Chapter - III

REAGAN, ISRAEL AND THE PLO
Ronald Reagan came into office in January 1981 promising a firm, and firmly anti-communist stance in the American government. He was elected in November 1980 amidst an uproar of accusations that sitting President Jimmy Carter had represented a failure of US "leadership", particularly in dealing with the crisis of the American hostages in Teheran. And with Reagan the emphasis that the Soviet Union represented and "evil empire" became an obsession.\(^1\) He had a clear, overriding preoccupation with the Soviet Union. Given his credentials, Reagan from the very beginning reoriented the American foreign policy towards a global perspective, as opposed to a regional one.

**Reagan's Strategic Conception**

Local conflicts—whether in Asia, Africa, Latin America or the middle East—were perceived by the Reagan Administration as manifestations of the global Soviet threat. The Soviet invasion of Afghanistan and the fall of the Shah in Iran were seen to heighten the risks for the West in the vital Persian Gulf. Moscow's arms supplies to Syria and Libya and access to Syrian ports

were cited as proof of the vulnerability of the eastern Mediterranean to Soviet penetration. Therefore, the Secretary of State Alexander Haig made that threat the primary focus of his first trip to the Middle East in April 1981. He urged the leaders of Israel, Egypt, Jordan and Saudi Arabia to develop a "consensus of concern" that would lead to an informal military alliance blocking Moscow's efforts to control oil resources and routes. Haig's views were thus a throwback to the approach of John Foster Dulles in the 1950s.

But Haig misdiagnosed the regional concern in the early 1980s. The Arab regions along the Persian Gulf did not see Moscow as a direct threat. They were disturbed by the military imbalance in the Arab-Israeli equation caused by Egypt's withdrawal from the Arab front. Heightened tension on the Israeli-Syrian lines in Lebanon and the Israeli air strike against the Iraqi nuclear plant in June 1981 led Jordan and Saudi Arabia to seek weapons to ward off a potential Israeli attack. Riyadh purchased American Airborne Warning and Control System (AWACS) as a defence against Israel, not the Soviet Union; the Saudis did not share "consensus of concern" with Tel Aviv.

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International terrorism also became the major foreign policy concern of Haig. He announced that "international terrorism will take the place of human rights" as the focus of the US policy. The US Administration took pains to prove Soviet complicity in international terrorism. In fact, the State Department "proved" Soviet financial aid and training for some elements of the PLO as evidence of Soviet sponsored terrorism. As a candidate, Reagan had repeatedly described the PLO as a terrorist organization. Now this description was expanded to refer to its role in a Soviet-dominated international terror network. The US Officials also sometimes called the PLO a Soviet puppet, a designation that indicated that the PLO was not the valid representative of the Palestinian people. And Reagan added the condition of renunciation of terrorism on the PLO.

Israel launched its first bombing raid of the new year on 29 January 1981 against Palestinians in Lebanon and cited President Reagan's dictum that "terrorism"

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should be dealt with "swiftly and unequivocally".\footnote{Joe Stork, "Israel as a Strategic Asset", in Naseer Aruri, Fouad Moughrabi and Joe Stork, ed., Reagan and the Middle East (Belmont, Massachusetts, 1983), p.510.} It had all the blessings of the new Administration.

The Arab regime's hesitancy to embrace Haig's approach, in turn, reinforced the Administration's proclivity to view Israel as the linchpin of American strategy in the region.\footnote{Peck, n.2, p.20.} Ariel Sharon, who became Israel's defence minister in mid-1981, welcomed the role of policeman in the Middle East and encouraged the signing of a memorandum of understanding on 31 November 1981 that linked Israel, for the first time, to Washington's anti-Soviet posture. A former Carter aide noted that "the relationship took a giant step forward during the Reagan Administration which saw Israel not as a post Holocaust American moral obligation but, for the first time, as a strategic asset in the regional struggle against the Soviet Union for primacy in the Middle East".\footnote{Stuart Eizenstat, "An American Perspective", Between Two Administrations: An American-Israeli Dialogue (Washington, D.C., 1989), p.76.}

Reagan Administration's view that Israel was a strategic asset would be gauged from the fact of its
reaction to the 17 July 1981 Israeli bombardment of a residential sector in West Beirut, allegedly aimed at the PLO leadership and the Joint Forces (JF)\(^8\) but during which more than three hundred civilians were killed was a month's delay in the promised delivery of four F-16 aircraft to Israel. Moreover, when the aircraft were delivered in August 1981, Israel received fourteen instead of four F-16s and two F-15s.

Reagan had assumed that establishing firm American-Israeli strategic relations would encourage Israel to take further steps towards peace. The Administration reaffirmed its support for the Camp David process, but focused on finalizing the Israeli withdrawal from Sinai rather than on reinvigorating the autonomy talks. Egyptian-Israeli negotiations concerning the West Bank and Gaza strip had been ended abruptly by Anwar Sadat in mid-1980 when the Israeli government declared all of Jerusalem its eternal capital. The Reagan Administration appeared to tilt towards Israel's interpretation of autonomy, particularly when Reagan stated that Israeli settlements in the Occupied Territories were not illegal. Moreover, the US officials tended to see Palestinians as individuals and refugees whose

\(^8\)The Joint Force was the joint military command set up in Lebanon in 1976 by the PLO and the militia of the Lebanese Nationalist Movement (LNM).
difficulties would be resolved by gaining civic rights in the context of a federation of the West Bank with Jordan.

Even after Sadat and Israeli Prime Minister Menachem Begin decided in August 1981 to resume autonomy talks, Washington showed little concern to reach a swift conclusion. Haig delayed until January 1982 to travel to the region to promote autonomy negotiations, apparently jolted into action by the possibility that Egypt would lose interest once it regained Sinai on 25 April. But that effort faded and Haig waited a month after Israel withdrew from Sinai to talk about accelerating the autonomy effort as a step towards resolving the Palestine problem.

Syrian Missile Crisis and the USA

The Administration only sensed urgency on the Israeli-Syrian front. Officials expressed sympathy for Israel's raids against PLO bases and its assistance to the anti-Syrian Lebanese Forces (LF), but they became concerned when heightened tension led to Syria's moving SAM-6 (surface-to-air) missiles into the Lebanese Bekaa valley. This move of the Syrian government drew the US government into a more direct involvement in Lebanon's tumultuous affairs than it had at any time since
American marines had landed there in 1958. According to Menachem Begin, the Israelis had originally planned to destroy the SAM batteries at once, with air strikes, but bad weather had delayed them. While the Israelis waited for the weather to clear, the US Administration must have become aware of the potential dangers of a direct Israeli-Syrian confrontation in Lebanon. It intervened rapidly to stay the Israeli hands, promising the Israelis that the US would try to deal through diplomatic channels with the "threat" the Israelis claimed the Syrian missiles posed. On 6 May 1981, former US career diplomat Philip Habib left Washington for the Middle East at the start of the Lebanese mission with which President Reagan had entrusted him. The direct US involvement in Lebanon thus initiated was to play a major role in developments there over the following two years, and thereby also in the affairs of the PLO, for

9The 1958 US intervention in Lebanon had ostensibly been aimed at shoring up Camille Chamoun’s presidency during the civil war, then raging there. But another important consideration behind the marine’s landing had been to try to put the US in a position to influence events throughout the region after the recent Iraq coup. See Malcolm Kerr, "The Lebanese Civil War", in Evan Luard, ed., The International Regulation of Civil Wars (London, 1972), p.78.

which Lebanon constituted a major military base until August 1982.

The PLO declared its opposition to the Habib mission. A statement issued on 8 May by the PLO news agency, Wafa, said that, because of US support for Israel, the US "can be neither arbiter nor mediator, for it is one of the foremost parties involved" in the missile crisis. Nevertheless, the State Department disclosed that it had contacted U.N. Secretary-General Kurt Waldheim "to convey to all parties to the conflict [that is including the PLO] ...the need for moderation and restraint". Indirect contact thereafter continued between the two sides, dealing mainly with the situation in Lebanon, and conducted both through the U.N. channel and through, Saudi, and later on also through Egyptian mediator.

On 10 July, an Israeli air raid against south Lebanon left one dead and six wounded; the Joint Forces retaliated by shelling a north Israeli settlement wounding 14. The casualty toll in Lebanon from Israel’s responses then soared steeply. On 17 July, the Israeli

11Quoted in ibid., p.110.
12Quoted in ibid.
air force bombed areas controlled by the Joint Forces in West Beirut itself.¹³

The news from Beirut brought Habib (who had been discussing the Syrian SAMs in Saudi Arabia) hurrying back to Levant. On 19 July he met Begin in Jerusalem to ask about Israeli conditions for a cease-fire in Lebanon; then he met briefly with Lebanese officials in Beirut before returning to Saudi Arabia, this time reportedly to seek the Saudis' help in obtaining PLO commitment to a cease-fire in Lebanon. The Beirut raid thus served to spur Reagan into broadening Habib's mandate from one centering on the question of the Syrian missiles in the Bekaa to one encompassing the whole wide security issue in Lebanon, in which the increasingly direct Israeli-Palestinian confrontation there was a major factor. But the US mediator still remained unable to undertake any direct contacts with the PLO. Instead, he stepped up his existing indirect contacts with the PLO through the UN and Saudi channels.

The same day that Habib returned to Levant the PLO Executive Committee (EC) held a meeting in Beirut, following which the PLO's Voice of Palestine (VOP) radio station reported, "The PLO Executive Committee considers the US to be the first responsible party for Begin's

¹³Ibid., p.111.
crimes against our people and the fraternal Lebanese people".\textsuperscript{14} However, on 21 July the UN Secretary-General Kurt Waldheim sent a message to Arafat asking for PLO agreement to an immediate cease-fire in Lebanon. That same day, too, Reagan was reported as sending a "very firm" message to Begin making the same request.

By 24 July, Habib's efforts appeared to have been successful in containing the threatened explosion in Lebanon. Speaking in Jerusalem, Habib announced, "I have today reported to President Reagan that as of 1330 local time [1130 GMT] 24 July 1981, all hostile military actions between Lebanese and Israeli territories in either direction will cease". Premier Begin thereupon confirmed that the "Government of Israel endorses the statement just made by Mr. Philip Habib". Five minutes later, the VOP was broadcasting, "The revolution reaffirms the position conveyed to the UN Secretary-General in the wake of his call for a cease-fire, which is to abide by this call, provided the other side abides by it as well". Despite the cover of a UN role which was draped over these negotiations, it nevertheless remained clear that the July 1981 cease-fire represented another watershed for the Palestinians: it was the PLO's most explicit acceptance of a direct US mediating role and

\textsuperscript{14}Quoted in ibid.
conversely, for the US, it was its most explicit recognition to date of the necessity of involving the PLO in issues of Middle Eastern war and peace.\textsuperscript{15}

At first, there was some fear that the PLO's acceptance of the cease-fire might not be unanimous. On 25 July, the Popular Front for the Liberation of Palestine-General Command (PFLP-GC) led by Ahmed Jibril distributed a statement saying that it did not consider itself bound by the cease-fire, and over the next few days the PFLP-GC units continued to shell areas controlled by Saad Haddad's pro-Israeli militia in south Lebanon. Two days later, Arafat met Jibril, in the presence of Lebanese leftist Muhsin Ibrahim. The VOP subsequently described the mood of their meeting as "very frank" but during it "the cease-fire" decision issued by the Lebanese-Palestinian joint command was reaffirmed". Jibril's infractions of the cease-fire had ceased by 29 July.\textsuperscript{16}

Once these initial teething troubles had been dealt with, and despite the varying interpretations placed upon the cease-fire by the PLO and the Israelis - with the former claiming it covered nothing outside southern

\textsuperscript{15}Ibid., p.112.
\textsuperscript{16}Ibid.
Lebanon, and the latter claiming it covered any action taken against Israeli targets anywhere in the world - it proved effective for further ten months in preventing another all-out Israeli-Palestinian confrontation in Lebanon.

US, PLO and the Fahd Plan

On 7 August 1981, Saudi Crown Prince Fahd Ibn Abdel-Aziz made public an eight-point peace plan for the Middle East. The plan was as follows:

First, that Israel should withdraw from all Arab territory occupied in 1967, including Arab Jerusalem.

Second, that Israeli settlements built on Arab land after 1967 should be dismantled.

Third, a guarantee of freedom of worship for all religions in the holy places.

Fourth, an affirmation of the right of the Palestinian Arab people to return to their homes and to compensate those who do not wish to return.

Fifth, that the West Bank and the Gaza Strip should have a transitional period under the auspices of the United Nations for a period not exceeding several months.

Sixth, that an independent Palestinian state should be set up with Jerusalem as its capital.

Seventh, that all states in the region should be able to live in peace.

Eight, that the United Nations or member states of the United Nations should guarantee to execute these principles."

17Peck, n.2, p.29.
Clause 7 was generally understood to imply recognition of Israel. Soon after publishing the Plan, the Saudis let it be known that they would be presenting it for endorsement to the next Arab summit, whose date was subsequently fixed for 25 November and whose venue was to be Fez.

In October 1981, Reagan met Fahd during the North-South Conference at Cancun, Mexico, where he listened to Fahd’s Plan. Reagan acknowledged the Plan’s recognition of Israel’s right to exist within secure and peaceful boundaries and noted that it was a basis for negotiations. Subsequently, however, "clarifications" came from Assistant Secretary of State Nicholas Veliotes, who in testimony before the House Subcommittee on Europe and the Middle East unequivocally reiterated US opposition to the Fahd Plan’s proposals regarding a Palestinian state.

Palestinian reactions to the Fahd Plan diverged from the beginning. On 8 August, for example, Fatah’s Khalil Wazir was quoted as describing the plan as "positive", while a spokesman of the Popular Front for the Liberation of Palestine (PFLP) said, "these proposals represent a direct recognition of the Zionist entity and a call on the PLO to deviate from the
revolution's basic course".\textsuperscript{18} The PLO Executive Committee then held a meeting on 11 August. In the absence of any consensus it decided not to take any official stand on the Fahd Plan, pending the outcome of a meeting Arafat was scheduled to hold with the Saudi Crown Prince.

However, it soon became clear that sharp differences existed on this issue, not only between Fatah and its allies in the PLO but also within the leadership of Fatah itself. Contrasting with Wazir's welcome for the Plan when it was first published, on 13 August another Fatah Central Committee member, Majid Abu Sharar, was described as being against the Plan, because it linked the solving of the Middle East crisis with the US. Then, four days later, Yasser Arafat gave his first public indication of support for the Plan. The final line-up of the Fatah leadership on this issue, as it emerged over the coming weeks, was apparently that Arafat, Wazir, Khaled al-Hassan basically supported the Plan; while other members of the Committee went on record as opposing it. Arafat, with his obsession for the unity for the movement, then went to great lengths to qualify his welcome for the Plan. It was this split, inside the PLO's predominant constituent grouping, which

\textsuperscript{18}Cobban, n.10, p.113.
was to paralyze the PLO's ability to respond politically to the Fahd Plan and thus to enable Syrian President Hafez al-Asad, in November 1981, ultimately to force the PLO's hand on the issue.

On 25 September, Arafat returned to Beirut after his promised consultations with Fahd in Saudi Arabia and three days later Fatah's 75-member policy-reviewing body, the Revolutionary Council, held a meeting. Its results, as regards the Fahd Plan, were presumably inconclusive, as the statement issued after the meeting made no mention of the Plan at all. A second Revolutionary Council meeting, one month later, also appeared to end inconclusively.

On 6 November the PLO Executive Committee held the first of a series of further debates on the Plan. After this meeting, in an interview published on 12 November, Arafat appeared to be trying to find some middle ground between the Saudis and those in the PLO and Fatah leadership who still remained opposed to or sceptical of the Fahd Plan. He said, "I welcomed the Plan and said that it constitutes an important basis for resolving the Middle East conflict". But, he said, "we do have reservations, and I did convey some remarks to Prince Fahd...This does not mean that I do not regard it as a
positive Plan which I have welcomed". 19 But the PLO Chairman's mediation efforts still bore no fruit. The PLO Executive met again on 13 November, but three days later both the PFLP and the Democratic Front for the Liberation of Palestine (DFLP) came out with strong statements against the Fahd Plan.

At this point, the Palestinian critics of the Fahd Plan were able to bring in their "big Arab guns" to bear on Arafat and his co-thinkers in the Fatah leadership. At an extraordinary meeting of the foreign ministers of the Steadfastness Front which convened in the South Yemeni capital. Aden, a resolution was passed which appeared to commit the PLO, along with other Steadfastness Front members to rejection of Fahd's Clause 7. 20

The drama surrounding the Fahd Plan then shifted to another scene: on 25 November the long-awaited Arab Summit did duly open in Fez, Morocco, in the presence of (among others) Yasser Arafat, Crown Prince Fahd (representing King Khaled), King Hussein of Jordan, South Yemeni President Ali Nasser Muhammed and, of course, the summit's host, King Hassan II. The most

19 Ibid., p.114.

20 Ibid.
notable absentee was Hafez al-Asad. Once it was clear the Syrian leader was going to boycott the session, Fahd surmised that he had no chance of having his Plan adopted by the full Arab consensus he sought. Thus, soon after the meeting had convened, he announced he was withdrawing the Plan from the agenda, and King Hassan then decided to postpone the summit’s proceedings indefinitely.

Israeli Invasion of Lebanon

Since 24 July 1981, Israel had attacked many times the Joint Forces positions and civilian targets in Lebanon, in clear violation of the cease-fire. However, the Palestinians had generally observed their side of the cease-fire. But in June 1982, Palestinian artillery units in southern Lebanon started shelling targets inside northern Israel for the first time in over ten months in reprisal against Israeli air attack on 4 June.

On 6 June, the Israeli army launched a massive military operation which the Israeli government named "Operation Peace for Galilee". By 14 June, Israeli units advancing northwards along the western slopes of the Shouf were able to link up with the Phalangist-dominated Christian militia who had been their allies

²¹See Peck, n.2, pp.50-57.
since 1976. As the Israelis neared Beirut, however, they suddenly found it much harder to advance. The success of the Joint Forces (JF) defence of Beirut suburb soon made it clear to the Israeli command that the city could not be taken without huge Israeli casualties. And immediately after the JF headquarters units in Beirut encircled by the Israelis, the PLO leadership started to consider negotiating their forces' evacuation from the city. Thus both Palestinians and Israelis were ready for the tortuous negotiations.  

On 8 June, the US mediator Philip Habib had returned to try to deal with the fighting in Lebanon. The tortuous communications path which emerged for the negotiations that followed was that the Palestinians would explain their stand on each issue as it arose to Lebanese premier Shafiq al-Wazzan; Wazzan would relay what they had told him to President Sarkis of Lebanon; then Sarkis would relay it to Habib; and Habib would relay it to the Israelis.

As a result of the negotiations, Habib presented a written guarantee. It was contained in a document which had been agreed to by the PLO and the governments of Lebanon and the US, and was subsequently published by the State Department. This document provided for the

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22See ibid., pp.65-69.
ground-rules for the PLO fighters' evacuation from Beirut, and for the deployment of the multi-national force under whose auspices this evacuation would take place; the US, France and Italy were all to contribute units to this force. The document also stated:

Law-abiding Palestinian noncombatants left behind in Beirut, including the families of those who have departed, will be subject to Lebanese laws and regulations. The Governments of Lebanon and the United States will provide appropriate guarantees of safety in the following ways.

The Lebanese Government will provide its guarantees on the basis of having secured assurances from armed groups which it has been in touch.

The United States will provide its guarantees on the basis of assurances received from the Government of Israel and from the leadership of certain Lebanese groups with which it has been in touch.21

On the basis of these guarantees, the first contingent of PLO fighters set sail from Beirut on 21 August 1982, bound for Cyprus. On 30 August Arafat embarked on a ship to Athens.

The Reagan Peace Plan

When Israel invaded Lebanon, the United States had joined the other members of the Security Council in passing a unanimous resolution pertaining to the

21Quoted in ibid., p.70.
hostilities. Resolution 509 demanded that Israel withdraw "forthwith and unconditionally to the internationally recognized boundaries of Lebanon", and demanded that all parties observe Resolution 508, which called for a cease-fire. However, within hours the US position was modified and Washington vetoed a second resolution on 8 June. Once the prospect of Super Power confrontation was reduced by an Israeli-Syrian truce on 11 June, the Reagan Administration began to support some of Israel's goals. Reagan backed the demand to remove all foreign forces from Lebanon, notably including Syria and the PLO, and concurred with Israel's desire for a forty-kilometre zone under its effective control north of Israel's border.

By the end of August, the US-Israeli goals had been secured: removing the PLO leaders and forces from Beirut and elected as President Bashir Gemayel, head of the Lebanese forces. George Shultz had replaced Alexander Haig as Secretary of State. US participated in a multinational force that supervised the PLO evacuation and Reagan prepared to launch the first peace initiative of his Administration.

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\(^{24}\) Ibid., p.51.

\(^{25}\) Ibid., p.55.
The Plan that Reagan announced on 1 September 1982 was based on UN Resolution 242 as well as on the Camp David accords. He outlined the following proposals in a broadcast to the nation from Burbank, California:

...First, as outlined in the Camp David accords, there must be a period of time during which the Palestinian inhabitants of the West Bank and Gaza will have full autonomy over their own affairs. Due consideration must be given to the principle of self-government by the inhabitants of the territories and to the legitimate security concerns of the parties involved.

The purpose of the 5-year period of transition, which would begin after free elections for a self-governing Palestinian authority, is to prove to the Palestinians that they can run their own affairs and that such Palestinian autonomy poses no threat to Israel's security.

The United States will not support the use of any additional land for the purpose of settlements during the transition period. Indeed, the immediate adoption of a settlement freeze by Israel, more than any other action, could create the confidence needed for wider participation in these talks. Further settlement activity is in no way necessary for the security of Israel and only diminishes the confidence of the Arabs that a final outcome can be freely and fairly negotiated.

I want to make the American position well understood: The purpose of this transition period is the peaceful and orderly transfer of authority from Israel to the Palestinian inhabitants of the West Bank and Gaza. At the same time, such a transfer must not interfere with Israel's security requirements.

Beyond the transition period, as we look to the future of the West Bank and Gaza, it is clear to me that peace cannot be achieved by the formation of an independent
Palestinian state in those territories. Nor is it achievable on the basis of Israeli sovereignty or permanent control over the West Bank and Gaza.

So the United States will not support the establishment of an independent Palestinian state in the West Bank and Gaza, and we will not support annexation or permanent control by Israel.

There is, however, another way to peace. The final status of these lands must, of course, be reached through the give-and-take of negotiations. But it is the firm view of the United States that self-government by the Palestinians of the West Bank and Gaza in association with Jordan offers the best chance for a durable, just and lasting peace.

We base our approach squarely on the principle that the Arab-Israeli conflict should be resolved through negotiations involving an exchange of territory for peace. This exchange is enshrined in UN Security Council Resolution 242, which is, in turn, incorporated in all its parts in the Camp David agreements. UN Resolution 242 remains wholly valid as the foundation stone of America's Middle East Peace effort.

It is the United States' position that, in return for peace - the withdrawal provision of Resolution 242 applies to all fronts, including the West Bank and Gaza.

When the border is negotiated between Jordan and Israel, our view on the extent to which Israel should be asked to give up territory will be heavily affected by the extent of true peace and normalization and the security arrangements offered in return.

Finally, we remain convinced that Jerusalem must remain undivided, but its final status should be decided through negotiations.

In the course of the negotiations to come, the United States will support positions that seem to us fair and reasonable compromises and likely to promote a sound
agreement. We also put forward our own detailed proposals when we believe they can be helpful. And, make no mistake, the United States will oppose any proposal - from any party and at any point in the negotiating process - that threatens the security of Israel. America's commitment to the security of Israel is iron-clad. And, I might add, so is mine.26

The Israeli cabinet immediately rejected Reagan's proposal and asserted that the withdrawal provisions in Resolution 242 did not apply to the West Bank and Gaza. Two weeks later the Israeli army violated the truce and entered West Beirut in the wake of the assassination of Bashir Gemayel. The Reagan Administration was not surprised at Israel's heated criticism of Reagan's proposal but was shocked at the Israeli move into Beirut and the massacre of Palestinian refugees in the Sabra and Shatila camps. Washington sent marines back into the city in a revived multinational force in order to ensure Israel's evacuation and block its reentry, and pressed for prompt Israeli-Lebanese talks to resolve their disputes.

The PLO's immediate reaction to the Reagan Plan was cautious. In the Occupied Territories the Reagan initiative evoked mixed reactions. The moderate forces

26For the full text see Naseer Aruri, Fouad Moughrabi and Joe Stork, Reagan and the Middle East (Belmont: Association of Arab-American University Graduates, 1983), pp.79-87.
welcomed the American proposals and urged Arafat to come to an understanding with King Hussein so that negotiations could begin before the Reagan Administration became preoccupied with the 1984 Presidential election. The hardliners opposed the Reagan Plan as it ruled out the establishment of an independent Palestinian state, and any role for the PLO in the negotiations. These forces opposed the idea of associating West Bank and Gaza with Jordan.27

The Fez Plan: Joint Arab-PLO Response

While the PLO leadership was struggling hard to adapt to the new realities, the Arab leaders were making preparations to resume their summit meeting to discuss a common strategy to save the Palestinians and bring peace to the area. On 6 September 1982, the twelfth Arab summit conference resumed in the Moroccan city of Fez. The summit was attended by all members of the Arab League except Libya. During the conference the Arab leaders were concerned about formulating a consensus approach that would compensate their lost credibility during the war period.28


28Ibid., p.80.
initiative, just a few days back, gave the Arabs an impetus to work for an alternative peace Plan.

The Saudis had modified the earlier Fahd Plan before it was presented to the conference. The new text was adopted by a consensus of the leaders including both Arafat and Asad. The Fez Peace Plan was the joint Arab-PLO response to the Reagan Plan. The Plan differed from the Reagan initiative. It called for the creation of an independent Palestinian state in West Bank and Gaza with Jerusalem as its capital. In contrast to the Reagan Plan its fourth clause made a reference to the Palestinian right to self-determination and provided a central role to the PLO in the future negotiations. On the crucial issue of Arab-PLO recognition of Israel's right to exist as a state, the Plan preferred to be evasive. Its seventh clause read: The (UN) security council will guarantee peace for all the states of the region, including the independent Palestinian State". Though evasive, this clause underlined the fact that for the first time the whole Arab world and the PLO agreed to a formula which implicitly included Israel's right to exist. The Plan was a carefully-drafted proposal keeping in mind the interests and concerns of all. the

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²⁹For the text see Middle East Contemporary Survey (New York), vol.6, 1981-82, pp.270-1.
moderates, the radicals and above all the Palestinian movement.

While Israel "flatly" rejected the Plan arguing that the call for the creation of an independent state in the West Bank and Gaza posed a "danger to Israel's existence", the US initially tried to emphasize what it regarded as positive aspects of the Plan. On 23 September, Vice President, George Bush, acknowledged that the Fez Plan provided an implicit recognition of Israel. But this was not "enough". He further stated:

Guarded references, allusions and code words are not going to suffice while the conflict pesters. All Arab nations must state with clarity, as has Egypt, that Israel has a right to exist. Peace cannot be achieved by parties who like the ostrich refuse to face reality.

The Sixteenth PNC

The moderate section within the PLO had realized, from the time of their departure from Beirut, that the exigencies of the new diaspora being imposed on them would require, at least initially, the closest possible

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coordination with as many Arab government as possible. Keeping this in view the leadership thought that the sixteenth session of the PNC should be convened at the earliest, so that the Palestinians could deliberate upon the crucial issues facing the community.

After its departure from Beirut, the PLO faced two important challenges that threatened its legitimacy and independent existence. The Reagan Plan sought to delegitimize the PLO by pushing Jordan into the focus as a mechanism to solve the Palestinian problem. Reagan tried to do by shrewd diplomacy what Begin and Sharon had failed by military means. Despite all these negative features the PLO could not afford an outright rejection of the Reagan Plan. For that would isolate it from the political process which the US had set in motion through its latest initiative. The PLO had to guard against any independent move by Jordan. It also had to take into account the interests of the Palestinians in West Bank and Gaza where a certain section had expressed its desire for a political settlement through a joint PLO Jordanian effort. Above all, it had to strengthen whatever little support base it had gained in the US during and after the war. There was a change in American public opinion, specially within the Jewish community.

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33 Cobban, n.10, p.132.
which showed growing disapproval of the Israeli policies.\textsuperscript{34} Even the Reagan Plan, despite all its negative features, recognized that the Palestinian question was more than a question of refugees. This was a proof that the PLO had managed to "penetrate the US wall," according to Farouk Kaddoumi.\textsuperscript{35} A further penetration would require that the PLO project an image of flexibility and moderation. Such an image would provide a chance for the American public to compare Israeli intransigence with PLO flexibility and thereby cause a further erosion in the entrenched Israeli support base in the US.

The Fez Plan provided an entirely alternative framework to resolve the Palestinian problem. The Arab states, though they had failed to come to the rescue of the beleaguered Palestinians in Lebanon, had at least come to help the PLO in terms of diplomacy. Their reaffirmation of the PLO's status as the "sole legitimate representative" of the Palestinian people and the call for the establishment of an independent

\textsuperscript{34}Middle East Contemporary Survey, vol. 70, 1982-83, p. 315. Many leading members of the Jewish community spoke openly against the Israeli policies. They included two well-known and respected Jewish literary figures in the US, critic Irving Howe and Nobel Laureate Saul Bellow and such distinguished academics as Professors Seymour Lipset of Stanford and Nathan Glazer of Harvard.

\textsuperscript{35}Ibid.
Palestinian state were encouraging for the PLO. This assumed special importance in view of the Reagan Plan. Arafat and his supporters felt that the next state of the PLO diplomacy should be guided by the Fez proposals. That meant exploiting the momentum of the Reagan initiative to acquire whatever gains possible for the PLO while limiting those of Jordan. At the same time it was essential to co-ordinate the PLO moves with Jordan so as to shift the Reagan Plan closer to the Fez proposals. It was also necessary to ensure that the Jordanian King abided by the Fez proposals without embarking upon an independent initiative of his own on the basis of the Reagan Plan. 36

The second important challenge to the PLO came from Syria. After loosing its autonomous base of operation in Lebanon, the PLO became increasingly exposed to Syrian domination. As a result, almost every move made by Arafat after his departure from Beirut was designed to save the PLO from this predicament. Arafat’s independent moves were not tolerated by President Asad. The Reagan Plan made things worse for Syria. The American initiative did not talk anything about Syria. This compounded the fears of President Asad. If the moderate section within the PLO was allowed in its chosen path,

36 Ibid., p.280.
Syria would be totally isolated in the regional politics. Hence Syria tried to influence the PLO policy towards the Reagan Plan through certain constituent groups within the PLO which it controlled. This ultimately threatened the very unity of the organisation. 37

The PLO blamed the US for Israel's invasion; held it "completely" responsible for the massacres in Sabra and Shatila. 38 This did not rule out contact with the US. On the contrary, there was a strong conviction among the Fatah leadership that PLO's political action in the US was highly essential. Because, as a PLO functionary put it, the US was the "strategic ally of our enemy" and therefore could not be ignored.

The radical groups within the PLO remained opposed to the moderate line advocated by Arafat and his associates. The PFLP, PLF and other Syrian controlled small groups—PFLP-GC, Saïqa and the Palestinian Popular Struggle Front (PPSF) — stressed the negative aspects of the Reagan Plan; remained critical of the Fez proposals (specially the seventh clause); and opposed any negotiation with Jordan. The PDFLP, though opposed to

38 Ibid., vol.6, 1981-82, p.347.
the Reagan initiative, took a position close to the Arafat group on other issues. Even some within the Fatah opposed the Arafat line.\textsuperscript{39} The debate within the PLO intensified internal discord foreshadowing the possibility of a split.

During the months preceding the convening of the PNC in February 1983, Arafat and his supporters made a systematic effort to secure as much internal agreement as possible. The first effort in this regard was the convening of the Central Council (CC) in Damascus on 25 November 1982. The CC declaration did not reject the Reagan Plan in its entirety. While reaffirming the PLO's status as the sole legitimate representative of the Palestinian people, the Council rejected the Reagan Plan for failing to call for an independent Palestinian state.\textsuperscript{40} This qualified rejection of the Reagan Plan did not satisfy the Syrian controlled factions. Arafat countered their allegations by holding a series of meetings of the PLO-EC in early December in \textit{Aden} which was attended by the leaders of the PFLP, DFLP and the PLF, not themselves regular members of the EC. It was the stand of these independent groups to which Arafat

\textsuperscript{39}Ibid., vol.7, pp.287-90.

\textsuperscript{40}\textit{Facts on File,} vol.48, no.2194, 3 December 1982, p.889.
attached more importance than that of the Syrian controlled factions. In its final communique, the PLO rejected all the "US and Zionist projects and initiatives", but only named Camp David. Once again Arafat managed to stop an outright rejection of the Reagan initiative.

The Syrians and the Libyans tried their best to upset Arafat's Plans. From 10-16 January 1983, a Conference was held in Tripoli, attended by the PFLP, PDFLP, PFLP-GC, Saiqa, and the PPSF. The Libyan leader was able to gather these non-Fatah guerrilla groups to chalk out a common strategy to oppose the PLO leadership.

This development made public the deep differences within the PLO over its future course of action. Arafat acted promptly to avert the possibility of a split. From 25-27 January, the PLO-EC met in Aden. It issued a statement which reaffirmed the Aden declaration of early December as an important basis for asserting the unity and independence of the PLO.

Finally, the PNC was convened on 14 February 1983 in Algiers and continued till 22 February. The choice of the place had a clear message for Syria. The proceedings were marked by the same intense debate that had been going on in the movement ever since the PLO left Beirut.
However, there was a widely expressed desire to preserve the unity of the movement at any cost. It was also accepted by a large majority that the PLO should not get the ultimate blame for the inevitable failure of the Reagan Plan. Shortly before the PNC concluded, Arafat addressed a closed session of the Council's Political Committee. He made a fervent appeal to the radicals to agree upon a logical and reasonable rather than an "outright rejectionist" approach in response to the Reagan and Fez Plans. The PLO, Arafat argued, had already been weakened by the war and the subsequent loss of its autonomous base in Lebanon. Now, if it behaved unreasonably it would be abandoned by the world and forgotten for good. It was not necessary, the Chairman pleaded, that the PLO should accept everything, but neither should it reject everything. He appealed to adopt what he called a "yes and no" position (what was called in Arabic la'm - a combination of la, no, and na'm, yes).

At the end, the political programme stressed, above all, Palestinian national unity; Palestinian independence in decision-making; and the need to "develop and escalate" the armed struggle in the framework of a United National Liberation Army. In the Reagan and Fez Plans the final statement maintained an ambivalent position reflecting Arafat's appeal for a
"yes and no" position - the *la‘m* factor. On the Reagan Plan, the statement read:

The Reagan Plan, in its style and content, does not comply with the established national rights of the Palestinian people since it ignores the right to return to self-determination and to establish an independent Palestinian state. (It ignores) the PLO as the sole legitimate representative of the Palestinian people and contradicts international legality. Therefore, the PNC announces its refusal to consider this Plan as a sound basis for a just and lasting solution for the cause of Palestine and Arab-Zionist conflict.41

In general terms the PNC stressed the need to confront "American imperialism and its policies considering that it stands at the head of the camp hostile" to the just cause of the Palestinian people.

On the Fez Plan, the PNC declaration read:

The PNC considers the Fez summit resolutions as the minimum for political movement by the Arab States, which must be integrated with military action with all its requirements, in order to alter the balance of forces in favour of the struggle and Palestinian and Arab rights. The council affirms that its understanding of these resolutions is not in conflict with the commitment to the Political Programme and the resolutions of the National Council.

Since the basic thrust of the Reagan Plan was to find a solution to the Palestinian problem through

41*Middle East Contemporary Survey*, vol.7, 1982-83, p.296.
Jordan, the PNC made the PLO position clear on this. The relevant clause read:

Adhering to the resolutions of the National Council specific to relations with Jordan and on the basis that the PLO is the sole legitimate representative of the Palestinian people, both inside and outside the occupied territories, the PNC deems that future relations with Jordan should be founded on a confederal basis between two independent states.\(^{42}\)

The PNC provided enough political manoeuvring room for the PLO leadership to carry out its activities in the subsequent months. By "refusing" to consider the Reagan Plan in its original form, the PNC did not reject the American initiative as such. It only objected to some provisions in the initiative. This left room for diplomacy and negotiations. The Fez Plan was endorsed though with condition. And on the relationship with Jordan the Council expressed its readiness without diluting the PLO's claim to be the "sole legitimate" representative of the Palestinian people and on the basis of a confederation between two independent states. Above all, the sixteenth PNC was a befitting response to the Americans and the Israelis who had hoped that after Beirut the PLO would split and disappear from the scene. It shattered the US-Israeli (or the Haig-Sharon) myth regarding the relationship between the PLO

\(^{42}\)Emphasis added. For the text see, ibid., pp.317-21.
infrastructure in Lebanon and its national goals. It also proved the resilience of the Palestinian national movement and the ability of the PLO to adopt to new realities.

**Strategic Cooperation with Israel**

A year after the Reagan Plan, Washington forgot it and reaffirmed the strategic alliance with Israel. Reagan forcefully reasserted the anti-Soviet theme and the role that Israel could play in containing communism. In a speech on 27 October 1983, he argued:

> [The Middle East is] key to the economic and political life of the West. If that key should fall into the hands of power or powers hostile to the free world, there would be a direct threat to the United States and to our allies...The events in Lebanon and Grenada [which the United States invaded on 25 October], though oceans apart, are closely related. Not only has Moscow assisted and encouraged the violence in both countries, but it provides direct support through a network of surrogates and terrorists [citing Syria, in particular]....Israel shares our democratic values and is a formidable force an invader of the Middle East would have to reckon with.

Although Reagan referred to his 1982 peace Plan, he placed primary emphasis on "Soviet proxies" against whom he might "unleash" Israel. His speech was characterized by a return to the old Reagan view of all problems

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43Peck, n.2, pp.113-14.
everywhere being caused by the Soviet Union, and by an explicit polarization of the conflict between East and West, between Syria and Israel. The Palestinians, once again, were perceived as terrorist bands, destabilizing the region.

Reagan and Shultz's frustration over the lack of resolution of the problems in Lebanon and the dangerous entanglement of US forces there were major reasons for the shift. Substantive Israeli-Lebanese talks had not begun until January 1983. They yielded a treaty in May that allowed Israeli troops to remain in southern Lebanon and normalized diplomatic relations. The United States and Israel agreed, however, that implementation was contingent upon Syria's also leaving Lebanon. Since President Asad had already rejected anything less than full Israeli withdrawal and opposed the normalization of Israeli-Lebanese relations, the situation on the ground remained stalemated. Shultz blamed the impasse on Asad instead of the faulty American negotiations. And Reagan looked for Soviet hand behind Syria's stance.

Moreover, Syrian-supported splits in the PLO weakened the cohesiveness of the Palestinian movement.

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44Ibid., p.114.

45Ibid., p.103.
Asad's concern at his exclusion from negotiations on the Lebanese and Palestinian fronts encouraged him to underwrite dissident Palestinians as well as Lebanese groups that chafed at the Israeli occupation of southern Lebanon. In addition, as Israeli forces withdrew from the central sector during the summer of 1983, the US marines lost their neutral status as peacekeepers. They became directly involved in confrontations by the Lebanese army with Syrian-supported Druze and Shi'ite militia, a fatal shift that led to the devastating attack on the marine barracks in October and the total withdrawal of the American peacekeeping contingents in February 1984. The Israeli-Lebanese treaty sank in their wake.

Meanwhile, Washington continued to insist that Hussein negotiate on behalf of the Palestinians. The PNC of February 1983 rejected the idea but approved the establishment of a confederation between Jordan and an independent Palestinian state. The King could not persuade the Palestinian leaders to enter into talks under his auspices and Washington would not soften its stance on either representation or self-determination. Thus there was a diplomatic stalemate on the Palestinian front and the credibility of moderate Palestinians was damaged.
Rather than analyzing the basic causes of Washington's diplomatic failure in Lebanon and the polarization in the region, Reagan's speech in October 1983 signalled rejection of the search for a comprehensive peace and the return to a one-dimensional approach. On 29 November 1983 Reagan and the new Israeli Prime Minister Yitzhak Shamir signed a strategic cooperation accord that went well beyond the agreement reached in late 1981. Three joint groups were set up: political-military, economic development and, in 1986, security assistance planning. By 1987 more than twenty-four military technical agreements were made. Moreover, Israel was designated a major non-NATO ally, which codified its de facto status and opened up greater possibilities for Israel to sell military equipment to the United States. In addition to high-level strategic coordination in the eastern Mediterranean and Middle East, Israel covertly assisted the Reagan Administration's policies elsewhere. Israel played a central role in the arms-for-hostages drama exposed in the Iran-Contra affair. Moreover, Israel was involved in providing arms directly to the Contra rebels after May 1983. The Department of Defence paid $10 million for

arms and ammunition in the form of weapons that Israel had captured from the PLO in 1982.\textsuperscript{47} When the Boland Amendment banned American aid to the Contras in mid-1984, the Administration continued to pay for Israel to arm them in return for which Washington agreed to be flexible and supportive toward Israel's military and economic requirements. Such arms deals continued throughout 1986, despite the strains caused by the Pollard spy case,\textsuperscript{48} which revealed that a US government employee had provided vital information on Arab military sites to Israel's intelligence service.

Thus the Reagan Administration followed the policy of Kissinger with renewed vigour. It formalized the status of Israel as a strategic ally of the US. The PLO was sought to be delegitimized. In its place, Jordan was propped up as the representative of the Palestinians.

\textsuperscript{47}Ann M Lesch, "US Policy Toward the Palestinians in the 1980s", Arab Studies Quarterly (Belmont), vol.12, nos.1 and 2, winter/spring 1990, p.174.

\textsuperscript{48}See Chapter IV for the Pollard spy case.