## Washington freezes the peace process

by Thierry Lalevée

The collapse of Israel's National Unity government on March 12 was the logical outcome of the diplomatic crisis initiated at the beginning of March by the United States. It erupted when, in the midst of the debate of the emigration of Soviet Jews to Israel, President George Bush, and then U.S. Secretary of State James Baker, cautioned Israel against settling Soviet Jews in the occupied territories, including East Jerusalem. At first, the statements seem anodyne enough, given that East Jerusalem was occupied by Israel in 1967. But it was not anodyne considering that Israel considers a united Jerusalem as its capital while the United States and other nations consider it an occupied territory whose final status is subject to negotiations.

A few days later, after Israel's strong protests, the U.S. State Department argued that Bush was saying nothing new, merely re-stating Washington's traditional policy since 1967. While true, the timing of the reiteration has raised questions. Some of Bush's Middle East advisers have even been heard confiding that Bush may have made one of his "worst personal blunders."

Prior to this exchange, there had been weeks of discreet negotiations between the United States, Israel, and Egypt concerning the two starting points of the Baker plan—a tripartite conference between the three foreign ministers, and the establishment of the agenda for direct Israeli-Palestinian negotiations to be held in Cairo. By late February, Moshe Arens, the Israeli foreign minister, was in Washington. Arens listened to Baker's grievances against Israeli footdragging.

At the same time, State Department officials Dennis Ross and John Kelly were meeting discreetly with Radwan Abo Ayash, chairman of the West Bank journalists' association, who is expected to lead the Palestinian negotiating team. When Ayash left Washington on March 1, he was told that after the Arens-Baker meeting, Yitzhak Shamir had called Washington to accept the terms of the plan. Baker was expected to issue the invitation for a tripartite meeting within days.

Whether Shamir had at that time accepted Baker's terms or not, may now never be confirmed. However, the general outline of the compromise which had been worked out was known. Shamir's original peace plan, presented in May 1989, called for elections to be held in the West Bank and

Gaza following negotiations. East Jerusalem is carefully excluded from these elections, given that Israel does not consider it an occupied territory. For the same reason, Israel also objected to East Jerusalem-based Palestinians being in the negotiating team.

By early March, a subtle compromise had been found. East Jerusalem would not be an issue in the first phases of the negotiations. Palestinian negotiators, if they were to come from East Jerusalem, would be identified according to their other residences in the West Bank. It had been agreed that the priority remained the setting into motion of the negotiation and elections process, before tackling specific issues.

Meanwhile, negotiations were under way inside Israel between the Likud and Labor parties over formulation of Israel's answer. Following a late-February Central Committee meeting, Labor had decided to give Shamir an ultimatum to accept the Baker plan by March 7, a date which came and went, as did the ultimatum. Both Labor and Likud had decided that such a showdown was unnecessary. The regular cabinet meeting on March 11 was to make the decision.

## Deal is off

Yet, by the time the cabinet convened, the deal was off. With the sudden focus on the issue of East Jerusalem, Shamir could not accept the Baker plan. First, it smacked of an American diktat which Shamir could not possibly accept for personal and political reasons. Second, it was endangering the carefully worked out compromise made earlier. To go ahead with negotiations in such an environment only meant to give ammunition to the right wing around Ariel Sharon and provoke a split in the Likud. Hence, Shamir's choices: Either bow to American pressure,

right wing, a general outcry over the emotional issue of Jerusalem, and ultimately having to call early elections, or provoke an early governmental crisis by breaking with Labor, which would lead to a caretaker government, and hold new elections with Shamir firmly leading his coalition. By March 12, Shamir had made his choice and dismissed Shimon Peres. The 11 other Labor ministers followed.

The decision was made easier in the knowledge that the Likud ultimately holds the key to the negotiations, and that both Egypt and the Palestinians are known to favor negotiations with a strong Likud rather than a weak Labor Party. After all, the argument runs, while Begin signed the Camp David peace treaty, it was Labor which led Israel into three major wars. Hence, the dilemma of the Labor Party. It can only become an acceptable partner in the negotiations through an alliance with Likud, or through winning a sizeable majority in the next parliamentary elections. However, this is unlikely to occur. Issues of foreign policy and of peace will take second place behind immediate economic and social issues. Labor's record, given Peres's tenure as finance minister, is disastrous. Whether Labor is ripe for a leadership change remains to be seen.

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