

The Oslo Process: Failures, Lessons, Alternatives

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The Oslo process has collapsed and the al-Aqsa Intifada continues to rage. Both the PLO and the new Israeli government have thus far offered little by way of either military or political solutions to the impasse. Indeed, the two sides appear to have lost their capacity to communicate in a constructive manner. At such a juncture in the fortunes of the Middle East it is important, indeed imperative, to look back over the past eight years and ask ourselves what flaws in the Oslo process contributed to the current state of affairs.¹ Such an inquiry is not merely of historical importance. For if we can identify flaws, we can hopefully learn from them. And while the discussion of possible alternative new tracks for an Israeli-Palestinian settlement is already underway, it could surely benefit significantly from an attempt to apply the lessons learned from Oslo.

An inquiry into Oslo is inevitably, at least in some ways, a subjective exercise, influenced by the experiences and political perceptions of the inquirer. This analysis acknowledges the following assumptions and experiences:

- The current impasse was not predestined. At and after Camp David, the PLO was presented with a reasonable set of proposals by an Israeli prime minister who, along with all his mistakes, was prepared to continue to negotiate

additional compromises and could have achieved popular support for an agreement. The PLO opted instead for violence. The reasons why are one of the subjects of this inquiry.

- There are some on each side who suspect the other of never having been sincere in their desire to make Oslo work. If they are right, then Oslo was an exercise in deception at the strategic level. This is a legitimate line of inquiry, but for the purposes of this analysis we shall assume that both sides indeed were originally sincere.
- This analysis is about the Oslo process; we are not looking here specifically at the causes of the current Intifada. Yet the Intifada in effect concided with, or signaled, the collapse of the Oslo track, and it is obvious that some of its causes also contributed indirectly to the collapse of Oslo. For example, the Israeli unilateral withdrawal from Lebanon in May 2000 was interpreted by Palestinians in two ways that contributed to the Intifada and proved detrimental to the Oslo process. First, Israel's withdrawal to a UN-designated border with Lebanon reinforced the PLO demand that Israel withdraw to its 1967 borders with the West Bank and Gaza—a demand that Israel refused to countenance. Secondly, the unilateral nature of Israel's withdrawal from Lebanon in the face of Hizballah's attacks persuaded Palestinians that the use of force, rather than negotiations, could oblige Israel to withdraw from remaining occupied areas in the West Bank and Gaza.
- By way of full disclosure, the author notes that he was involved with the Oslo process in a number of ways. He was associated with track II efforts between Israelis and Palestinians, and with research on Israeli-Palestinian peace, that preceded and paralleled the original Oslo track. At the time of Camp David II in July 2000 he served as a Senior Advisor to Prime Minister Barak.
- Finally, this is a very preliminary investigation of a topic that requires considerable additional discussion and debate, and probably the simple passage of time, in order to be better clarified.

Achievements

An exploration of the flaws of the Oslo process is not meant to denigrate from the historical importance of the Oslo breakthrough and the net gains of the past eight years of the peace process. Today, compared to 1993, the gaps separating Israelis and Palestinians are radically narrowed and the issues far better defined. Indeed Oslo, which reflected considerable personal courage on the part of Israeli and Palestinian leaders, provided the two sides their first opportunity to engage the core issues in depth. Oslo strengthened the centrality of negotiated, land-for-peace settlements between Israel and its neighbors, and specifically legitimized a two state solution

between Israel and Palestine. It transformed the psychological environment, initiated a modest process of 'dedemonization' on both sides, and created political-legal norms-in effect, an agreed vocabulary-for discussing Israeli-Palestinian relations. Oslo enabled Israel to negotiate a peace agreement with Jordan and to radically improve relations with a host of additional countries, with positive consequences for Israeli strategic security and for the Israeli economy.

Oslo provided the Palestinians with a territorial base, a degree of self rule, and a potentially fruitful relationship with the United States.

Some observers would argue that Oslo, like true communism, did not in fact fail because it was never really tried, i.e., the failure was in the execution, not the agreement. Many also contend quite persuasively that the 1993 DOP was 'the best we could do at the time.' Then there is the argument that Oslo actually succeeded, in that it was only designed to lead Israel and the PLO into final status negotiations-not to ensure their success. None of these considerations detracts from the need to examine the flaws in both the agreement and the process as a whole.

Flaws

Oslo's first and most obvious failure concerns the building of trust and confidence between Israelis and Palestinians. This was a key objective of the introduction of phasing into the process. The interim step-by-step process was supposed to generate trust. Yet arguably, the prolongation of a gradual, step-by-step process in a tense atmosphere has inevitably generated major episodes of violence; gradualism seems merely to extend the vulnerability of the process as a target for the extremists on both sides. In many ways it is the failure of the Oslo interim process (land transfer, cessation of settlement building and state-building for the Palestinians, security for Israel) rather than of the final status phase, that produced the Intifada. All this calls into question the advisability of breaking such a process down into interim phases.

When Oslo was born, it was Abba Eban who noted this vulnerability and suggested that it might have been preferable to do the job in 'one fell swoop.' But here we must note that this was precisely what Ehud Barak-himself no adherent of the phasing principle-tried to do during his 19 months in office, with equally unsuccessful results. Moreover, in the Intifada Palestinians are fighting for a number of demands, e.g., removing provocative isolated settlements, that Israel already effectively signaled it would comply with under agreed final status terms. While this does not mean that a phased process could necessarily have been avoided, we nevertheless must conclude that the Oslo interim process failed entirely to create trust and confidence between the parties.

An additional assumption of the Oslo interim concept and timetables for autonomy and final status talks is that the Palestinian people and their leadership, the PLO, are- or quickly will become-'ripe' for self-government. While it may seem 'politically incorrect'-in an age that recognizes the universal right to self determination-to question this assumption, it must be acknowledged that historically Palestinians have never been sovereign, and never managed their own affairs. Thus one could argue that the interim process, far from being eliminated, should have been spread over a far longer period of time.

Another failed objective of phasing and the generation of trust was to provide an instrument for the economic development of the Palestinian Authority. Fully one-third of the Oslo DOP of September 1993 concerns joint economic development plans that proved abortive. These were based on the concept of economic integration championed by Shimon Peres within the framework of his New Middle East concept, which has itself proven to be radically premature if not totally misplaced. In reality, Palestinians' productivity and standard of living dropped considerably during the Oslo period-by 20% between 1994 and 1999, according to the IMF and World Bank. Reasons for this include corruption, high natural population increase that the PA made no effort to reduce, and Israel's security needs.

In this context, it is instructive to note that on the Israeli side, Oslo embodied the problematic combination of two very different fundamental strategic concepts: on the one hand, the security-minded 'separation' espoused by Yitzhak Rabin (and later Ehud Barak), and on the other, Shimon Peres' 'integration' with its economic emphasis (the 'New Middle East'). Over time the concepts have proven to be incompatible and at times even contradictory (e.g., when Israel responded to Palestinian suicide bombings by invoking closures and other security restrictions, with devastating economic effect on the Palestinians), to the detriment of Israel's overall policy for administering Oslo.

A second structural flaw in the Oslo DOP is its determination that final status negotiations, regarding a specified list of topics, would "lead to the implementation of Security Council Resolutions 242 and 338". Resolution 242 as a formula for peace is interpreted very differently by Israelis and Arabs. The framers of Oslo were undoubtedly aware of the two sides' contradictory interpretations, but nevertheless determined in advance that the basis for final status talks would be disputed from the outset. Presumably they reasoned that time, and the confidence-building process which never took off, would render the contradictions more amenable by the time final status talks arrived.

This did not happen. Israel came to the table to negotiate final status believing it was entering into an additional process of mutual compromise on all fronts. It held fast to the 'territories' (as opposed to 'the territories') language of the English original of 242,

along with its mention of 'secure borders': Israel understood these phrases to mean that it did not necessarily have to evacuate all the territories occupied in 1967. Moreover, it argued that 242 did not apply to the West Bank, Gaza and East Jerusalem in the way it had applied to Israel's international borders with Egypt (back to the '67 lines) and Jordan (one-on-one territorial swaps) and would presumably apply to the border with Syria ('67 lines). After all, Israel claimed, the Palestinian territories had not constituted a sovereign state, or the Green Line an international border, prior to 1967.

The PLO, for its part, cited both the language of 242 that it preferred (evacuation of *'the territories'*, meaning all the territories, in the Russian and Arabic versions) and the precedents of Israel's previous peace negotiations, to back up its demand that negotiations center on the 1967 border. Moreover, the PLO came to the final status negotiating table with a well developed narrative that placed it essentially only on the potential receiving end of concessions regarding territory. According to this concept, the Palestinian people made a single huge concession when it agreed to a two-state solution based on the existence of Israel within 77% of Mandatory Palestine (the 1967 boundaries). While minor symmetrical territorial adjustments were possible, the basic Palestinian demand for the remaining 23% was non-negotiable. This fundamental contradiction between the two sides' core approaches regarding territory has not been resolved to this day. Certainly Oslo provided no mechanism for a preliminary discussion of the applicability of 242.

Moving from the DOP to the peace dynamic it generated, the Oslo process also reflected a failure of leadership on both sides. Israeli and Palestinian leaders alike found it expedient to ignore, and at times even encourage, activities by their extremist opposition that were explicitly or implicitly prohibited by Oslo—all in the interest of conciliating the opposition and buying political time, even as these same opposition elements became yet more extreme. Thus prime ministers Rabin, Peres, Netanyahu and Barak all, to one extent or another, allowed settlement building to proceed, avoided carrying out interim further redeployments and opening safe passages between the West Bank and Gaza Strip, and refused to release prisoners—all in contradiction to the spirit and/or the letter of Oslo, even as Arab and American policymakers pointed out the devastating effect this was having on the Palestinian commitment to the process. Note, for example, the clash between Rabin's open antagonism toward the settlers ("propellers," "political settlements") and his reaction to the Baruch Goldstein massacre in Hebron in February 1994: after a single settler murdered 30 Palestinians as they prayed, and the Israel Defense Forces, in suppressing the ensuing riots, then killed some 20 more, Rabin imposed a heavy closure regime on the city's battered Palestinian population and refused to remove the provocative and extremist Jewish settlers. Some Palestinians cite this as a major turning point in their attitude toward Oslo.

Arafat, for his part, never collected arms from the public as directed by Oslo, never seriously suppressed the Islamic opposition, and never came to terms with the demand to cease anti-Israeli incitement. At key junctures in the process, when he apparently assessed that he had exhausted his reserve of diplomatic options, he violated his commitment (embodied in his letter to Israeli PM Rabin of Sept. 9, 1993 that accompanied the Oslo DOP) to refrain from "terrorism and other acts of violence."² Nor did he ever display public empathy for Israel's concern with personal security. Basically, he never educated his people for peace.

Apropos settlements, the 1993 DOP specifies that their fate is a final status issue, to be negotiated between the two sides. The PLO, which sees settlements as a colonialist statement of Israeli aggression, understood this and additional references to territorial issues in the DOP to mean that settlements would not be expanded in any way in the interim. But successive Israeli governments insisted that Oslo did not prohibit 'natural growth' to satisfy settler needs. Interpreted liberally-and in many cases cynically-this position brought about an increase in the settler population from 120,000 in 1992 to around 200,000 by 2001. A portion of the new settlers live in new 'neighborhoods' and 'outposts' that are really new settlements in all but name. The Oslo language on settlements is yet another example of the dangerous ambiguities that were tolerated in the DOP in the interest of reaching a deal that advanced the process.

The leadership failures climaxed in the year 2000. Ehud Barak demonstrated a painful lack of personal political skills that prevented him from building a direct relationship with Arafat (or, for that matter, with most of his own coalition). As for the PLO leader, not only Israel and the US but many in the Arab world too recognize his key mistake. In the words of commentator Fahd al-Fanek (generally a tough Arab critic of Israel), "the Palestinian side made a mistake when it allowed a unique opportunity . . . to slip by . . . at Camp David and Taba. . . . The previous century has witnessed a number of opportunities that were rejected by the leadership of the Palestinian people, only for them to come back later and make the same demands accepting what they had previously rejected."³ The consequences of these failures of leadership-particularly those regarding Israeli settlement-building and Palestinian incitement, hoarding of arms and failure to ready the public for a compromise peace-were abundantly evident in the outbreak of the al-Aqsa Intifada that marked the termination of the Oslo process.

Thus far this assessment of the failings of Oslo has focused on flaws shared, or mistakes committed, by both Israelis and Palestinians. Additional flaws were specific to each of the parties. A succession of Israeli governments, for example, failed to factor in the ramifications of Oslo for the Israeli Arab community. On the one hand Israel insisted, and the PLO accepted, that the status of Israel's million strong Palestinian Arab community was an internal issue that should in no way be a subject

for negotiation. But on the other, Israel ignored the radicalizing effect on its Arab citizens-in particular, a sharp rise in socioeconomic expectations and increasing demands for greater autonomy and even for Israel to cease to be a 'Jewish state'-of the anticipated 'end of conflict' agreement and emergence of an independent Palestinian state. The consequences were evident in the violent Israeli Arab participation in the early stages of the al-Aqsa Intifada in October 2000, which was also nurtured by a parallel growth in Arab Islamic extremism in Israel.

The PLO, for its part, and Arafat specifically, continued to exhibit a reliance on the use of violence-specifically prohibited by Oslo-that ultimately helped destroy the process. It also emerged that the PLO leadership brought with it from the Diaspora elements of a systemic corruption that eventually threatened to alienate it from its own constituency in the West Bank and Gaza. Many Palestinians cite Palestinian Authority corruption as a key domestic cause of the Intifada, and explain that in some ways the uprising is directed as much against the PA leadership as against Israeli occupation.

At the strategic level, each side based its acceptance of Oslo on a set of assumptions that proved to be largely unfounded. The Israeli signers of the Oslo DOP held the false expectation that Israel was exchanging land for strict Palestinian enforcement of security for Israelis; and that settlement expansion during the interim period would be tolerated by Palestinians. The Palestinian leadership and public believed mistakenly that Israel's signature meant it was prepared to acquiesce in Palestinian core positions regarding sovereign statehood, Jerusalem and refugees. Perhaps the ultimate case study in mutual misperceptions emerging from the Oslo process is Jerusalem: at Camp David it emerged that neither side really understood the religious-national significance of the city to the other. From here to the ill-fated Sharon visit to the Temple Mount on September 28, 2000 that catalyzed the Intifada, we can trace a direct line of misunderstanding and suspicion.

Finally, there is the American element. Throughout the process Washington-the principal international guarantor of the Oslo agreement-was aware of the destructive effect of both parties' non-compliance with Oslo obligations, yet failed to demand their compliance effectively. Toward the end of the process, during the Netanyahu and Barak premierships, the US became overinvolved, moving from a facilitator mode to the role of active mediator and even arbiter. Initially, under Netanyahu, this had the understandable goal of simply keeping the process alive. Ultimately, under Barak, the frenetic pressures of his and Clinton's 'lame duck' timetables of the last months distorted the capacity of Israel and the PLO to reach and keep agreements, and led to a strong devaluation of American political capital in the Middle East. The eventual 'hands off' reaction of the Bush administration-which at least initially disassociated itself from the Oslo process-was, under these circumstances, inevitable.

Lessons

When Israel's Uri Savir and the PLO's Ahmed Qrai (Abu Alaa) began their Oslo dialogue in the spring of 1993, they resolved to discuss only the future-not the past. To do otherwise, they reasoned, would doom the process to failure. They may have been right, in the sense that their approach enabled the two sides to create a pragmatic formula for temporary coexistence that advanced the cause of Middle East peace. But by postponing discussion of the contradictions between the most fundamental Israeli and Palestinian narratives, they also allowed the Israeli-Palestinian dynamic to be invaded by a virus that has now paralyzed it.

Stated plainly, Oslo has failed to resolve these contradictions. When the process ended in late January 2001 at Taba, Palestinians were still insisting that Israel admit the 'original sin' of its very existence, blame itself officially for causing the Palestinian refugee problem, accept a principle of 'return' that implies (to Israelis) that Israel should not be a Jewish state, and absolve the PLO of the need for additional compromises. They also denied any Israeli/Jewish spiritual or national link to the Temple Mount. These demands, coupled with growing Israeli Arab calls for 'deZionizing' Israel and with the violence of the Intifada, left the Israeli public thoroughly traumatized. That same public still supports the original substance of the process, as well as Barak's far-reaching formulation for a two-state solution, but only on condition that it enshrine Israel's legitimacy as a Zionist Jewish state with deep historic and religious links to Jerusalem and the Temple Mount, and be based on a spirit of mutual compromise.

If Oslo proved unable to resolve-or, alternatively, bypass or even postpone-these near primordial contradictions, perhaps there are alternatives that can. The following brief survey assesses alternative peace process concepts. The author himself does not necessarily endorse or advocate any particular option; rather, they are cited here because they have recently appeared, or are judged likely to appear, on the Israeli national agenda. Nor are all necessarily mutually exclusive; some could coexist or coincide.

Possible Alternative Israeli-Palestinian Peace Tracks

1. There are those, like Yossi Beilin, who continue to believe that the Oslo final status track can succeed. If only the negotiators could have "a few more weeks," they might be able to reach a package deal that comprises everything: Jerusalem, refugees, borders, security, and 'end of conflict.'⁴ This route reflects progress made at Taba in January 2001, on issues like borders, settlements and

refugee compensation. But it appears to ignore the very basic contradictions regarding essential narratives and positions that emerged in the course of the past year's final status talks, were apparently not resolved at Taba, and which must be clarified before a final status agreement can be concluded.

Some Palestinians, like West Bank Fath leader Marwan Barghuthi, also argue that a return to the Oslo framework is impossible, and that "the Palestinians and the Arabs must find a new formula for the negotiations."⁵ In any case, Israeli Prime Minister Ariel Sharon, representing a widespread sentiment in Israel, has indicated that he has no near-term intention of pursuing the Oslo final status formula. Hence this track appears to have little immediate relevancy. Yet in the medium or long term, Israel and the Palestinians will inevitably have to return to these issues, more or less in the Camp David/Taba format, if they are to resolve the conflict.

2. A second alternative that is increasingly prominent may be termed 'short term crisis management.'⁶ It assumes that, whatever developments take place in the near future, the gap separating the two parties' basic narrative positions will prevent a solution that ends the conflict. Hence means must be developed for both sides to manage, rather than resolve, the conflict-to draw back from confrontation, until such time as the process may be renewed. These could comprise a renewal of security coordination, a third party role, and perhaps agreement by both sides to observe mutual constraints-for example on violence, on incitement or on settlement construction. An existing example of such crisis management is the two sides' tacit understanding to avoid taking violent or unilateral actions that might affect their shared water supply. This option, like the one following (no. 3, below), is also roughly compatible with the path toward renewed negotiations outlined in the Mitchell Commission recommendations of the spring of 2001.
3. Prime Minister Sharon's official position advocates postponing final status talks and returning to an interim mode-ostensibly because of the unbridgeable gap between the sides, but also because Sharon is not prepared to offer the concessions Barak proposed for final status. Under an interim deal, Israel would agree to an additional transfer of West Bank territory, measures to enhance territorial contiguity within the Palestinian areas, economic concessions and incentives, and the declaration of a Palestinian state. The PLO would agree to a non-belligerency pact and a postponement of final status talks for, say, five or ten years. Unconfirmed but reliable reports-denied vigorously by Sharon for the time being-indicate that he has even offered to remove outlying settlements in the Gaza Strip and West Bank in order to ensure greater stability and territorial contiguity for the Palestinians. Meanwhile, Israel would retain the Jordan Valley and united Jerusalem. While a final status track might be reopened, it is not expected to register progress. All these elements of an

agreement have apparently been relayed to the PLO through unofficial contacts, some at ministerial level, held over recent months.

Thus far the Palestinian response to this set of proposals appears to be a conditioned rejection. While Arafat presumably would not object to receiving an additional increment of land and declaring a state under agreed conditions, he would nevertheless insist that Sharon's scheme fit in with the overall Oslo framework, which provides the 'international legitimacy' that is so important to the PLO. Thus the land transfer must be called the '3rd FRD', i.e., the final stage in the interim process that Ehud Barak preferred to ignore in favor of a final status agreement. It must be considerably more substantial than the 10% of the West Bank that Sharon has thus far intimated he would consider. And it must not constitute an alternative to final status talks, but rather complement them-again, in the spirit of Oslo.

This does not mean that Arafat necessarily expects that Sharon will participate in a breakthrough on final status talks, but rather that the format of Oslo, and the concomitant commitment to final status, must be honored. But by the same token, Arafat would presumably also not agree to a prolonged postponement of a final status agreement. Instead, he would seek to reduce and mitigate the terms of postponement to a manageable minimum, while implicitly brandishing the threat of a renewed Intifada if the postponement turned into a freeze.

Under current conditions, some variation on this option appears to be the most probable of the alternatives for renewing negotiations.

4. Before he left office, Ehud Barak trumpeted the option of unilateral or 'bilaterally coordinated unilateral' steps. The objective would be to achieve a high degree of separation even without a peace process. Under this alternative, Israel would inform or signal the Palestinians regarding a series of moves designed to define its border with the West Bank unilaterally, by building fences and paving bypass roads that include the major settlement blocs within Israel's borders, and setting up new border crossing points accordingly. In return it would not object to certain unilateral Palestinian steps, such as a declaration of independence. All this, without specific reference to the ongoing violence. In fact, some of these fencing and paving activities began under the Barak government, principally as a response to the security challenges of the Intifada.⁷

The primary drawback of the unilateral approach is that it is limited geographically. It cannot be applied in Jerusalem, where geographic separation is impossible due to mixing of neighborhoods, or in the Jordan Valley, where for security reasons Israel is not likely even to contemplate withdrawing its military presence prior to a final status agreement. In the settlement blocs where it can be applied, it does not rationalize the status of Arab villages

located within the blocs-which presumably would have to be negotiated. And in the Gazan and West Bank heartland, it would have to involve unilateral dismantling of isolated and provocative settlements in order to have any effect-a politically explosive option, albeit one that is gaining increasing public support.⁸

As noted, unilateral separation was proposed by Ehud Barak while he was prime minister. Ariel Sharon has stated that he sees no practical possibility of carrying out a policy of separation. Indeed, Sharon claims to oppose the very notion of separation, and argues that "I don't believe in 'us here and them there.' . . . I always said we could live with the Arabs"⁹-albeit, presumably, only on Sharon's own political-ideological terms.

5. The PLO's efforts at 'internationalization' of the conflict, e.g., by calling for intervention by a UN force, are designed to impose elements of a settlement on Israel. This option could reach a degree of fruition if the military situation deteriorates seriously, as a result of large scale loss of life on one or both sides due to deliberate attacks or inadvertent error. Heavy international pressure on Israel could be designed to force it to alter its military or police deployment-in effect, abandon territory and perhaps settlements-in sensitive areas like Bethlehem, Hebron and Jerusalem. If the Intifada continues, some aspects of this scenario could be inevitable, insofar as inadvertent heavy loss of life is almost certain to happen eventually.
6. Three additional options appear at present to be somewhat counter-intuitive, but could well become more prominent on the Israeli public agenda if the current political impasse continues. One is to revert to the thinking regarding federal and confederal options that characterized the pre-Oslo period, and that has remained fashionable with anti-Oslo Palestinian intellectuals. These options would seek to bypass some of the most intractable final status issues-borders, settlements, refugees-through new concepts of flexibility regarding political borders and definitions of citizenship.

One such possibility might be to involve Jordan in confederal arrangements with Israel and a Palestinian state in a manner calculated to soften territorial demands.

Another is to exploit the increasingly controversial support of Israel's Arabs for the Palestinian cause, together with the growing demographic concerns of Israel's Jewish majority, and suggest that Israel compensate the PLO for settlement bloc annexations very generously, by moving the border so as to place several hundred thousand Israeli Arabs (in the Triangle, Wadi Ara and Northern Negev regions), with their lands and dwellings, inside a Palestinian state. Alternatively, or in parallel, Israeli Arabs who object to Israel's status as a Jewish state might be encouraged to exchange Israeli for Palestinian citizenship-while continuing to live in Israel-even as settlers could remain as

Israelis living deep inside Palestinian territory. This would produce a measure of demographic separation to overlap geographic separation.¹⁰

This option, with its variations, has the advantage of mustering creative thinking and seeking to integrate related issues-Jordan's welfare and political status, the Israeli Arab problem-into a peace process. One disadvantage is that it involves political frameworks that presume a complex and 'warm' peace and soft borders at a time of growing mutual suspicion and demand for separation rather than integration. Many Israelis-Jews and Arabs-as well as the international community, are likely to object to the notion of 'trading' with the citizenship rights of Israeli Arab citizens. As for Jordan, it has long held that it will not be a part of an Israeli-Palestinian final status agreement.

7. A second counter-intuitive option would involve agreement by both sides to abandon the notion of final status as a complete package involving complex trade-offs, and agree to discuss specific final status issues separately, one-by-one. Thus for example, the parties would seek to solve the related issues of security, borders and settlements alone, agreeing in advance not to discuss in parallel refugees or Jerusalem. Or, they would attempt to reach separate agreement on the refugee/right of return issue. This option has the advantage of being compatible with other partial solutions, such as a new interim agreement or unilateral separation. It also might inject new momentum into an otherwise stagnant process. Its great disadvantage is that, by breaking up the final status package, it denies both parties the room for trade offs that might enhance their capacity to reach agreements. In particular, it neutralizes Israel's demand for an 'end of conflict' pledge by the PLO in return for a comprehensive agreement embodying Israel's final status concessions.
8. Finally, precisely because the interpretation of 242 appears to be such a fundamental sticking point, it might be advisable for the parties to engage in direct negotiations aimed at reaching an agreed interpretation of this key UN resolution-following which a number of controversial final status issues might more easily fall into place. Of course, failure in such a venture would, in turn, have a detrimental effect on the overall process-which is presumably why the drafters of Oslo avoided such a debate.

Conclusion

This paper has briefly examined Oslo's flaws and the lessons and alternatives that they suggest at this critical juncture. Its conclusions point to the need for policymakers, as well as academic and other interested circles, to expand their search for a renewed peace process. In this regard, creative thinking regarding new ways to advance an Israeli-Palestinian settlement could focus on a variety of interim, partial, unilateral

and confederal solutions, and could revisit 242 and other traditional underpinnings of the process.

FOOTNOTES

1. A preliminary version of this paper was presented at a workshop sponsored by the Bertelsmann Foundation, in conjunction with the Konrad Adenauer Foundation, in Jerusalem on March 15-16, 2001. Themes discussed in the paper were also presented by the author at the Seventh Pugwash Workshop on the Middle East in Alexandria, Egypt, on April 26-29, 2001, and in a Backgrounder prepared for Americans for Peace Now in April 2001 and published on their website. The author is indebted to a number of individuals present at these meetings, and in APN, as well as additional Israelis, Palestinians and Americans, for their insights on the issues in question.
2. For the text of the Arafat letter, the Oslo DOP and other key documents, see Mahdi Abdul Hadi, ed., *Documents on Palestine*, Vol. II, PASSIA, 1997.
3. *Al-Rai*, Jordan, April 2, 2001.
4. Personal conversation, April 16, 2001.
5. *Al-Hayat al-Jadida* (PA), May 8, 2001, citing Al-Bayan (UAE). Cited by MEMRI.
6. I am indebted to Maher el-Kurd, Economic Adviser to the President of the Palestinian National Authority, for the use of this term.
7. For a fairly comprehensive exposition of this option, see David Makovsky, "Middle East Peace Through Partition," *Foreign Affairs*, March/April 2001.
8. See for example the poll in Yediot Aharonot, May 4, 2001, according to which 44% of Israelis favor unilateral dismantling of outlying settlements and determination of the border with the Palestinians.
9. Interview in *Haaretz* weekend magazine, April 4, 2001.
10. For a presentation of this approach based on a recent discussion in Israel, see "Balance of National Security and Strength: Policy Directions-Executive Summary" (Hebrew), summary of the "Herzlia Convention," 2001, Herzlia Interdisciplinary Center, Institute for Policy and Strategy.

