 2004: 56). Labor also expressed a greater willingness to talk directly to the PLO. In January 1993, the government repealed the law making it illegal for Israelis to meet with PLO officials (Meital 2006: 32; Wanis St-John 2011: 90; Behrendt 2007: 66). This contrasted sharply with Shamir's efforts to forestall reasoned dialogue with most of the main political players in Palestinian politics.

Finally, Labor was willing to make preliminary concessions on the settlement issue that reduced its bargaining leverage. The Rabin government largely froze building upon taking office, cancelling 6,500 new housing units that had been approved by Shamir, although it did vow to complete the 10,000 units that had already begun and allowed building without public financing (Segev 1998: 149, 152; Behrendt 2007: 35, 64, 68). Although this was not a blanket ban, the Bush administration subsequently allowed the $10 billion in loan guarantees to Israel because of the

new diplomatic style of Labor. A senior Bush adviser later stated that "the difference in this case was the difference between Shamir and Rabin; Rabin demonstrated to us that he was determined to reach a settlement; that's why we were prepared to look the other way"(in Kurtzer et al. 2013: 34).[6] The pragmatic Americans were reciprocating the prosocial Israeli gesture in a value creating spirit.

These behaviors emerged naturally from the prosocial motivation of the Labor party and are those we would expect from a leftist political party. Foreign Minister Shimon Peres outlines his conception of negotiations as positive rather than zero-sum in character. He remembers, "I felt that the peace process until now had been based on a misconception: instead of negotiating over the substance of peace and the benefits that would accrue from it—for all the parties—we had been dealing solely with the price to be paid for peace with the decades-old causes of the conflict. I thought that unless our people were given a new sense of the situation, it would be hard for them and, therefore, for their leaders to shake loose from the rigid thinking that was still the residue of the old world" (Peres 1995: 275). Peres described the essence of liberal diplomacy at the time, "Negotiations are an exchange of gestures instead of an exchange of blows. . . . Instead of coming with outstretched swords and a mouth full of abuses, you come to negotiations with goodwill. We will, of course, be making gestures, and I expect the Palestinians will also do so" (in Behrendt 2007: 76). The foreign minister expressed an interest in a deal in which both sides benefited: "We definitely want to persuade our neighbors that we are serious about the need to attain an arrangement and to make a decision in the course of 1993 so as to shorten the suffering of all sides: ours and theirs" (in Behrendt 2007: 77).

Yossi Beilin, who became Peres's deputy foreign minister, also approached the issue with the mind-set that an agreement that satisfied both sides was possible but would require active engagement and discussion with the Palestinians. "My working hypothesis was that the dispute *could* be solved, there *was* somebody to talk to, namely the PLO, and there *was* something to discuss if both sides were prepared to be creative," he recounts (Beilin 1999: 46). The Israelis needed to remain open to the possibility lest cognitive closure blind them to opportunities for peace. Beilin writes, "I understood that the concept 'Nobody to

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6. President Bush announced, "I am delighted that we have agreed on an approach that would assist these new Israelis, without frustrating the search for peace. . . . The prime minister has persuaded me that Israel is sincere about peacemaking. . . . We see a very different approach to settlements. We salute the prime minister for his courage. I know it wasn't easy" (in Segev 1998: 156).

talk to, nothing to discuss' developed after the Khartoum conference[7] as a new Israeli consensus was correct only in part, and when there *had* been someone to talk to and something to discuss, we had still been trapped in a different mind-set" (1999: 11). Beilin expressed his prosocial motivation directly. He has liberal moral foundations: "I always believed that all human beings were created of the same matter and that my rights were in no way superior to those of the boy offering to black my army boots in exchange for a few coppers on my way through Gaza." This, however, was not simple capitulation to Palestinian demands. Beilin adds, "Nor was I numbered among those who were so impetuously calling for unilateral withdrawal in the immediate post-war period" (1999: 10).

Prime Minister Rabin expressed these prosocial sentiments publicly in a statement before the Israeli Knesset in July 1992 after taking power. He addressed the Palestinians directly: "To you, the Palestinians in the territories, our foes today and our partners to a peaceful coexistence tomorrow, I wish to say: We have been fated to live together on the same patch of land. . . . We lead our lives with you, beside you, and against you. . . . We offer you the fairest and most viable proposal . . . an autonomy, with all its advantages and limitations. You will not get everything you want. Neither will we. . . . Don't lose this opportunity that may never return. Take our proposal seriously—to avoid further suffering, humiliation and grief" (in Segev 1998: 147).

Rabin was himself more of a pragmatist than were other key leaders in the Labor Party, consistent with his position on the right of his party (Makovsky 1996: 87; Steinberg 1995: 187). Rabin and Peres had long been the poles of the centrist and more left-leaning parts of the party. Therefore, it not surprising that, whereas Peres was the "dreamer and visionary," Rabin was the "pragmatist" and "political realist," writes Segev (1998: 163; see also Ben-Yehuda 1997: 203). No other than Henry Kissinger noted how Rabin was "relentless in separating the chaff from what is essential" (Segev 1998: 147). Ross also noted his pragmatism (2004: 92). Indeed it was Rabin's centrism that was responsible for his victory over Peres for leadership of the Labor Party before the 1992 elections. Party members thought he would better attract moderate voters due to his historically harder line on conflicts with Arab neighbors (Rabinovich 2011: 29; Segev 1998: 143–44; Makovsky 1996: 83; Steinberg 1995: 187). In addition, Rabin had been the head of the armed forces in the great 1967 Israeli military victory.

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7. In this 1967 conference, the Arab countries rejected negotiations with, recognition of, and peace with Israel, even after their crushing military defeat.

Rabin seems to have come to the conclusion that peace talks were necessary due to practical necessity—out of realism rather than an a principled commitment to reasoned dialogue. Although as defense minister under the national unity government headed by Shamir he had ruthlessly repressed the intifada, the experience also seems to have convinced him that the status quo was too costly for both sides (Rabinovich 2011: 31; Rasler 2000; Miller 2008: 259; Makovsky 1996: 84–85, 95). The costs of continued confrontation outweighed the potential but uncertain benefits of peace. While Shamir understood the uprising as indicating again the existential threat to Israel, thereby assimilating the events so they were consistent with his overall heuristics (Shamir 1994: 182), the more epistemically motivated pragmatist Rabin changed his position as a consequence of the experience. He came to understand the intifada as the expression of national aspirations that could not be contained forever (Sassley 2010). Rabin said that Palestinians "who carry on their shoulders the burden of the intifada deserve our attention. They are our interlocutors" (Segev 1998: 147; see also Ben-Yehuda 1997: 210).

The Declaration of Principles: Creating Value in Oslo

Pragmatists in the Palestinian camp were more open to these signals sent by the Israeli government, which we would expect given their higher level of epistemic motivation. Qurie told his leadership, "Coming, as they do, after a long history of enmity, conflict and mistrust, these remarks carry a significance that merits your deep and serious consideration, especially after the long period of duplicity on the part of successive Likud governments" (2006: 45). He judged that a "new level of political maturity" had emerged in Israel, "or at least in the Labor Party," and that the opportunity for a deal "might easily be lost if it were not grasped at the right time" (Qurie 2007: 73). Abbas agreed that this "chance will never be repeated to implement self-rule" (1995: 62).

Abbas reached out to Rabin following the election. He wrote the new prime minister that the Palestinians "are in complete agreement with you about the need for urgent and intensive action in the coming negotiations." He drew a distinction between Rabin and the previous government, having been "disturbed by the announcement of [Foreign Minister Moshe] Arens and Shamir that they intend to negotiate for ten years without achieving a result" (Abbas 1995: 64). Rather than denigrating the significance of his statements, Abbas paid tribute to Rabin's "courage in presenting some positive ideas to achieve a solution during an election campaign, which was characterized by demagogy, bigotry and obstinacy" (1995: 63). He informed Rabin that the PLO had "advocated

self-restraint on the eve of the elections so that Shamir could not arm himself against you" (Abbas 1995: 65).

The combination of pragmatic statecraft among key Palestinian leaders and prosocially motivated Israelis with their realistic prime minister created the conditions for value creating negotiation in 1993. What became known as the Oslo process was initiated by Yossi Beilin, the deputy foreign minister, who without the knowledge of his superiors authorized unofficial contacts between two Israeli academics and PLO officials to explore ideas about the general outlines of an agreement. Beilin was the founder of the Mashov Caucus of Labor, a progressive faction that sought to move the party to the left on domestic and social issues. For years, he had sought out contacts with Palestinians to better understand their positions and identify possible bases for compromise between the two sides (Wanis-St. John 2011: 83; Makosvky 1999: 97–100). He recalls, "My objective at this stage was to increase as far as possible the number of 'kosher' interlocutors, to identify possible common denominators and arrive at informal accords with the Palestinian leadership, thus proving to Peres, Rabin and the institutions of the Labor Party that agreement really was attainable" (Beilin 1999: 21). Beilin was optimistic: "The investment in talks with the Palestinian leadership in the territories and in Jerusalem had paid dividends in enabling me to gain a better understanding of the problems, the emotions, the 'other man's mind'" (1999: 46). Abbas coordinated the Palestinian team from Tunis. Qurie served as the chief Palestinian negotiator in Norway.

Both sides approached these secret discussions, made possible through the generosity of the Norwegian government, with the mind-set conducive to value creating. Beilin writes, "Our guiding principle throughout the talks was to try to avoid conventional negotiating tactics, where the parties begin with speeches intended to mark out the distance between them and then move towards compromise. We tried to locate the limits beyond which the other side could not go, to understand what our own limits were, and to strive towards the construction of broader options in which both sides would have room to manoeuvre" (1999: 68). Ron Pundak, one of the Israeli academics who began the talks, writes that the "goal was to work towards a conceptual chance which would lead to a dialogue based, as much as possible, on fairness, equality and common objectives. . . . For many years, the two peoples had been locked in a zero-sum relationship, in which every victory by one side was considered a defeat for the other. 'Oslo', by contrast, was guided from the start by efforts to create as many win-win situations as possible, notwithstanding a balance of power that was tipped heavily in Israel's favor" (2001: 32–33). Qurie writes of the need to "break away from the circle of mutual suspicion which had historically been dominant in the position of both sides"

(2006: 80). Abbas, who monitored the process from Tunis and who would eventually participate directly, compared these discussions to the official and more public negotiations ongoing in Washington that had been fruitless up to that point: "We therefore had to devise another style for the Oslo channel" (1995: 115).[8]

The Israelis did not withhold their bottom line in an effort to extract a better deal. Pundak described how the Israelis constructed their first proposal: "So we did not draft an Israeli position, we drafted . . . something which we believed could be already a first construction for a bridging draft and then it became, after amendments . . . the first joint draft declaration of principles" (in Behrendt 2007: 51). Yair Hirschfeld, his colleague, noted that they "always strove to emphatically take into account the Palestinian position" (in Behrendt 2007: 51).

Based on early successes, Beilin informed his boss, Peres, about the existence of the talks. Soon after, Peres informed Rabin, who allowed the talks to continue. Two Israeli officials were brought in, Joel Singer and Uri Savir, making the channel official. It was the first time that the Israeli government had ever formally negotiated with the PLO. Rabin directed his negotiating team not to engage in the stalling that is part of coercive bargaining: "I want you to keep the ball rolling all the time. . . . Don't act in a manner that would halt the negotiations. You have to be extremely patient. Try to avoid bogging down on principle issues. On the contrary, try to seek formulae that would be fair to both sides. Just keep up the momentum" (in Segev 1998: 168). Peres told them similarly to "wrap it up fast. . . . Don't let the Oslo track become like chewing gum" (1995: 295).

The Palestinians were willing for the first time to separate the peace process into a number of stages, negotiating an interim settlement and postponing a final deal for a period of time. The earlier insistence on knowing the entire contours of a final deal was part of a coercive bargaining strategy. The Palestinians wanted to secure maximum Israeli concessions on all the important issues—final borders, a Palestinian

8. Maher el-Kurd, one of the participants, recounts that the Palestinians came to the conference with a pragmatic style, focused on tangible issues on which there was actually a chance for agreement: "We realized if we want to talk about 1948, about historical rights, 1967, refugees, displaced, water rights, then of course we would not get anywhere. In our consideration there was a historical brief moment that needed to be utilized. . . . When we had the first meeting with Hirschfeld and Pundak we told them: let's not talk about the past, let's not talk about who occupied the land and who made the aggression. . . . Let's talk about what we can achieve if we can achieve it in the coming five years and create a momentum and an interest on both sides in making peace based on the two state solution" (in Behrendt 2007: 50). The Israelis stated the same position (Segev 1998: 195).

capital in East Jerusalem, the right of Palestinians to return—all up front, getting the most from the limited bargaining leverage they had. Otherwise, they risked the interim settlement turning into a final one (Peres 1995: 67; Beilin 1999: 67, 132). This time, however, they accepted that these contentious issues would be postponed for the final status talks, with agreement on the easiest issues first (Qurie 2006: 79). This was indicative of pragmatic statecraft. "We would seize what advantage we could in the near future, while never losing sight of our long-term goals," Qurie recounts (2006: 76).

The embrace of pragmatic statecraft also enabled the Palestinians to accept the principle of "Gaza first." Instead of the Israelis granting autonomy to the West Bank and Gaza all at once, they would relinquish Gaza as a good-faith gesture. The Palestinians had previously denigrated such a concession as worthless, a way for the Israelis to appear forthcoming while shedding what was actually a burden (Qurie 2006: 81). The Gaza Strip was unimportant for Israeli security, had no historical or symbolic significance for the Jewish people, and had few settlements to dismantle. Qurie explains the worry that "withdrawal from Gaza might turn out to be not only the first but also the last step in Israel's withdrawal. . . . We were concerned that Israel's colonial mentality, expansionist policies and devious negotiating strategies might incline it to embroil us deeply in the Gaza issue while at the same time strengthening its hold on the West Bank and Jerusalem" (2006: 81).

However, in the Oslo track, the Palestinian pragmatists decided to look at the Gaza issue differently: "We made the effort to set aside our suspicion that Israel wanted to hold on to territory at all costs, and to believe that Israel's desire to withdraw from Gaza was real," writes Qurie (2006: 81). It was regarded as a preliminary demonstration of Israeli intentions that would create a precedent that applied to other lands. Qurie highlighted the gains rather than the potential perils, such as the psychological boost it would provide for the Palestinians. "Our strategy was to present withdrawal from Gaza as a move which would have benefits both for ourselves and for the Israelis. Thus, we ended the situation in which negotiation was seen as a zero-sum game" (Qurie 2006: 82).

The Oslo negotiations were marked by the reciprocity so important for value creating. Although the Palestinians consented to defer several key issues to the final status talks, the Israelis made the concession of discussing them at all. Even as they stressed, for instance, that Jerusalem would remain undivided, the Israelis agreed that the final status of the city would be the subject of negotiations. Had they been engaged in coercive bargaining, they would have demanded that Palestinians give up any claim to East Jerusalem as a precondition for negotiating (Behrendt 2007: 54; Peres 1995: 287). Beilin writes, "Naturally, we did not guarantee our

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willingness to compromise on these issues, any more than on those of frontiers and Jewish settlements and other questions, but the very fact that these issues were now on the agenda was enough to solve a series of problems which had prevented agreement on autonomy since discussions on the subject had begun following the 1979 peace treaty with Egypt" (1999: 69).

To ease Palestinian concerns that "Gaza first" would become "Gaza last," Peres offered a bigger downpayment (Beilin 1999: 65; Makovsky 1996: 35). As Peres admits in his memoirs, Palestinian suspicions about the eagerness of Israel to shed itself of Gaza were not unfounded. The region suffered from tremendous overcrowding and poverty and tied up large numbers of Israeli troops without increasing Israeli security. "In all honesty, nobody wanted Gaza," he writes (Peres 1995: 278–79). Nevertheless, the Israelis might have held on to Gaza as a bargaining chip had they been practicing coercive bargaining. Not only did the Israelis relinquish the strip of territory, they suggested that Gaza autonomy be accompanied simultaneously by a Palestinian foothold in the West Bank. Peres offered Jericho "as a sign of our intent to continue negotiations" (in Makovsky 1996: 35; see also Peres 1995: 136; Behrendt 2007: 92; Beilin 1999: 69; Segev 1998: 180). The area contained a large Palestinian refugee population and no Israeli settlements; however, holding the city did serve an important security purpose for Israel because it lay on the border with Jordan. It also had religious significance for Israelis, making the offer much more than an empty gesture (Behrendt 2007: 88–92; Segev 1998: 197, 202).

The Israelis also offered an accelerated timetable for granting autonomy to Gaza and Jericho, to begin within three months of the signing of a declaration of principles, and a fixed date for the beginning of final status talks. The Israelis refrained from using a coercive linkage strategy. Beilin wanted to ensure that the transfer of autonomy was *not* made contingent on agreement over the framework for the elections to a new Palestinian council that would govern the areas, which would probably prove difficult to conclude. He also preferred to have a five-year period for the conclusion of all outstanding issues written into the interim agreement "so that the [Menachem] Begin ploy, of postponing the permanent settlement indefinitely, would not be repeated" (Beilin 1999: 69). Beilin came up with the idea of a "ticking clock"—early withdrawal from Gaza and Jericho and the beginning of final status talk after two years, with a permanent settlement to be concluded within three years (Beilin 1999: 77; Peres 1995: 286).

For their part, the Palestinians offered to be flexible on Israeli security (Segev 1998: 198). Although the Israeli Defense Forces (IDF) would be withdrawn from the major cities as autonomy was granted, they

would be allowed to protect the settlers and Israeli citizens, meaning that they could reenter evacuated territory without having to secure Palestinian consent if this proved necessary to fight terrorism (Makovsky 1996: 67). "My instructions are that in matters of security I am to be open to your suggestions. . . . But please . . . don't declare the entire West Bank a security area," Qurie told Peres (in Peres 1995: 289; see also Segev 1998: 206).[9] Their willingness to make these concessions was a key factor convincing Rabin of the possibility of an agreement, which was a necessary condition for keeping the track alive. He said, "On four or five major issues, they agreed to [things] I had doubted they would agree to. . . . First, Jerusalem under Israeli control and outside the jurisdiction of the Palestinians for the entire interim period. Second, [retaining all Israeli] settlements. Third overall Israeli responsibility for the security of Israelis" (in Makovsky 1996: 66).

The negotiations were not free from coercive bargaining. Consistent with my analysis, however, coercive bargaining begat coercive bargaining. After officials from the Israeli government took over from the academics, they objected to some of the provisions in the earlier drafts, the most important being the creation of an international trusteeship to govern Gaza. For the Israelis, this was tantamount to an endorsement of a future Palestinian state, which genuinely went past their red lines. The Palestinians rescinded some of their concessions, such as giving up the ability of East Jerusalem residents to run for positions on the Palestinian Council, something the Israelis also could not have accepted regardless of diplomatic style (Makovsky 1996: 71). And they demanded control of the bridge from Jericho into Jordan and an extraterritorial road between Gaza and the West Bank (Qurie 2006: chaps. 10–14; Behrendt 2007: 84–92; Beilin 1999: 104–5; Abbas 1995: 166–69; Makovsky 1996: 59–64). In a new draft, Qurie introduced twenty-five amendments to the official Israeli proposal, claiming that he had the same right to backtrack as the Israelis (Qurie 2006: 196). Qurie remembers the "bitter satisfaction": "Now, I thought, they are drinking from the same cup they gave us to drink from in past rounds" (2006: 197). The other Israeli delegate, Joel Singer, later complained that "instead of moving toward you, like in any other negotiation, they move *beyond* their opening position, so that you are almost at their opening positions as negotiations move on" (in Makovsky 1996: 60). Qurie denigrated the significance of the Israeli offer as "occupation in a different form and using different methods" and

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9. The bottom line for Israel on this issue is another indication that the distinction that has been made between Labor and Likud on foreign policy goals—with Likud allowing only "functional" autonomy and Labor willing to grant "territorial" autonomy—has been overstated (Makovsky 1999: 122–23).

threatened to "wait ten more years to obtain a reasonable agreement acceptable to us" (2006: 213).

Consistent with my analysis, the value claiming dynamic that emerged precipitated crises that almost undermined the negotiations (Beilin 1999: 105; Makovsky 1996: 61). The Israeli representative, Uri Savir, accused the Palestinians of deliberatively crossing Israeli red lines and demanded they withdraw the draft. Otherwise, the Israelis would shut down the back channel. "We will not accept this method of negotiation," he said (in Qurie 2006: 203). Movement toward an agreement reemerged only when the Palestinians stepped back from the brink and returned to value creating.

The final product of the Oslo negotiations, a Declaration of Principles on an Interim Self-Government Arrangement, indicated the intent of the PLO and the Israeli government to negotiate an interim framework granting autonomy to the West Bank and Gaza via a gradual process beginning with the handover of Gaza and Jericho. The first withdrawal of the IDF would occur in just three months. Negotiations over subsequent withdrawals from the major Palestinian urban centers would begin immediately. Israelis promised three "further redeployments," withdrawals from the West Bank, but of unspecified size and timing. In "early empowerment," the new Palestinian government would control the six functions of education, health, social affairs, taxation, tourism, and internal security, even before elections to the Palestinian Council, a legislative body. Once the council was constituted, military government by Israel would be dissolved. A mechanism was to be worked out later allowing for the participation of East Jerusalem residents in elections, a major concession by the Israelis. Final status negotiations on security, borders, refugees, and the status of Jerusalem would begin no later than the third year of the interim period, to be concluded no later than five years after the first withdrawal. During this period, the Israelis would also refrain from expanding the settlements but would not remove any during the interim period (Segev 1998: 213, 349; Behrendt 2007: 2–3, 85; Peres 1995: 293; Wanis-St. John 2011: 110). The announcement of the Declaration of Principles was accompanied by a letter from Arafat to Rabin indicating the acceptance by the PLO of the right of Israel to exist, a letter from Arafat to the Norwegians calling on the Palestinians to end the violence, and a letter from Rabin to Arafat recognizing the PLO as the legitimate representative of the Palestinian people.

Qurie, the Palestinian negotiator who was present from start to finish in Norway, writes that Oslo was a "great international event, world-changing in a way true only of such major events as the fall of the Berlin Wall in 1990" (2008: 13). Just as the French and Germans had made reference to the new type of negotiating that had emerged between the two

sides in a neutral location, the spirit of Locarno, so too did the Israelis and Palestinians (Pundak 2001: 32). This new "spirit of Oslo" was a remarkable outcome, particularly for the PLO, whose bargaining leverage had been extremely limited. Much as Stresemann had done for Germany in the 1920s, the diplomatic style of pragmatic statecraft had brought the PLO back from the brink of extinction despite its limited power. There was elation on the Palestinian side when agreement was reached: "we could hear them cheering and weeping, and we knew that they were hugging one another," reports Peres (1995: 299). Qurie wept at the signing ceremony in Washington. It was only because of the pragmatists that the Palestinians did not succumb to their usual behavior, "to never miss an opportunity to miss an opportunity," as the popular saying went. Abbas defended the achievements of his team against opponents with a rhetorical question befitting a realist: "Could you have gotten more?" (in Makovsky 1996: 77).

Moreover, just as Franco-German cooperation in the 1920s had depended on the liberal diplomacy of France, the Oslo agreement required a prosocial partner in Israel. Much as Stresemann had sought out Briand at the Locarno Treaty–signing ceremony, Qurie sought out Peres to thank him effusively for his efforts. And like Briand, Peres responded to Qurie "sincerely [that] we had no wish to rule over the Palestinian people" (Peres 1995: 302). Arafat paid tribute to Peres as well. He was "capable of saying things and doing things on behalf of the Palestinians that many Arab states would neither say nor do" (Peres 1995: 302). The Israelis had not coerced the Palestinians when they were at their weakest (Segev 1998: 215). Shamir, the former Likud prime minister, complained about this very aspect of the Labor diplomatic style.[10] An agreement such as the Oslo Accords, for better or for worse, probably would not have been possible with an Israeli government that preferred coercive diplomacy. The agreement passed by a single vote in the Israeli Knesset in September 1993 following a unanimous decision by the cabinet to approve the declaration (Meital 2006: 36).

The achievements in Oslo are all the more striking in light of the situation on the ground in the territories during the talks. The fall of 1992,

10. "Bankrupt, increasingly discredited in the Arab world—his intifada, though hard for Israel to bear, solved nothing and was harder yet for the Palestinians, with no prospect of success on any front and not even the USSR to help him—Arafat was literally saved by Rabin and Peres. I am sure that he knows as well as I do that if Israel had only been a little more patient, as I had urged for so long, the PLO would have very soon collapsed in any case—and, a bitter foe gone, we would have moved on, along a safer, infinitely better road to new relationships in the Arab world" (Shamir 1994: 260).

directly prior to the discussions in Norway, was marked by violence in the territories. Rabin, who also served as defense minister, closed off the West Bank, preventing 120,000 Palestinians from going to work in Israel, and reinforced the IDF presence in the territories (Makovsky 1996: 89–90). He also cracked down on Hamas and Islamic Jihad militants, deporting four hundred into Lebanon. And when Lebanon refused to receive them, leaving them to starve and freeze in the winter cold, Israel suffered a monumental public relations crisis (Behrendt 2007: 71; Segev 1998: 132, 181, 191; Rabinovich 2011: 35). This was not a most promising case for diplomatic success.

Rabin's behavior was due to his pragmatic approach, most his high level of epistemic motivation, something stressed in every account of his decision-making style. Although he was, like Shamir, a long-standing opponent of direct dialogue with the PLO, the prime minister had concluded that, realistically, only the PLO had the power to conclude a binding agreement with the Israelis (Barari 2004: 82, 95; Rasler 2000: 714; Segev 1998: 192). This was a painful admission. "This may not be pleasant," he said, "but it is a fact" (in Ben-Yehuda 1997: 208). Rabin also distrusted Arafat. In 1974, he had even given orders to have him killed. But he did not let this impede him from exploring the possibility of value creating negotiation between the sides (Segev 1998: 158, 193). Rabin asked rhetorically, "What can we do? Peace you don't make with friends, but with very unsympathetic enemies. I won't try to make the PLO look good. It was an enemy, it remains an enemy, but negotiations must be with enemies" (in Ross 2004: 92).[11] Rabin was pessimistic, yet in keeping with the high level of epistemic motivation that is part of pragmatic statecraft, he did not allow this skepticism to create closed-mindedness (Makovsky 1996: 119). He "doubted anything would come of Oslo," writes Peres. "Nonetheless, he gave me, and the talks, a chance" (Peres 1995: 285; see also Beilin 1999: 136–37). The prime minister's stewardship might have been a necessary condition for the Israeli government to approve the agreement. Whereas Peres had the vision, only Rabin had the credibility at home on security because of his military pedigree (Barari 2004: 93; Makovsky 1996: 87).[12]

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11. The prime minister later described the difficulty of shaking Arafat's hand at the signing ceremony in Washington: "I knew that the hand outstretched to me . . . was the same hand that held the knife, that held the gun, the hand that gave the order to shoot, to kill. Of all the hands in the world, it was not the hand that I wanted or dreamed of touching" (in Sassley 2010: 710). Yet he did exactly that.

12. It was undoubtedly helpful, perhaps necessary, that the Oslo talks were secret because this eliminated the public pressure on the participants that probably would have forced them to break off discussions in light of this escalation of violence on the ground (Wanis-St. John

The Spirit of Oslo: Negotiating The Interim Agreement

Value creating negotiation persisted after the signing of the Declaration of Principles. The Cairo Agreement of May 1994 identified the terms of the transfer of Gaza and Jericho to the Palestinians. On July 1, 1994, Arafat crossed into the Gaza Strip from the Sinai Peninsula and took charge of the Palestinian Authority, marking the first time in Middle Eastern history that Palestinians governed Palestinians. The twenty-four-member Palestinian Authority assumed thirty-one executive and legislative functions, including the ability to issue passports and create its own police force. It could even have "routine dealings" with foreign states and international organizations, although it could have no embassies or consulates abroad (Segev 1998: 359). These had not been easy negotiations, with strong disagreements, particularly over the extent of territory granted in Jericho and concerning control over crossings from the border city into Jordan (Segev 1998: 352).

In September 1995, the two sides reached agreement on what became known as Oslo II. The Interim Agreement on the West Bank and Gaza Strip elaborated the expansion of self-government and established the Palestinian Council (Meital 2006: 43). It divided the West Bank into three zones with various degrees of Palestinian sovereignty. In Zone A, which comprised the major cities of the West Bank, the Palestinians would exert full control. In Zone B, 450 small towns and villages where 65 percent of the Palestinians resided, the authority would govern but security would be jointly administered with the Israeli army. Zone C was to remain under Israeli control, the final disposition to be settled during final status negotiations with a series of periodic military redeployments during the interim phase (Segev 1998: 376; Rabinovich 2011: 45). Zone C included Israeli military installations and settlements that comprised 70 percent of the land but contained only 50,000 Palestinian residents. This was a value creating solution because the land most vital for Israeli security contained the fewest Palestinians. Although the peace process is often regarded as a failure, there were, as Miller notes, "real gains made on the ground, particularly Israeli withdrawal from six West Bank cities and towns by the end of 1995" (2008: 261). These gains persist today (Meital 2006: 40).

2011). Nevertheless, it would be wrong to attribute the success purely to the quality of the negotiations rather than the nature of the participants. This would miss the fact that the back channel owed its existence to the diplomatic styles of the two sides. The talks were initiated by Beilin, who was committed to a liberal dialogue. The opportunity was seized by Palestinian pragmatists. The originally informal and always highly secretive nature of negotiations was endogenous to individual-level psychological attributes of the Palestinians and Israelis.

The achievements are all the more remarkable in light of the backdrop of negotiations—a massive escalation of violence. Hamas and Islamic Jihad rejected the basic compromise of "land for peace" inherent in the Oslo process and sought instead the creation of a Palestinian state consisting of all of Mandatory Palestine. The groups attempted to derail the peace process through suicide bombings and other attacks on the Israeli military and ordinary civilians. Hamas launched its first series of attacks just three weeks after the signing of Oslo I and its second series following the signing of the Cairo Agreement (Kydd and Walter 2002). This was a level of violence greater than in the days of the first intifada. During those six years, 172 Israelis had been killed; during the early days of Oslo from 1993 to 1996, more than 300 Israelis died (Rabinovich 2011: 48).

In response, the Israelis closed Gaza off from Israel to provide greater security, leaving thousands unable to travel to work in Israel, and delayed the release of prisoners (Segev 1998: 363). Right-wing Israelis also conducted terrorist attacks, most notably the massacre by a former Israeli captain of twenty-nine Palestinian worshippers at the Tomb of the Patriarchs in Hebron in February 1994, which precipitated an international crisis and the temporary stationing of an international observer force (Meital 2006: 39; Rabinovich 2011: 27; Segev 1998: 355). Retaliation by IDF made it extremely difficult politically for Arafat to secure the two-thirds support necessary for the revision of the PLO Charter, promised as a condition of Oslo I and then Oslo II (Segev 1998: 361).

It is difficult to judge the Palestinians' thinking during this period because the available sources are insufficient. It is clear, however, that the peace process would have stalled were it not for the diplomatic style of the Labor government. The terrorist activities did not lead the Israeli government to reverse course because Arafat was not seen as directly responsible for the violence (Kydd and Walter 2002). Rather than using a crackdown on terror as a precondition for extracting greater concessions from the Palestinians, key Israeli officials expressed understanding for Arafat's plight, deserved or not. Peres stated that "although Israel does not expect the [PLO] to produce 100 percent success, it would like to see 100 percent effort" (in Kydd and Walter 2002: 282). Rather than linking the two issues, Rabin and Peres promised to "fight terrorism as though there is no peace process" and "continue the peace process as though there is no terrorism" (Segev 1998: 380). As Miller remembers, after Oslo, "For the next two years their negotiators solved problems. They lived, laughed, yelled, and cried together against the backdrop of missed deadlines, terror, violence and continuing mutual suspicion. They became friends . . . [and] pushed the Oslo process uphill against the laws of political gravity" (2008: 260).

Rabin also faced heavy domestic opposition. Likud took a strong stand against the peace process (Rabinovich 2011: 60; Inbar 1998: 39). Benjamin

Netanyahu, the Likud leader, claimed it laid the foundation for a Palestinian state that would threaten the existence of Israel. "Arafat will devour Jordan and assimilate its army. . . . You are strengthening our enemies and weakening us," he claimed (in Qurie 2008: 19). Oslo II barely passed in the Knesset, and right-wing opponents began major demonstrations across Israel. Rabin paid for his fortitude with his life; he was assassinated by another Israeli, a radical opponent of the peace process, on November 4, 1995.

A wave of terrorist attacks in February and March 1996, the most significant since the Cairo Agreement, killed 102 and wounded over 80 Israelis (Kydd and Walter 2002). In less than three weeks, Peres's lead of 20 points over Netanyahu, the Likud candidate, in the upcoming prime ministerial election evaporated. Promising "peace with security," the Likud leader emerged victorious over Rabin's heir in the 1996 election, largely as a result of the actions of Palestinian spoilers (Rabinovich 2011: 53; Barari 2004: 59; Steinberg 1998: 210–11).

From Shalom to Shlep: The Netanyahu Government, the Americans, and the Palestinians

The new Israeli government was composed of a coalition whose common denominator was opposition to the peace process as it currently stood. Netanyahu embraced the same zero-sum framing of the situation that guided Shamir. The Palestinian issue was a question of the very survival of Israel: "It will not do to obscure the primacy of this existential opposition to Israel as the driving force of the Arab-Israeli conflict," he wrote (Netanyahu 1993: 331). The Arabs would simply use peace as a bargaining asset of value to trade for something else in a coercive bargaining style. "Many Arab leaders who profess a desire for 'peace' think of it as a *means* to an end, such as regaining lost territory or securing military supplies from the West. . . . For much of the Arab world, peace is a coin with which one pays in order to get something else" (Netanyahu 1993: 337). Rather than explore the possibility of a mutually beneficial agreement, Netanyahu presumed that the terms that would provide Israeli security would not be acceptable to the Palestinians (Netanyahu 1993: 284).[13]

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13. He claimed that if Israeli needs for hot pursuit, control of the Jordan Valley, and early warning stations were met, there would be nothing left for the Palestinians. "Israeli's retention of these boundaries is of course incompatible with the incessant calls for a Palestinian state on the West Bank," he wrote (Netanyahu 1993: 343). The Palestinians would insist on the right to protect their own borders with their own army and not allow a foreign military presence (2).

Like Shamir, Netanyahu had no sympathy for the Palestinian position. He rejected the "neat symmetry imposed on their respective needs and desires. These commentaries hold that Israel's demand for Arab recognition of its right to exist should be met in exchange for various Arab demands, especially for land. Yet to treat these demands as symmetrical, as the two sides of an equation, is to ignore both history and causality" (Netanyahu 1993: 331). Netanyahu claimed the very notion of "land for peace" was unfairly imbalanced, favoring the Palestinians: "What kind of a 'compromise' is it for one side to renounce one hundred percent of its claims and the other side to renounce zero percent?" And his framing of the situation was decidedly unpragmatic, stressing the moral superiority of the Israeli position: "What kind of a moral position is it to say that the failed aggressor should be given back all the territory from which he launched his attack?" (Netanyahu 1993: 292).

Again, we might conclude that Netanyahu simply had different preferences based on different foreign policy goals. He was the son of a prominent revisionist Israeli scholar who put forward claims to the entire West Bank as rightfully belonging to Israel. Yet, although Netanyahu complained about the peace process, before it even had begun he had sketched a solution that differed little from what ultimately emerged from the Oslo track. In his 1993 book, he endorsed the "fullest possible autonomy" for Gaza and self-government in the urban areas where most Palestinians lived, with jurisdiction over commerce, education, religion, health, and social welfare. He had proposed that sparsely populated territory remain under Israeli military control and that the army have access to the West Bank to crack down on terrorism (Netanyahu 1993: 350–53). Two years before Oslo II, Netanyahu had sketched out the same agreement.

Therefore, to the extent that Netanyahu's bottom line, and that of Likud, differs from that of Labor, the differences between the two sides are generally overstated. There is a strong case to be made that a major, perhaps the most important, division between Labor and Likud is in diplomatic style. When he became prime minister, Netanyahu did not seek to dismantle the core elements of the Oslo agreements that had already been implemented. He recognized "established facts on the ground. I am forced to accept them as starting points" (in Rabinovich 2011: 61; see also Inbar 1998: 38). Miller, the U.S. diplomat, focuses on Netanyahu's style rather than his substance in distinguishing his government from Labor: "I'll be more grudging and it will take longer, but I'll hold my base because they'll see how hard I can resist" (2008: 271). Ross says the same: "[Netanyahu] hoped he could move very slowly and through attrition give up less than the Labor Party—demonstrating that he was superior to others because in the end he could manage peace but at a lower price" (2004: 493).

Whereas Labor significantly curtailed settlement activity to send a signal of cooperative intentions, the Likud government accelerated building to create facts on the ground that strengthened the Israeli bargaining position. On taking office, Netanyahu removed the freeze on new activity, announcing the building of 1,500 new units in the West Bank with the goal of increasing Israeli numbers in the territories by 10 percent (Ross 2004: 263; Qurie 2008: 20, 52). Qurie complained that "Israel's underlying motive seemed to be . . . continuing to undermine the notion of a truly viable independent Palestinian state by covering the Palestinian territories with more and more Israeli settlements" (2008: 34).

In addition, Netanyahu put a break on the peace process. He pledged to continue negotiating but refused to begin final status talks as previously agreed in light of Palestinian violations of their commitments. The prime minister insisted on "reciprocity" (Rabinovich 2011: 61; Barari 2004: 124; Inbar 1998: 40–41; Steinberg 1998). Although at first glance this might seem to indicate a prosocial commitment to value creating in which both sides would benefit, Netanyahu used Palestinian noncompliance as a reason to stall the process of negotiations and extract more concessions from the Palestinians. Pundak, who had participated in the early Oslo talks, writes, "The main weapon in his campaign against the Palestinians was the mantra that the Palestinian side was not fulfilling its part of the agreements; and therefore Israel would not implement its part" (2001: 33). Qurie, who negotiated directly with Netanyahu, complains, "When we met, Netanyahu had frequently raised the notion of reciprocity, claiming it was the Palestinians who never implemented their commitments. . . . Whatever he was offered, he would ask for more, or suddenly discover he had wanted something else all along, in order to avoid having to agree with us on any issue" (2008: 52). He summarizes, "All in all, Netanyahu's three years in office were a wretched time for the peace process. It was a nightmare not only for the Palestinians but also for many level-headed Israelis" (2008: 19).

Beilin criticizes Netanyahu, comparing the Labor conception of reciprocity with that of Likud. "In any agreement, reciprocity is taken for granted; no party wants to fulfill its side of a contract without the compliance of the other side. However, in a political agreement, you are both a party to the agreement and its judge. It is necessary to sometimes turn a blind eye to a minor breach in order to sustain the agreement itself." This distinguished Netanyahu's coercive bargaining from a style of pragmatic statecraft: "It might be acceptable, in private life, to insist on complete reciprocity in every interaction. But the truth is that nobody will appreciate this, and you will be seen as an unrealistic person. . . . If you allow the other side to breach an agreement in a way that goes against your

national interest, then you are not a responsible leader. But if you turn a blind eye to something which is marginal because you know that down the road there are more important things, then you are a realistic leader" (Beilin 2004: 57).[14]

Just as the shift from a liberal to a coercive bargaining style in France following the triumph of Locarno induced a change in the spirit of negotiating that prevailed with Germany, value claiming emerged between the Israelis and Palestinians. Although some blame surely also lies with Arafat, who never demonstrated the commitment to fighting terrorism that might have convinced others of his sincere intentions, the diplomatic style adopted by Israel is also certainly a necessary component for explaining the stall in the peace process that occurred so quickly following the ascent of Likud into office.[15]

Even though the structural circumstances had not changed, the shift from value creating to value claiming negotiations undermined the peace process. Qurie writes that "we had the depressing sensation that our relations with Israel were regressing to the point from which we had set out, years before. The relationship between Israel and the Palestinians declined from the modest level of understanding and partial reconciliation that had been achieved into an escalating and debilitating

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14. The Americans were not pleased either. Ross describes the period, in which the "shared assumptions that had guided U.S. and Israeli policy would no longer exist—Martin [Indyk, ambassador to Israel] on a daily basis would now be dealing with people who did not see the Palestinians as partners" (2004: 258). The Americans adjusted their expectations. "We understood that not much more than interim issues could be worked through with Netanyahu and Arafat," writes Miller (2008: 270). "All of us saw Bibi [Netanyahu] as a kind of speed bump that would have to be negotiated along the way until a new Israeli prime minister came along who was more serious about peace" (Miller 2008: 274).

15. Statements made by Qurie in his meeting with Ariel Sharon, the Israeli foreign minister, echoed those made by Stresemann to the French following Poincaré's return. Qurie stressed that Palestinian diplomacy was premised on receiving tangible benefits and that the Israeli failure to seriously negotiate would force the Palestinians to reconsider their approach. "The progress of the Palestinian Authority is predicated on the end of occupation and cooperation over security. The advent of the present Israeli government has placed this project in doubt and has held up the developments that were scheduled" (Qurie 2008: 39). When Sharon placed blame on the Palestinians, referring to Arab actions even as far back as the 1930s, Qurie tried to reorient him toward present concerns: "Last time, we lost. This time, we shall both lose. We do not want to argue about who won and who lost" (40). In the face of coercive bargaining by the Israelis, the Palestinians also dug their heels in, despite the greater power of Israel. "You hold all the cards and have the power on the ground. If you want security, I can offer you the arrangements and measures that will guarantee you that. But, I am not prepared to cede more land to you, as this is all I have left" asserted Qurie (43). As Sharon detailed the list of Palestinian failures, Qurie responded with his own list (Qurie 2008: 57).

confrontation with the Netanyahu government over the building of new settlements and other issues" (2008: 21). U.S. Secretary of State Madeleine Albright referred to a "crisis of confidence between the two sides" that "was turning a situation in which each problem seemed solvable into one where there was endless dispute over every small detail" (in Beilin 2004: 70). Thomas Pickering, U.S. undersecretary of state for political affairs, put it more colloquially, "We have gone from Shalom to Shlep" (in Beilin 2004: 73). Itamar Rabinovich refers to the shift in the spirit of negotiations to explain the deterioration: "At the core of the original Oslo process had been the idea that time was needed to make a transition from conflict and hostility to a settlement predicated on compromise and partnership." After Netanyahu's ascent to power, "Any concessions made and cooperation secured were offered grudgingly. Both parties presumed they were locked in conflict, and each acted to maximize its position in the West Bank and in East Jerusalem" (Rabinovich 2011: 76).

When the two sides were able to reach agreements, such as the protocol of 1997 to implement the long-delayed withdrawal of Israeli forces from Hebron while still guaranteeing the security of the small Israeli settlement there, Netanyahu quickly offset these concessions by taking unilateral steps that would please his right-wing base (Miller 2008: 263, 271; Ross 2004: 281). To secure the support of his cabinet for this first withdrawal from West Bank territory by a Likud leader, the prime minister agreed to the construction of 6,500 housing units for 30,000 Israelis in Har Homa near East Jerusalem, a highly inflammatory move given Palestinian aspirations for a capital there (Barari 2004: 123; Beilin 2004: 63–65; Rabinovich 2011: 66).

The other major agreement between the two sides was forced on the Israelis by the Americans. The coercive bargaining style of Likud created the need for U.S. brokering. "After three years of watching a functioning process from the sidelines, we were playing the mediator's role now," writes Miller (2008: 269; see also Qurie 2008: 70; Ross 2008: 267).[16] Like Shamir, Netanyahu did not adjust to structural circumstances, pursuing coercive diplomacy even vis-à-vis the powerful Americans. President Clinton complained, "He thinks he is the superpower and we are here to do

16. The diplomatic style of the Labor government had made U.S. involvement somewhat superfluous. Miller writes that "instead of having to push futilely on a door that the first Yitzhak (Shamir) slammed shut, Clinton's team had merely to knock on a door that the second Yitzhak (Rabin) had already opened (2008: 247). The Americans were aware of but not involved with the Oslo track. Although they hosted the signing ceremony for the Declaration of Principles at which Arafat and Rabin famously shook hands in the White House Rose Garden, this was the extent of their involvement at the time.

whatever he requires" (in Ross 2004: 261). Just as the left-wing Labour government in Britain, despite its preference for liberal diplomacy, assimilated in behavior to the coercive bargaining style of France, its close ally, in the late 1920s, so did the Democratic Clinton administration start to change its diplomatic style. Coercive bargaining induced coercive bargaining. The Americans began to blame the Israelis for the lack of progress in the peace process. They complained about Israeli stubbornness on the tiniest of concessions and threatened to end their involvement (Beilin 2004: 75, 89).

The United States sought to accelerate the three further Israeli military withdrawals that had earlier been promised to the Palestinians before the completion of the interim agreement. The president pushed a transfer of 13 percent of West Bank land on the Israelis (Beilin 2004: 75; Rabinovich 2011: 78–79; Qurie 2008: 65); the Israelis countered, in coercive diplomatic fashion, with 9 percent (Rabinovich 2011: 80). At the Wye River Summit, hosted by the Americans in 1998, the Israelis agreed to two more redeployments, provided that the Palestinians took further steps toward curbing terrorism (Beilin 2004: 76; Qurie 2008: 63). The negotiations were marked by value claiming between the United States and Israel. Beilin describes the scene as "raised voices, crises" with "the Israelis packing their bags to return home, only to unpack and remain" (2004: 77). The United States called the prime minister's bluff, making travel arrangements for his departure (Qurie 2008: 72). Netanyahu "flooded the negotiations with unrealistic demands," even of the Americans, such as the release of an American caught spying for Israel (Qurie 2008: 67). In the end, the United States prevailed, with Israel accepting an agreement almost identical to that which the Americans had proposed. Value claiming favors the more powerful side.

Nevertheless, although the Americans could lead the Israeli horse to water, they could not make it drink. Netanyahu's cabinet assented to the Wye memorandum only after insisting that it approve each redeployment sequentially, giving the Israelis greater ability to leverage the process for more Palestinian concessions. The prime minister still needed Labor votes to approve the agreement in the Knesset. Afterward, Netanyahu found it impossible to implement the agreement due to pressure from his party and from other right-wing coalition partners in the cabinet. When he ordered the first redeployment, the coalition collapsed (Miller 2008: 275–76; Barari 2004: 121–26; Beilin 2004: 80–81). Miller writes, "It may well be that Wye's greatest consequence was to bring about, quite unintentionally, the demise of Netanyahu's government, which broke apart over the agreement he signed" (2008: 276). This happened despite the fact that 80 percent of the Israeli public supported it (Ross 2004: 461–62). Whereas the Rabin government had been brought

down by Palestinian terrorists, the Netanyahu government succumbed to internal right-wing opposition. Indeed, Hamas and Islamic Jihad had been very quiet for most of the Likud term in office, leading some to argue that Netanyahu's positions slowed the peace process enough so that it was unnecessary for the Palestinian extremists to play a spoiler role (Rabinovich 2011: 77; Kydd and Walter 2002).

Bargaining by Barak: Quasi-Coercive Diplomacy by Labor

Elections returned Labor to power in Israel, generating very high expectations for the new prime minister, Ehud Barak. The former head of the Israeli armed forces was considered an heir to Rabin, a military man committed to peace while still keeping Israel safe. Abbas said, "We can now make peace. These are our natural partners" (in Ross 2004: 492). The Americans were optimistic as well. "At the time . . . administration officials believed there was a historic opportunity for an agreement. "Bibi [Netanyahu] was out, Barak was in, and overnight expectations in Israel, among the Palestinians, and within our administration were sky-high about the prospects for peace. We were back in business," writes Ross (2004: 494). Yet Barak's diplomatic style was deeply conflicted. On the one hand, he was similar to his Labor predecessors in his commitment to finding a mutually beneficial agreement; on the other, he was unsure of the Palestinian commitment to a final peace deal.

Barak promised to "leave no stone unturned and to open all avenues" (Meital 2006: 56) and prepared the Israelis for the "painful concessions" that would be necessary (Meital 2006: 53). Rather than feigning pessimism, he declared, "I am always optimistic. . . . I do not know of another way to deal with life in our region" (in Sher 2006: 5). He was, in Pundak's estimation, "rationally left-wing" with empathy for the Palestinian desire for a state, going as far as to admit that he would have been a freedom fighter had he been a Palestinian (2001: 37). Behind the scenes he told his team, "We are on the brink of some of the most difficult decisions of this decade, if not of the history of this country. We do not really know how far we can go in terms of reaching a reasonable balance between the needs of one side and the needs of the other. It is important to be aware of the need to change our own perceptions" (in Sher 2006: 25). Like Rabin before him, Barak set an ambitious timetable for the conclusion of the final status talks long delayed by Netanyahu, hoping for a deal within twelve to fifteen months (Meital 2006: 55; Malley and Agha 2001). At Sharm el-Sheikh in September 1999, he secured grudging Palestinian acceptance to conclude an agreement within a year (Meital 2006: 58; Rabinovich 2011: 102).

Barak's key advisors and negotiators were some of the most commit-
ted doves in Israel, and they approached the negotiations with a liberal
diplomatic style of reasoned dialogue. Gilead Sher writes,

> I used to first listen attentively in order to be able to analyze the positions
> of the other side, its interests and intentions. The ability to connect with the
> people sitting across from me did not dilute my mission, which was to
> achieve the best possible results as defined in the strategic objectives of the
> leadership. I found out that empathy for the arguments of my interlocutors
> often helped overcome real and imaginary obstacles. Shlomo Ben-Ami and
> I made an effort to be fair and accurate in presenting the positions of the
> other side, as we understood them. By so doing, we attempted to increase
> the chances that they would trust the veracity of the positions we pre-
> sented. (2006: 19–20)

The team was prepared for a value creating solution satisfactory for both
sides. "It was clear that the negotiations should be based on a 'give and
take' on the core issues," writes Sher. "This should be done without com-
promising the vital interests of Israel while looking for the widest possi-
ble common denominator between the members of the Palestinian
leadership" (2006: 61).

Yet Barak was not sure that the Palestinians were willing to make
reciprocal concessions and did not want to reveal the Israeli bottom
lines unless he was sure that a deal was at hand (Malley and Agha 2001:
69). He explained later, "Essentially, I insisted that despite our desire to
try every chance for an agreement, and perhaps because of it, if we
reached the last leg of an agreement, it was vital that we know if we had
a partner before we continued to hand over assets" (Barak 2003: 86–87).
Barak saw the final status talks as a "window of opportunity" at the
close of which "we will know where we stand" (in Meital 2006: 55). The
Israeli prime minister was willing to make tough choices if Arafat was,
but he was not sure that Arafat would be. Barak had the idea of "un-
masking" Arafat (Meital 2006: 72) to see if he was indeed a "Palestinian
[Anwar] Sadat" who could end the conflict (Pressman 2003: 11; see also
Rabinovich 2011: 88).

This uncertainty about Palestinian intentions induced the use of coer-
cive bargaining tactics. Publicly Barak issued his "five Nos," positional
commitments on the major issues in the final status talks (Malley and
Agha 2001: 69; Meital 2006: 57; Sher 2006: 58). There would be no return
to the 1967 borders, no division of Jerusalem, no systematic dismantling
of settlements, no foreign army west of the Jordan River, and no right of
return for Palestinian refugees (Pressman 2003). These positions were
close to actual Israeli bottom lines rather than a gross inflation of Israeli

demands. Nevertheless, simply making such claims seems to have been an effort to drive a hard bargain.

In keeping with this strategy, Barak did not initially complete the third redeployment promised in the Wye agreement, opting to withhold the territory for bargaining leverage in the final status agreements (Meital 2006: 55; Malley and Agha 2001: 65; Pundak 2001: 31–32). Sher explains, "Barak was convinced that Israel's final withdrawal from the Occupied Territories should be tied to far-reaching agreements on the core issues of the conflict, namely territorial boundaries, refugees, Jerusalem, water rights and security arrangements. But the magnitude of the gaps between Israeli and Palestinian positions on these issues led Barak to believe that it was wrong to move forward with implementing the Israeli further redeployment before the disputed issues were further explored and the gaps between the polarized positions narrowed" (2006: 2).

Yet Barak, unlike Netanyahu and Shamir, was holding back on Israeli positions so that he could ultimately make great compromises. "Precisely because he was willing to move a great distance in a final agreement (on territory or on Jerusalem, for example), he was unwilling to move an inch in the preamble (prisoners, settlements, troop redeployment, Jerusalem villages)," write Malley and Agha (2001: 63). Sher explains, "Conceding additional territories without reaching an agreement on these core issues would leave Israel without any assets to negotiate. The only incentive for the Palestinians to relinquish their claim for the Right of Return of Palestinian refugees to Israel, would involve transferring a substantial amount of territory as part of a comprehensive peace agreement. Barak assessed that discussing the Right of Return when most of the territory had already been transferred to the Palestinians would leave us empty-handed in the negotiation process" (2006: 2).

The natural corollary of Barak's goal of negotiating a permanent settlement that would finally uncover Arafat's true face was to push for a high-level summit (Malley and Agha 2001: 67). Sher writes, "It was only at this point, [Barak] believed, that Arafat would reveal his true intentions" (2006: 2). Barak instructed his advisors to "tell the Palestinians discreetly that we Israelis are built for a settlement 'in one fell swoop.' All the issues, all the subjects, all the pain . . . we are not built for agreements in stages, in which we will have to make continual political down payments" (in Freilich 2012: 154). This was a "boom-or-bust" approach (Miller 2008: 280; see also Rabinovich 2011: 87). The Americans originally resisted, feeling that the proper preparation had not been done, but ultimately consented. "We went to Camp David on his word," remembers Secretary of State Albright (in Miller 2008: 280).

Barak's diplomatic style seems to have reflected both individual characteristics and domestic political pressures. When the prime minister

had been in Rabin's cabinet as the head of the IDF, he had been genuinely skeptical of the Oslo process, even abstaining from the interim agreement that ceded territory in exchange only for Palestinian promises to curtail terrorism (Freilich 2012: 173; Malley and Agha 2001; Pundak 2001: 36; Rabinovich 2011: 101; Meital 2006: 53). Barak later wrote of his period as military chief, "I stopped a one-sided process that had developed since the Oslo accords were signed, a process in which Israel gave up tangible assets in exchange for vague promises about the nature of relations in the future. When I was still a new minister in the Rabin government, I campaigned in government votes against that pattern of behavior. The Netanyahu government, with Sharon as foreign minister, continued to sign agreements that transferred assets for promises (Hebron and the Wye River agreement) and even handed over assets (Hebron)" (Barak 2003: 86).

The Labor Party was also much weaker in the Barak government than previously under Rabin and Peres. Labor won only 26 seats in the parliament of 120. Barak's coalition included a much stronger presence of right-wing parties that seems to have significantly affected the diplomatic style of his government (Pundak 2001: 36–37; Sher 2006: 43, 48; Stinnett 2007). The other left-wing parties did not provide an absolute majority in the Knesset, and the prime minister had built a coalition that excluded Likud but incorporated a number of religious and right-wing parties, such as Shas, the National Religious Party (NRP), and Yisrael Ba'aliya, that preferred coercive bargaining (Rabinovich 2011: 88; Barari 2004: 127). This was also part of a political calculation. "Prime Minister Yitzhak Rabin had paid a tremendous political (and physical) price by alienating the Israeli right wing and failing to bring its members along during the Oslo process. Barak was determined not to repeat that mistake," write Malley and Agha (2001: 63). Barak stressed that "he could not allow himself at this stage to sidestep his party colleagues from the left" (Sher 2006: 25). In many ways, Barak's diplomatic style was the perfect blend of the tendencies of the parties in his coalition.

This partly explains why Barak delayed the third redeployment. "He did not want to estrange the Right prematurely or be (or appear to be) a 'sucker' by handing over assets, only to be rebuffed on the permanent status deal. . . . If Israelis and Palestinians reached a final agreement, all these minor steps (and then some) would be taken; on the other hand, if the parties failed to reach a final agreement, those steps would have been wasted and would cost precious political capital" (Malley and Agha 2001: 63). Pressure from the United States led Barak to ultimately concede to a third redeployment in exchange for a Palestinian agreement to quickly begin the final status talks (Malley and Agha 2001: 67; Freilich 2012: 164). Shas abstained from approving this agreement, however, and

the NRP voted against it (Meital 2006: 59). Although the redeployment was approved by the Knesset, the prime minister delayed the withdrawal by two months (Freilich 2012: 164). David Levy, the minister of foreign affairs and a former member of Likud who had broken away from his party, pleaded with Barak not to rush to a summit: "We still have nothing and we are tearing the coalition apart" (in Sher 2006: 32). Along with Nathan Sharansky, the leader of the NRP and minister of the interior, Levy called for red lines at the summit. Sharansky threatened to resign if a conference were held (Freilich 2012: 165–69), and Levy pledged not to attend (Sher 2006: 56). Sharansky also was responsible for Barak's decision to shut down a back channel negotiation with the Palestinians, which had been exploring a final status framework on the basis of the terms set out in Stockholm in 1995. The NRP leader publicized its content and claimed Israel had conceded too much (Rabinovich 2011: 102; Meital 2006: 65).[17]

Ultimately, however, Barak was still unsuccessful in holding the right in his coalition, which broke apart before the Camp David Summit even began due to differences over the peace process (Rabinovich 2011: 104). Shas, the NRP, and Yisrael Ba'aliya all voted to bring down the government (Sher 2006: 42). Because the prime minister was directly elected, he was not compelled to put together another coalition but was forced to call for elections to be held in December 2000. He imagined fighting the election on the basis of the deal he brought back home from Camp David. If Barak won the election, he would put the issue to a public referendum (Sher 2006: 48–49; Freilich 2012: 165–67). The need to bring home a deal that would win over moderate voters in such a campaign probably also affected his diplomatic style, moving it toward coercive bargaining.

Masks in Maryland: Value Claiming at Camp David

It was in the very nature of the final status talks that they would be difficult. They dealt with the most sensitive issues, those that the Israelis and Palestinians had postponed because they could not yet figure out a

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17. Pressure from the right in the coalition was also responsible for Barak's decision to delay the agreed transfer of three East Jerusalem villages, including Abu Dis, to Palestinian control as a confidence-building exercise favored by the Americans before the summit (Freilich 2012: 166; Sher 2006: 31; Miller 2008: 294). Clinton was furious at the Israeli actions (Malley and Agha 2001: 67). Although Barak blamed the outbreak of violence that had accompanied Al-Nakba festivities, domestic politics were to blame (Meital 2006: 63–64). The prime minister told Sher, "If it will pacify the NRP and Israel B'Aliya, I will not transfer Abu Dis at this stage" (in Sher 2006: 48).

solution. As a consequence, negotiations were bound to be more distributive and zero-sum in nature, encouraging value claiming by both sides. It is unclear whether there even is a zone of possible agreement between the Israelis and Palestinians, a deal that both would prefer to the status quo. In any case, the character of negotiations that prevailed at Camp David in 2000 did not facilitate its discovery. Diplomatic styles helped to undercut the chance for peace.

A number of analysts maintain that Barak's coercive bargaining before and at Camp David undermined the Palestinians' belief that he was willing to make the compromises necessary for peace, encouraging them to use a similar diplomatic style. Pundak claims Barak "did not understand that while trying to 'remove Arafat's mask in order to see if Arafat could make tough decisions,' he actually unveiled an ugly Israeli face which had not been conditioned to pay the necessary price for peace" (2001: 39). His style "was completely wrong. . . . Barak should have presented the principles underlying what eventually became his proposed solutions . . . in the early stages of negotiations. . . . Instead, Barak dragged his feet and treated the talks like a Persian market . . . fearing he would 'expose' his positions too early in the game" (Pundak 2001: 39). Arafat was suspicious of Barak's strategy, believing that he was trying to create an atmosphere of pressure and impose an unfair settlement (Malley and Agha 2001: 64). Should talks break down, Arafat would be blamed (Meital 2006: 66). Malley and Agha write, "Designed to preserve his assets for the 'moment of truth,' Barak's tactics helped to ensure that the parties never got there. His decision to view everything through the prism of an all-or-nothing negotiation over a comprehensive deal led him to see every step as a test of wills, any confidence-building measure as a weakness-displaying one. Obsessed with Barak's tactics, Arafat spent far less time worrying about the substance of a deal than he did fretting about a possible ploy. Fixated on potential traps, he could not see potential opportunities" (2001: 74).

Even Sher partly blames the prime minister: "This pattern of brash behavior by Barak would repeat itself numerous times in the upcoming months, severely hampering efforts to restore the trust between the two sides" (2006: 4). In particular, Barak's failure to comply with interim agreements raised doubts about his willingness to deliver during the final status talks. Barak's policies confused the Palestinians. He appeared serious and determined to reach an agreement but also spoke in "right-wing code" (Pundak 2001: 36). Although Barak's style is certainly not the only factor responsible, it can be safely said that, when the two sides arrived at Camp David, a value creating mind-set was not present.

At Camp David, Barak could only hold back the Israeli bottom lines while simultaneously presenting Arafat with an attractive ultimatum

that would reveal his intentions if Israeli positions were put forward by the Americans as U.S. ideas (Meital 2006: 76). Clinton administration officials therefore shuttled between the cabins of the two sides brokering the talks. Arafat and Barak met only once at Camp David during the several weeks of negotiations (Rabinovich 2011: 82). The Israelis deemed any commitments they made as hypothetical and revocable in the absence of a reciprocal concession (Rabinovich 2011: 107; Malley and Agha 2001: 67). Barak's team negotiated on the basis that "nothing is agreed until everything is agreed" (Sher 2006: 2; Pressman 2003: 7). The Israelis were obsessed even before Camp David with leaks that could reveal the compromises that they were willing to make, undermining public support for peace. Consequently, they wrote very little down (Sher 2006: 42; Freilich 2012: 171; Meital 2006: 83). For all these reasons, as Malley and Agha write, the Palestinians saw Barak's generous proposals as "neither generous, nor Israeli, nor, indeed, as an offer" (2001: 62).

Although accounts differ, the Israelis offered the Palestinians (indirectly through the Americans) all of the West Bank save an annexation of somewhere between 9 and 10 percent of territory so that 80 percent of the Israeli settlers could be incorporated into Israel. The Israelis did not offer a one-to-one exchange of land, although they were ready to cede 1 percent of current Israeli territory as compensation. This was a better deal than had been discussed in Stockholm, where the Israelis proposed a 12 percent annexation with no territorial swaps (Rabinovich 2011: 106; Freilich 2012: 163). The Israelis wanted a temporary military presence in the Jordan Valley, including early warning stations but reduced their demand that the Israeli military presence last for twenty years. Palestine would be demilitarized. The Israeli position on refugees, however, had not changed. Committed to the preservation of the Jewish character of Israel, representatives refused to recognize a right of return but were willing to concede to a family reunification program that would allow a small number of Palestinians to return to their ancestral homes. Other refugees would be free to settle in the new Palestinian entity and other Arab countries (Pundak 2001: 40; Freilich 2012: 159–62; Pressman 2003; Malley and Agha 2001: 69; Rabinovich 2011: 107; Meital 2006: 78).

Barak's most striking concession, however, was on Jerusalem. Previously committed, like all Israeli leaders before him, to the indivisibility of the city, Barak was willing to give the Palestinians a capital in East Jerusalem with sovereignty over the Christian and Muslim quarters of the old city and "permanent custodianship" of (although not sovereignty over) the Temple Mount, known to Muslims as Haram al-Sharif, the

third holiest site in Islam (Pundak 2001: 40; Freilich 2012: 159–62; Pressman 2003; Malley and Agha 2001: 69; Rabinovich 2011: 107; Meital 2006: 78).

For their part, the Palestinian delegation wanted a return to 1967 borders with the possibility of territorial swaps on an equal, one-to-one basis. East Jerusalem would be the Palestinian capital, and Palestinians would exert sovereignty over the Temple Mount, although they were willing to concede ownership of the Western Wall and the Jewish Quarter of the Old City to the Israelis. Although the Palestinians wanted an Israeli recognition, in principle, of the right of return, they were willing to limit it in practice out of respect for the demographic and security interests of Israel (Pundak 2001: 40; Freilich 2012: 159–62; Pressman 2003; Malley and Agha 2001: 69; Rabinovich 2011: 107; Meital 2006: 78).

The Palestinians never responded definitively to the "U.S." proposals. The Palestinians expressed no appreciation for Barak's concessions on Jerusalem, seeming to pocket the concession with reciprocation. Accounts seem to indicate that personal rivalries among the negotiating team, a lack of preparation, and Arafat's indecision contributed to their passiveness (Dajani 2005). In any case, whether this was the intent or not, the Israelis and Americans understood Palestinian behavior as coercive bargaining. Barak complained, "[Arafat] did not negotiate in good faith; indeed, he did not negotiate at all. He just kept saying 'no' to every offer, never making any counterproposals of his own" (Pressman 2003). Shlomo Ben-Ami, an Israeli negotiator recalls, "The whole time [at Camp David] we waited to see them make some sort of movement in the face of our far-reaching movement. But they didn't" (in Pressman 2003: 12). Even Pundak, whose account is generally more sympathetic to the Palestinians, accuses the Palestinians of "foot-dragging, passivity and contradictory positions" (2001: 41). "Throughout the negotiations, the Palestinian team conveyed a feeling that there was no end to Palestinians demands and that this pressure would continue to increase as an agreement came closer," a tactic "designed to extract every possible concession prior to signing" (Pundak 2001: 43). The Americans also faulted Arafat. Ross remembers, "Throughout the course of the Oslo process, Chairman Arafat was extremely passive. His style was to respond, not initiate ideas. That is a good tactic, especially for a weaker party that feels it has little to give. If it was only a tactic, it should have stopped when serious ideas or package proposals were put on the table" (Ross 2001). Arafat expressed indifference to reaching a deal. When Albright stressed that Arafat was losing the opportunity to create his own state, he responded, "I already have state. . . . If Barak does not want to recognize this now, I do not care if it is recognized even in twenty years. Our

situation is like the one in South Africa, the whole world supports me" (Sher 2006: 67). Palestinians even expressed doubts about the holiness of the Temple Mount for Jews, going as far as to claim that there was never a Jewish temple on the site (Pundak 2001: 43; Haberman 2001).[18]

The combination of coercive bargaining by both sides produced value claiming negotiations in which both refused to reveal information and dug their heels in (Miller 2008: 202). "Bottom lines and false bottoms: the tension, and the ambiguity, were always there," write Malley and Agha (2001: 69). "Barak feared that everything he would say would be committing himself, and Arafat would say nothing at all," Ross summarizes (in Haberman 2001). Malley and Agha write, "Barak's strategy was predicated on the idea that his firmness would lead to some Palestinian flexibility, which in turn would justify Israel's making further concessions. Instead, Barak's piecemeal negotiation style, combined with Arafat's unwillingness to budge, produced a paradoxical result" (2001: 72). Value claiming led to a game of chicken in which each side was waiting for the other side to make the first move. Barak said at the summit, "If we put our final positions on the table, there will be no way back. But if they would move toward us, we would move forward" (in Sher 2006: 70). Arafat felt the same. "The mutual and by then deeply entrenched suspicion meant that Barak would conceal his final proposals, the 'endgame,' until Arafat had moved, and that Arafat would not move until he could see the endgame" (Malley and Agha 2001: 72). The deadlock could not be broken.

Following the breakdown of negotiations at Camp David, the Clinton administration launched a last-minute effort to secure a deal before the president left office. In the end, however, time ran out. The second intifada began in October 2000. Street action was accompanied by devastating suicide bombings starting in December 2000 (Pressman 2006; Kydd and Walter 2002). The Barak government continued to negotiate with the Palestinians in the early days of the uprising, but the prime minister suffered a crushing election loss to Ariel Sharon in February 2001. As was

18. Although President Clinton, personally mediating between the two sides, expressed frustration with the Israelis, he was more upset with the Palestinians for their diplomatic style. Clinton said to Ahmed Qurie, "Don't simply say to the Israelis that their map is no good. Give me something better! . . . This is a fraud. It is not a summit. I won't have the United States covering for negotiations in bad faith. Let's quit! . . . If the Israelis can make compromises and you can't, I should go home. You have been here fourteen days and said no to everything. These things have consequences" (in Malley and Agha 2001: 71). At another point, when Qurie repeated the well-rehearsed Palestinian case for rightful return of all land held in 1967, Clinton exploded, "You are not acting with integrity . . . and you are breaking my agreement with Arafat and Barak. You are not acting in good faith. This is no way to manage negotiations!" (in Sher 2006: 68).

the case with Netanyahu, Sharon's victory had been thought unlikely before the increase in violence (Barari 2004: 132). But given the bloodshed, combined with the Israeli public's strong reaction to Arafat's perceived lack of good faith at Camp David, Sharon won by almost a two-to-one margin. The Israeli public was almost unanimous in its belief that the Palestinians had initiated the violence to extract additional concessions, exploiting Barak's willingness to make historic concessions (Bar-Tal and Sharvit 2007). By the end of 2000, 70 percent believed that the Palestinians did not accept the very existence of Israel (Hermann and Yuchtman-Yaar 2002; see also Waxman 2008).

The violence of the second intifada was less spontaneous and proceeded with more active leadership from Arafat's political party, Fatah, than the first had. The actual role of key Palestinian leaders in planning the uprising is the subject of dispute, but it is clear that Arafat did exploit it and made no effort to suppress it (Rabinovich 2011: 109). The Al-Aqsa brigades, declaring themselves the military wing of Fatah, fought alongside Hamas and the Islamic Jihad. This explains why, although support for the peace process declined across the political spectrum, polls show that the fall was particularly precipitous for the left. This is another example of the behavioral assimilation in diplomatic style that occurs when the other side is regarded as not reciprocating. Barak believed that Arafat walked away from a deal very close to Palestinian demands and deliberately turned to terrorism (Pressman 2003: 10). He later echoed the importance of reciprocity in value creating negotiation: "We don't have a partner. Frustrating or not, that's a fact. Peace and agreements are like a tango. They take two. In war, all it takes is the will of one side" (Miller 2008: 329). Shlomo Ben-Ami, the foreign minister under Barak, later wrote, "We . . . did not expect to meet the Palestinians halfway, not even two-thirds of the way, but we expected to meet them somewhere" (in Rabinovich 2011: 115). Following the failure at Camp David, Barak became the first Israeli leader to publicly propose the construction of a security barrier between the Israeli and Palestinian populations (Waxman 2008).

Ariel Sharon ruthlessly repressed the intifada, using targeted assassinations of Hamas officials, regular military incursions into autonomous Palestinian territory, checkpoints and curfews, home demolitions, and mass arrests. After a bombing of a Passover seder dinner in March 2002, the IDF retook areas that had been given full sovereignty under the Oslo II agreements and surrounded Arafat's headquarters in Ramallah. The second intifada was far more deadly than the first, with 3,189 Palestinians and 92 Israelis losing their lives. In addition, the Palestinian economy was destroyed (Pressman 2006). Sharon also began the construction of the security barrier separating Palestinians from Israelis. The peace process was dead.