3 The Origins of the Arab-Israeli Multilateral Talks

> We live in an age when many of the world's regions, once ravaged by war, are now coming together. We see this above all here in Europe, but we see it too in Asia and in Central and Latin America . . . Increasingly, the Middle East stands out, but not in the way that should make any of us proud. Our challenge—our opportunity—is to begin the process of making the Middle East a region, not just in the geographic sense, but in the political, the economic, and indeed, in the human sense as well.
>
> —James A. Baker III[1]

Why was a multilateral regional forum made part of the process of Arab-Israeli peacemaking at Madrid? What forces best explain how such an unprecedented cooperative process originated in the polarized context of Arab-Israeli relations? To account for the origins of the multilaterals and its working groups, this chapter first presents an overview of the international and regional context in which this process emerged, including the developments leading up to the Madrid conference of October 1991 and the motivations of key regional parties for agreeing to attend the first multilateral organizational session in Moscow in January 1992. The chapter then turns to alternative arguments—as suggested in chapter 1—to assess the extent to which they can account for the emergence and nature of the process.

Arguments based solely on regional demand and domestic environments cannot adequately explain the origins of Arab-Israeli multilateral cooperation, particularly since these forces often impeded such cooperation. Rather, arguments based on structural leadership and the ideas of leaders representing powerful states (especially the role of American leadership and the belief sets of the U.S. elites responsible for this process) best explain the creation and shape of the Arab-Israeli multilaterals. In particular, a small

group of policy elites within the administration—who were part of a larger network, or community, of Middle East experts in Washington, D.C.—shared similar notions about how to resolve the Arab-Israeli conflict and greatly influenced American policy in this region, including the formation of the multilateral peace process track.

The final section of the chapter characterizes the development of this Middle East policy community, which mirrored the larger trend of increasing professionalization of American foreign policymaking.[2] As aspects of foreign policymaking became the domain of specialized "issue networks,"[3] groups of American Middle East policy elites, and the ideas they espoused, strongly influenced the direction of American policy. Without them, it is unlikely that the multilaterals would have emerged.

This chapter also exposes the essential character of the origination stage and its lack of a clear substantive objective in any of the issue areas. At this stage, U.S. policymakers focused explicitly on the multilateral's value in facilitating the bilateral tracks and the normalization of Israel in the region rather than on the substantive results that might emerge from it. In fact, the purposes and prospects for the multilaterals beyond the Moscow organizational session were uncertain and not of great concern to senior U.S. policymakers. According to a senior U.S. official, the process was not based on any conscious model with clear ends in mind but rather was "developed on the run."[4] As another top official noted, the entire multilateral process was established with "little thought to intentions or implications."[5] That the multilaterals generated a cottage industry employing a multitude of professionals, experts, academics, and policymakers both inside and outside the region should not distract from the reality of its origins. The multilaterals' origins demonstrate that its founders had little understanding or interest in what the process could substantively produce across the issue areas ultimately included on its agenda, but very clear ideas about how regional relations needed to be restructured after the Gulf War and the role a multilateral process could play in this effort.

The Road to Moscow

The developments and negotiations leading to the Moscow organizational session of the multilateral peace process highlight two potential forces at work in its origins: structural change at the international and regional

levels and domestic motivations for participating in such a forum among regional actors. In basic theoretical terms, several levels of analysis were at work, including the international and regional balance of power, American hegemony, domestic pressures among regional participants, and significant actions by individual policy elites, particularly U.S. officials.

The International and Regional Environment

The final years of the Soviet Union, particularly its economic collapse in the early 1990s, significantly reduced its ability to influence events in the Middle East. As a result, decades of U.S.-Soviet rivalry in the region gave way first to the rollback of the Iraqi invasion of Kuwait and, second, to the promotion of an Arab-Israeli peace settlement. The international environment quickly evolved from an impediment to a facilitator of an Arab-Israeli peace process. As one analyst explains, "The breakup of the Communist regimes and ultimately the disappearance of the Soviet Union caused a de-globalization of the conflict, and its return to regional dimensions. . . . The renewal of diplomatic relations with Israel by Moscow and Moscow's assertion to Syria and the PLO that it would support only a diplomatic solution—all these removed the strategic Soviet umbrella over the Arab cause."[6]

While the end of the Cold War removed the Soviet impediment to a peace settlement, the success of the 1990–91 Persian Gulf War created new opportunities for the initiation of a sustainable peace process. As one analyst of post-Gulf War changes observes, the Gulf War dispelled "two long-standing myths among Arabs: one, that Arab states had the ability to achieve military parity with Israel as a prelude to regaining the occupied territories; and two, that pan-Arab solidarity would inevitably surface when one or more Arab countries engaged in a conflict with a non-Arab power."[7] The shattering of these myths, to the extent that they were still valid on the eve of the Gulf War,[8] enhanced the prospects for Arab-Israeli reconciliation efforts. The strengthening of statist identities among Arab states—and the resultant weakening of Arabist norms such as opposition to Israel—may have provided important enabling conditions for greater Arab-Israeli cooperation after the Gulf War.[9]

Moreover, the Gulf War presented a common threat to Arabs and Israelis and, in turn, an opening for new efforts to revitalize the Arab-Israeli peace

process. The unprecedented American show of force in the region, leading to its perception as the guarantor of regional stability, provided the United States with leverage to push forward new initiatives. Although Secretary of State Baker was wary of engaging in a new peace initiative after the failure of his pre-Gulf War efforts to bring the Israelis and Palestinians to the peace table, he recognized the opportunities brought about by the postwar regional environment. Even with the hard-line Likud government still in power in Israel, under the leadership of Yitzhak Shamir, Secretary Baker perceived new opportunities for progress in what seemed only months earlier an intractable conflict:

> I believed the invasion of Kuwait and its liberation by an American-led coalition had established a dramatic new reality in the region. Arab radicalism had been discredited, thus strengthening the hand of moderate Arab nations such as Egypt and Saudi Arabia. In defeating Iraq, the United States had earned the deep gratitude of all of the Gulf Arabs. At the same time, we had also neutralized the gravest threat to Israel's security. The Soviet Union, long a force for trouble in the area, was now a partner of American diplomacy. And American credibility internationally was higher than at any time since the end of World War II. It was apparent to me that the Gulf War had created an unprecedented window of opportunity to pursue the possibility of peace between Israel and her Arab neighbors. As Dennis Ross was fond of observing, 'We've just seen an earthquake. We have to move before the earth resettles, because it will and it never takes long.'[10]

"Window of opportunity" became the new catchphrase in American peace process diplomacy, justifying an activist U.S. approach. In congressional testimony in February 1991, Secretary Baker presented the administration's postwar vision, including as its fourth pillar a revived peace process. As President Bush argued before a Joint Session of Congress on March 6, 1991, "We must work to create new opportunities for peace and stability in the Middle East. On the night I announced Operation Desert Storm, I expressed my hope that out of the horrors of war might come new momentum for peace."[11] A momentum for peace appeared possible in the wake of a conflict that left the Arab world newly divided, American influence at its peak, Israelis recognizing security vulnerabilities in the aftermath of Iraqi Scud missile attacks on its territory, and Yasir Arafat and King Hussein of

Jordan suffering the consequences (politically and economically) of their support for Saddam Hussein.

These two watershed events, the Cold War's conclusion and the Gulf War, led to what one Israeli official called a "regional identity crisis."[12] That is, if superpower rivalry no longer dominated the regional agenda, and if Israel was no longer perceived by the Arab world as the only, or even the most dangerous, threat to the region, then how should regional players organize? The door was opened to new thinking about how to organize regional relations, particularly Israel's role in an evolving regional environment.

From March to October 1991, Secretary of State Baker conducted shuttle diplomacy to negotiate and gain approval for the first Arab-Israeli peace conference that would launch direct negotiations between Israel and the Palestinians and its other Arab neighbors. The United States issued assurance letters to the parties specifying the nature and framework of the negotiations. The process set up two bilateral negotiating tracks, one between the Israelis and Palestinians and the other between Israel and Arab states on its borders (Syria, Lebanon, and Jordan). Aside from the symbolism of bringing Israel together with its immediate neighbors and the larger Arab world (the states of the Gulf and North Africa sent observer delegations), sanctioned by the European Community's presence and observers from the United Nations, the Madrid conference established a negotiating framework that would lay the groundwork for all future peace process advances, including the multilateral talks.

Madrid and the "Two Track" Concept[13]

The favorable international and regional conditions for a new peace initiative did not make inevitable a multilateral negotiating forum, which would depart from the bilateral approach of encouraging the parties to engage in negotiations to resolve border conflicts and security arrangements. The multilateral track was in fact far from an inevitability. While the idea that regional cooperation could build on common interests to enhance peace was not new, and had been floating among government and academic circles for years,[14] the ultimate inclusion of the multilateral track in the Madrid letter of invitation was not fully thought through.[15] To understand the inclusion of the multilaterals, it is necessary to under-

stand the peace process diplomacy leading up to the Madrid Peace Conference of October 1991, including Arab and Israeli negotiating positions before the Gulf War, when the peace process was at a standstill.

While little progress was made during the Reagan years in moving the peace process forward,[16] the Palestinian intifada beginning in late 1987 created a new reality for peace process diplomacy. The massive unrest in the territories and the resultant growth of grassroots leadership, often spontaneous, in the West Bank and Gaza not only threatened to make the status quo less desirable from the Israeli perspective; it also challenged the Tunis-based leadership of the Palestine Liberation Organization (PLO). The PLO still represented the only widely recognized voice for the Palestinian people, yet the reality on the ground was quite different. The PLO leadership, particularly Yasir Arafat, recognized that the growth of indigenous forces in the territories threatened to marginalize the PLO and undermine its legitimacy among the Palestinians living in the West Bank and Gaza. Secretary of State George Shultz capitalized on this vulnerability at the end of Reagan's second term and established an American-PLO dialogue—after the PLO agreed to recognize United Nations Security Council Resolutions 242 and 338—in the hope that a more moderate PLO would sanction the opening of a dialogue between West Bank Palestinians and Israel.[17]

Despite the U.S.-PLO dialogue, the United States had no illusions that Israeli Prime Minister Shamir would change his position on Palestinian representation in any future negotiations: "no" to the PLO, "no" to diaspora Palestinians (those Palestinians living outside the West Bank and Gaza), and "no" to Palestinians with residences in East Jerusalem. Thus, the prospects for revitalizing the peace process were dim on the eve of the Bush administration. As Secretary Baker conceded, "From day one, the last thing I wanted to do was touch the Middle East peace process. . . . There was no real evidence to believe the climate was ripe for generating any momentum in a conflict that had defied resolution for nearly half a century. . . . It seemed neither side was interested in considering the difficult choices necessary to create a real peace process."[18] Still, the United States left the door open, encouraging the Israelis to share ideas on the future of an Israeli-Palestinian dialogue. The result was Shamir's four-point plan—later lengthened into twenty points—with its cornerstone the proposal for Palestinian elections inside the West Bank and Gaza to choose a Palestinian delegation to negotiate the details of a self-rule agree-

ment (similar to the autonomy plan included in the Likud-supported Israeli-Egyptian Camp David Accords). While the issue of Palestinian representation proved too contentious to bring this plan to fruition, its proposal led to the collapse of the Israeli national unity government.

One of the Shamir points, however, contributed to the formulation of the multilateral track. This point emphasized the need to bring the wider Arab world into the peace process with Israel in bilateral and regional forums: "Israel calls for the establishment of peace relations between it and those Arab states which still maintain a state of war with it, for the purpose of promoting a comprehensive settlement of the Arab-Israeli conflict, including recognition, direct negotiations, ending the boycott, diplomatic relations, cessation of hostile activity in international institutions or forums and regional and bilateral cooperation."[19] While hardly startling or noteworthy at the time, some senior U.S. officials claim that this rather short section of the Shamir plan planted the seeds in their minds for the creation of a multilateral, second track of the peace process.[20] The U.S. officials reasoned that in order to convince Shamir to attend a peace conference that had the appearance of an international conference (thus satisfying Arab preferences for this type of forum), they would add a supplemental multilateral track to Madrid, keeping in mind that Shamir highly valued establishing relations with the wider Arab world with whom he had no fundamental ideological conflict (in contrast to the Palestinian track).[21]

By most accounts (American, Israeli, and Arab), the United States, spurred by an Israeli desire to broaden Arab participation in the peace process, initiated the multilateral track. The U.S. purpose in creating an additional multilateral track was to convince Israel, under the leadership of Yitzhak Shamir, that the risk for peace was worth taking.[22] The United States would sweeten the Madrid deal, which the Likud leadership feared would become what they abhorred, an international peace conference imposing solutions upon Israel, by adding the multilaterals to enhance Israel's legitimacy in the larger Arab world. Israel sought assurance from the United States that it would work to broaden Arab participation, in order to balance what Israel perceived to be the concession it was making by agreeing to such a conference. While most Arab parties were not enthusiastic about the concept (preferring an emphasis on the bilateral tracks), few could say no to an American-sponsored initiative on the heels of the Gulf War. Of course, even if Israeli-inspired, the process was crafted

by the Americans to serve U.S. purposes as well. For example, the United States considered the multilaterals an excellent tool for bringing extraregional participants (and their financial contributions) into the peace process without ceding the predominant American role in the political aspects of the process.[23] The multilateral concept also fit well with the worldviews of the key U.S. policymakers seeking a way to normalize Israel's place in the region.

It remained, nonetheless, little more than a concept. Throughout the Madrid conference, the multilateral notion had little content other than the reference line included in the Madrid letter of invitation. At the time, the multilaterals were not considered an independent process but rather were intricately woven into the larger Madrid framework. Most policymakers believed that the bilateral track would always take precedence and did not expect the multilaterals to serve as more than a cover for Shamir and a ceremonial facade for Israel to quietly establish bilateral contacts with Gulf and North African states. Moreover, the United States fostered the belief that the multilaterals were not essential by making attendance at the first multilateral conference optional—a concession to the Syrians in return for Syrian agreement to attend the Madrid conference itself.[24] Consequently, the United States diminished the importance of this track in the minds of the regional players, which led to low expectations for any future success. Even the issue areas to address multilateral problems, though listed in the Madrid invitation, were not finalized or agreed to by all the parties at Madrid. For example, although the refugee issue was listed in the Madrid letter of invitation—largely because Secretary Baker believed it needed to be addressed and expected that this would induce Palestinian participation in the process—neither the Israelis nor the Palestinians were enthusiastic about its inclusion.[25] The Israelis preferred to deal with this issue in the bilateral final status discussions. The Palestinians were concerned that the group would emphasize settling Palestinians in their present locations and thus forfeit the Palestinian quest for the "right of return."[26] Indeed, when the regional and extraregional parties were invited to Washington a month before Moscow to organize the content and procedure of the multilaterals, the sessions were contentious, particularly concerning Palestinian representation in the Refugee group.[27] With many issues left unresolved on the eve of the conference—the Palestinians even boycotted the inaugural Moscow session—many observers questioned whether this process would get off the ground, let alone continue past its first meeting.

The Moscow Organizational Session

Thirty-six parties—including Israel and eleven Arab states—participated in the Moscow multilateral organizational session in January 1992. They agreed to break into five working groups that would meet separately for the next round of meetings, and they established a steering group[28] to determine the venues, dates, and agendas of the working groups. The working groups, led by various extraregional "gavelholders," would cover five regional issues: Arms Control and Regional Security (U.S. and Russia); Regional Economic Development (the European Community/Union); the Environment (Japan); Water (U.S.); and Refugees (Canada). The groups were intended to create small-scale projects where Israelis and Arabs would cooperate on common regional problems. Decisions in all working groups would be governed by consensus, as is common in multilateral bodies.[29] This kind of cooperation was designed to increase confidence among Arab and Israeli elites (drawing on the confidence-building measures, or CBMs, from other international models, particularly the Conference on Security and Cooperation in Europe, or CSCE) and convince the people in the region that peace would provide tangible benefits. U.S. officials presented the multilaterals as a way to "address functional issues on a region-wide basis. . . . In conceiving the multilaterals, we hoped to create a web of functional interests vaulting political fault lines. . . . Early on, it was evident that for most participants the multilaterals were seen as a 'win-win' situation. All could gain, and all have."[30]

At the early stages, creating this "web" of common interests appeared more attainable in the project-oriented Environment, Economic Development, and Water working groups than in the politically-charged Arms Control and Refugee groups.[31] Indeed, most American policymakers did not harbor great expectations for the durability of the overall process or its ability to produce tangible outcomes. From the outset, for example, the multilaterals excluded Iraq, Iran, and Libya, while Syria and Lebanon chose not to attend the Moscow session or any subsequent multilateral meetings. Yet these states will ultimately have to be included in a regional process given their centrality to many of the issues under discussion, particularly regional security and water. Moreover, controversy over Palestinian representation[32] led to both Palestinian and Israeli boycotts of working group sessions during the first year of the process, undermining the confidence-building nature of the talks and signaling difficulties, even for the

less controversial Environment and Economic Development working groups. Funding sources for the working group projects were also not well-defined at the outset, despite regional expectations for multibillion dollar grants, creating a significant obstacle to implementing many regional projects.[33] But most importantly, the American sponsors and the regional participants understood that the bilateral process would always take precedence and believed that the multilaterals could never outpace the progress achieved in the bilaterals.[34] The central concern was the bilateral peace tracks.

Consequently, despite the high-level official participation at Moscow, the senior U.S. Mideast policymakers did not focus on the multilateral track after its inaugural session. They had achieved their primary goal—getting Shamir to join the Madrid process and gaining wide Arab acceptance of Israel as a negotiating partner. As Secretary of State Baker observed in the concluding Moscow session, the multilaterals could "be a complement and can be a catalyst for the bilateral talks and for progress in the bilateral talks" but, "of course, the bilateral talks remain the heart of the peacemaking process."[35] [See appendix A for the full text of Baker's address.] Any benefits from the multilateral track, if it survived, would be what one top official called "gravy."[36] With little attention paid to its potential implications, responsibility for the multilateral track moved—both symbolically and literally—from the seventh floor of the State Department (home to the Secretary's suite of offices) to the working-level officials in the Near East Affairs and other bureaus addressing the functional issues included in the process. In parallel, many of the Arab participants hoped that their attendance at the Moscow session had satisfied the United States, and that the process would not materially progress after its symbolic purpose at Moscow was fulfilled. As one Israeli participant observed, it was not resolved "how much [of the process] was fig leaf and how much was real."[37]

Why They Came

Given the centrality of the bilateral tracks and the uncertain purpose of a regional multilateral track, why did regional parties agree to join this additional peacemaking forum? The simple answer is that the United States wanted them to come and encouraged broad regional participation in this

process. While this explanation is satisfactory for participants like Saudi Arabia who simply could not refuse a U.S. initiative on the heels of the Gulf War, the calculus of other states was more complex. This is especially true because of the nonparticipation of the Syrians and Lebanese,[38] raising the stakes for those who did participate. Thus, the following review of motivations regarding a multilateral process reveals the ambivalence of regional actors in participating in such a forum.

Israel

Israel was the main promoter of a regional track which could enhance Israel's integration into the life of the region and foster relations with Arab states that did not sit on its borders. Since its birth in 1948, every Israeli government had sought international and regional acceptance of its existence as a sovereign and legitimate state in the international community. This quest for recognition led consecutive Israeli governments to demand that Arab states sit down face to face with Israel in direct, bilateral negotiations and to shun international conferences that would allow Arab states to avoid recognizing the Jewish state while imposing solutions upon it. The Likud party, in control of the government through Madrid and Moscow, was particularly wary of international conferences, especially those that involved the Europeans, who it felt were pro-Arab, and international organizations like the U.N., considered sympathetic to the Palestinians. The Israelis were also concerned about the original U.S. design of the multilaterals, which established two baskets (modeled on the CSCE), one on security and one on "human resources." In the Israeli view, such a structure highlighted the arms control issue (leaving room for Arab pressure on Israel) and limited the points of contact Israel could establish with its Arab counterparts, which was its primary motivation for attending the talks. The Americans were largely responsive to these Israeli concerns, as the final structure of the multilaterals illustrates.[39] Thus, despite some initial concerns, Israel favored the multilateral track, particularly since it was able to influence the structure of the forum. The Moscow conference allowed Israelis to sit down with Arab neighbors for the first time to discuss issues of region-wide concern. They could return to the Israeli people and tell them that the fruits of negotiating with the Arabs were paying off. Finally, they would become a recognized state in the region without, in their opinion, paying too high a price.

Egypt

Egypt, as the only Arab state at peace with Israel at the time, was expected to participate in the multilaterals. Given its close and critical relationship with the United States (and its annual receipt of over $2 billion in foreign aid), Egypt was especially unlikely to upset the United States by rejecting what then seemed like a harmless initiative. Moreover, the low-key nature of the multilaterals tempered likely domestic resistance to normalization with Israel that was widespread among Egypt's intellectual and professional elite. Some observers believe the Egyptians expected the process to develop not into real multilateral cooperation, but rather into a framework perpetuating an Arab bloc-vs.-Israel mentality. Egypt, it seems likely, expected its leadership position in the Arab world to be enhanced by this process, as it could capitalize on issues like Israel's nuclear weapons to rally other Arab states behind Egyptian leadership.[40] The multilaterals also seemed to provide a forum for the Egyptians to keep actively engaged in Arab-Israeli peacemaking as their role in the bilateral tracks diminished. And finally, there were substantive incentives stemming from regional projects that would involve and benefit Egypt directly—incentives, along with U.S. pressure, that kept them in the process long after they believed it benefited Israel more than themselves.

Jordan

With few natural resources, a small population, and a developing economy, Jordan favored regional cooperation efforts. Jordan's readiness to make peace with Israel and include it in joint projects to develop the region was no secret. In fact, for many years Jordan had engaged Israel quietly in cooperative ventures both in the security and water realms. Even before Madrid (in March 1991), Crown Prince Hassan proposed a plan for regional cooperation efforts based on the CSCE.[41] Jordan also hoped to use the process to rebuild its strained relations with the Saudis and other Gulf states in the aftermath of its taking a pro-Iraqi position during the Gulf war. The multilateral nature of this track also provided Jordan—and other small regional states—with leverage against larger Arab powers like Egypt. Finally, the Jordanians wanted to ensure that their bilateral interests with Israel were represented at the conference, enjoying the cover of a large number of international participants, which Jordan believed bolstered the Arab position in negotiations with Israel.[42]

The Palestinians

Because of disagreements over the makeup of their delegation, the Palestinians boycotted the first organizational meeting in Moscow. While the Palestinians accepted restrictions on their participation at Madrid (namely, no diaspora Palestinians or PLO representatives), they insisted that these restrictions did not apply to the multilaterals because of the nature of the issues it covered, particularly the Refugee group.[43] The Palestinians were also concerned that the pace of the multilaterals not surpass gains at the bilateral level, arguing that Israeli normalization should await resolution of the Palestinian-Israeli conflict. In the words of the Palestinian delegation head to the bilateral talks, Dr. Haidar Abdel-Shafi, "I don't see that these multilateral talks are very relevant in the face of no progress in the bilateral."[44] Other Arab states shared this concern and Syria boycotted these talks (along with Lebanon) for this reason.

Despite this rocky start, the Palestinians had several reasons for ultimately joining the multilaterals and playing an active role in several of its working groups. Perhaps the most important objective for the Palestinians was to utilize this forum for gaining recognition from the international community and other regional participants—especially Israel—of their national cause and desire for equal status as a core player in the region. Indeed, the ultimate compromise concerning Palestinian participation allowed for tacit Israeli-PLO contacts[45] and then, after Oslo, to a distinct and active Palestinian delegation with an equal voice in the process's decision-making. Moreover, some Palestinians have noted the qualitative difference in dealing with the Israelis at the multilateral level, where they felt empowered by the extraregional presence, as opposed to at the bilateral one, where they still felt patronized by their Israeli counterparts.

Aside from providing the Palestinians with the intangible benefits of international and regional legitimacy, the multilaterals also offered a practical opportunity for the Palestinians to engage the extraregional participants and make the case for bilateral assistance to the territories. In some cases, as in the Regional Economic Development Working Group (REDWG), the Palestinians were the central item on the agenda. For example, one of the earliest REDWG projects was the commissioning of a World Bank study on the development needs of the Palestinians. This study laid the ground work for the donor conference that took place in Washington, D.C., in the aftermath of Oslo, where the international com-

munity pledged $2.4 billion to Palestinian development.[46] Many of the regional projects proposed in the other working groups—particularly Water and the Environment—included Palestinian areas in their development plans. The Refugee group's primary focus was on how to improve the standard of living of Palestinian refugees in the region, although it left the contentious issue of right of return for the bilateral Israeli-Palestinian final status talks.

The Gulf Cooperation Council (GCC) States

The Persian Gulf War underscored the acute security threats the GCC states (Saudi Arabia, Kuwait, Qatar, Oman, Bahrain, United Arab Emirates) faced and their subsequent inability to confront them without significant foreign, and particularly American, support. The failure to create an Arab security regime drawing on Egyptian and Syrian forces after the war only enhanced the Gulf's dependency on American power to secure stability in their subregion.[47] Therefore, security regimes proposed by the United States were viewed more favorably—even if they involved Israel—especially if they provided an additional security umbrella against "rogue" forces in the region like Iran and Iraq.

However, the Saudis were the least receptive to the idea, which not only was problematic because of the inclusion of Israel, but also because of the status it gave the small Gulf States, whom the Saudis preferred to control within the Saudi-dominated agenda of the GCC. In addition, the Saudis were concerned about pressure for financial assistance, the possibility that human rights would creep on to the agenda, and that the process would move faster than progress on the Israeli-Syrian track, with which they were most concerned.[48]

Yet for the other Gulf states, the process proved far more appealing. The multilaterals gave them equal footing with the Saudis and even a degree of independence, as their hosting of multilateral events that brought Israeli delegations to their countries for the first time demonstrates.[49] The multilaterals not only provided a forum for the smaller Gulf states to gain leverage against the Saudis, it also provided a mechanism of anchoring the United States into the region, which was viewed as an essential inevitability despite domestic costs. Thus, the Gulf states acknowledged that working with Israel in the multilaterals was one way to enhance American involvement in their subregion.

The Maghreb

The Maghreb states who joined the multilaterals—Algeria, Mauritania, Morocco, and Tunisia—were primarily concerned with the economic agenda of the process, with the possible exception of Tunisia, which played an active role in the ACRS working group. Algeria's principal concern was with ways the multilaterals, particularly development projects, could abate its internal problems, while Morocco focused on the prospects for developing tourism in the region. The Moroccans also used this regional forum to advance their bilateral relations with Israel, with which they had long conducted secret talks; Morocco was among the first of the peripheral Arab states prepared to normalize relations with Israel. While Tunisia proved to be more active generally than the other Maghreb states outside the Economic group, its primary interest in the process was originally economically motivated.

Explaining the Origins of the Multilaterals and Its Working Groups

Regional Demand and Domestic Environments

A variety of incentives led regional parties to participate in the initial stage of the Arab-Israeli multilateral talks, but no regional party demanded the multilaterals as a condition of their participation in the Madrid process. Israel presented the greatest demand for such a forum in order to gain widespread Arab recognition as a legitimate state in the region. Arab parties demonstrated a variety of interests in the establishment of such a forum. Some Arab motivations were, in fact, contradictory. For instance, while Egypt saw the process as potentially reputation-enhancing, many smaller Arab states perceived an opportunity to limit the power of their larger neighbors and exert greater influence under the multilateral umbrella than was possible in smaller inter-Arab frameworks.

Regional parties were not, however, uniformly in favor of this process. Saudi Arabia agreed to attend largely because of U.S. pressure. Others were cautious about their participation given Syria's strong opposition to the multilaterals from the outset. Indeed, following the Moscow organizational session, the Syrians criticized the multilaterals and placed continued pressure on other Arab parties to boycott the process. As a government-run daily

in Damascus asserted over a year after the multilaterals were established, "Israel is trying to exploit those negotiations to attain its old/new goal of cost-free normalization with the Arabs. We must recognize that the multilateral negotiations were a fatal Arab mistake. These negotiations did great damage to the general Arab position."[50] Other Arab participants, particularly the Palestinians—as their boycott of the Moscow session indicates—were also displeased and cautious about the role of the multilaterals in the context of the wider peace process, and were persistent in their demands that the multilaterals not overshadow the bilaterals. Arab leaders also believed that public opinion opposed normalization with Israel before there was progress on the Palestinian track, and this served as a counterweight against Arab support for a regional process including Israel. Indeed, the multilaterals' low profile was largely a response to Arab sensitivity about engaging in unprecedented cooperative processes with Israel, particularly considering that the working groups were formed well before the Oslo breakthrough in Israeli-Palestinian relations.

And even the Israelis, the primary regional backers of the multilateral proposal, expressed ambivalence about its undefined agenda and open-ended nature in terms of Palestinian and international participation, leading to Israeli boycotts of two of the working groups' (Economics and Refugees) first sessions in the spring of 1992. Shamir himself understood the benefits of a regional forum for Israel but was not deeply committed to the notion of a multilateral track if it jeopardized his more central interest in the makeup of the Palestinian delegation at Madrid. Israeli domestic opinion enthusiastically welcomed Arab recognition of Israel but was not pushing for greater Israeli inclusion in the Arab world through regional forums. The Israeli public, too, was preoccupied with developments in the bilaterals, particularly the bilateral relationship with the Palestinians.

When turning to the formation of particular working groups, we also see that regional demand and domestic political concerns cannot fully account for the origins of the process.

Arms Control

In the arms control arena, neither Arab nor Israeli participants were enthusiastic about creating a new negotiating forum for regional security issues. The overall Arab view was one of caution, with particular concern that ACRS should not outpace progress on the bilateral tracks. The Gulf states

were also concerned about the implications of regional arms control on the flow of arms to their subregion, particularly in the wake of the Gulf War. And while the Israelis were not opposed to ACRS, they sought to downplay its importance as compared to other working groups.

Moreover, the pre-Madrid arms control efforts underscored the considerable gap between Arab and Israeli positions on regional arms control, creating concern and uncertainty for both sides as they entered the ACRS process. Because no party clearly envisioned how ACRS would develop, it is difficult to discern a clear interest in forming such a multilateral forum. No party believed that ACRS would make security cooperation cheaper and easier or that other security alternatives (particularly traditional bilateral security options) were not preferable. In fact, regional behavior indicated a strong preference for bilateral security arrangements and skepticism toward multilateral security forums.[51] So why bother if regional participants perceived better ways to provide for their security?

When turning to the domestic orientations of the regional actors, we find no serious internal political or economic pressures for multilateral security cooperation in either Israel or any Arab state. If anything, we find the opposite. Initially Israel, under the leadership of Yitzhak Shamir, was in fact wary of the ACRS group, fearing it would turn into a forum for Arab pressure on Israel on the nuclear issue with international backing. While a cadre of Israeli elites within the Ministry of Defense began to recognize the need for Israel to engage in regional arms control, the overall Israeli attitude toward arms control forums was one of suspicion and caution. As for the Arab parties, all faced tremendous domestic resistance to cooperating with Israel in the regional context before the Palestinian issue had been resolved. If anything, cooperating with Israel prematurely on regional issues was a source of vulnerability for Arab regimes, not a source of strength.

Furthermore, while both Arabs and Israelis were increasingly concerned about the costs of arms buildups relative to domestic economic development, none viewed even a successful regional arms control process as a replacement for unilateral defense requirements or one that could relieve them of the defense burden. There is little evidence that incentives to scale down military spending in order to channel investment into economic development (the so-called peace dividend) translated into greater demand for regional arms control.[52] Despite economic problems and growing deficits in Arab regimes, including oil-rich Saudi Arabia, major arms sales continued as the search for alternative (and cheaper) global suppliers became an active

pursuit.[53] The Gulf states in particular were wary of an arms control process that would threaten their arms purchases by calling for arms reduction, becoming more cooperative in ACRS only when it was clear that arms reduction was not on the agenda. Domestic economic constraints still left alternatives open other than regional arms control, including the search for alternative arms suppliers or less costly defense and deterrence-based strategies, which did not require multilateral coordination.[54] From the perspective of domestic politics focusing either on regime stabilizing considerations or domestic economic conditions within states, the evidence would not suggest the establishment of a regional security process involving Israel.

Economic Cooperation

A similar story emerges in the economic area. Neither the Arab parties nor Israel expected great economic gains from such a forum. In addition, both sides enjoyed many alternatives for economic development that were preferable from efficiency and economic standpoints.

The central economic interests of the Arab states lie outside, rather than within, the region, with the unique exception of the Palestinian case. This holds even without the inclusion of Israel in the intraregional trade equation, with intra-Arab trade among the core peace process parties (Egypt, Jordan, the Palestinians, Syria, and Lebanon) even lower than trade among these parties and Israel.[55] Intraregional goods trade in the Middle East accounts for only a small percentage of total trade conducted by the region's states, a mere 6.2 percent.[56] Intraregional nonmineral-fuel trade is also remarkably low at only 6 percent.[57] And while labor movements among Arab states (primarily to oil-producing states in the Gulf) were substantial in the 1970s and 1980s—18 percent of the labor force of the exporting countries (Egypt, Jordan, Lebanon, Syria, and Yemen) worked in the Gulf in the early 1980s[58]—the combination of falling oil revenue and the Persian Gulf War led Gulf states by the mid-1990s to replace the Arab work force with Southeast Asian labor. Moreover, the labor-exporting (non-oil-producing) states pursued protectionist economic policies during these decades, which limited the prospects for competitive exports that could make their way into the lucrative Gulf markets, further reducing intraregional trade prospects. However, some economists argue that the low level of economic integration in the region, particularly among Arab parties, is not just the result of poor economic policies or external crises, but may be the result of economic

causes that do not naturally lead the region into a trading bloc.[59] While Middle East states (Turkey excluded) may have some limited complementarity (specializing in goods sought by other regional states), overall the regional picture is one of competition, with most regional parties pursuing their economic interests in the large European and North American markets. As an IMF working paper summarizes, "Despite favorable geographical and cultural elements, the MENA [Middle East and North Africa] remains remarkably unintegrated. . . . Intra-regional trade is small, tourist and labor flows are skewed, and private capital transactions remain limited. . . . There has been very little effective regional economic policy coordination."[60] Considering that Arab parties have had little interest or success in facilitating trade and economic integration even among themselves, we would expect them to have harbored even less interest in fostering economic relations with Israel, especially before all political issues were settled.

The Israelis also had no inherent economic interest in regional cooperation with Arab states, contrary to widespread Arab fears of Israeli hegemonic designs.[61] Israel could gain some limited benefits from increased trade with the Arab world. For example, industrial products like cement could be transported more cheaply to its neighbors than abroad. Services like tourism, computer technology, construction, and water planning are also ripe areas for enhanced cooperation, as the multilaterals demonstrated.[62] Joint ventures drawing on the cheaper labor market in Arab states such as Jordan, and Israeli access to European and American markets through its Free Trade Agreements are also potential lucrative areas for cooperation.[63]

Still, Israel's primary markets and economic interests remain in Europe, the United States, and more recently in Asia, not in the developing Middle East. As the former Israeli deputy secretary for economic affairs asserted, "Israel's trade with the EU makes up 50 percent of its overall trade. We also trade with the United States, Japan, and several other countries in the Far East. I do not believe trade between Israel and the Arab countries will rise above 10 percent *even if peace is established in the region*."[64] Israeli Deputy Foreign Minister Yossi Beilin also did not hide Israel's limited economic interest in the Arab region, explaining, "Theoretically, we have the option of not getting into the Middle East game. . . . The potential for trade with the Middle East is not great—perhaps several hundred million dollars, but not much more."[65] Moreover, with Israel quickly becoming a high-tech economy, Europe, the United States, and Asia look far more attractive than the Arab world, and not just because they serve as key export markets. As

one economic analysis explains, "The U.S., Europe and Asia provide the strategic alliances, suppliers, merger and acquisitions targets, and financing of Israel's high-tech needs."[66]

Yet despite these limited economic interests, Israel held a political interest in promoting cooperation and viewed REDWG from a political, not an economic, perspective. Beilin understood this dilemma well: "There is a problem with saying, 'OK, if you [Arab states] are afraid of us, we don't see our economic future as traders in the Middle East. If you don't want our business and are afraid of us, then we will go our own way..' . . During all those years when they argued that we were an alien element . . . we claimed a place in the region. Now that we have made peace, by choosing not to trade with our neighbors we would remain an alien element."[67] Israeli interest in REDWG was thus political from the outset, as was its desire to establish regional economic institutions that would facilitate its political more than its economic integration into the region. Moreover, promoting economic development in Arab states became an Israeli interest because of the widespread belief that development promotes political stability. Thus, from both the Arab and Israeli perspectives, the interest in and prospects for regional economic cooperation in order to serve narrow economic interests were minimal if not entirely absent when REDWG was established, leaving open the question of why and how such a process was initiated.

Finally, an economic explanation implies that the choice for a cooperative forum or institution is the result of its being the most efficient way to satisfy mutual interests in the given issue area. This logic is undermined by the existence of alternative, efficient solutions. Indeed, at the time of REDWG's creation—and during negotiations over establishing the institutions that sprang from this process—several alternatives for regional economic development were available and preferable from an economic efficiency-based calculus. Some of these alternatives—such as bilateral and subregional economic cooperation schemes[68]—were considered and eventually pursued in the wake of the Israeli-Palestinian and Israeli-Jordanian peace accords.

But by far the most preferable alternative for successful regional economic development according to many economists is unilateral economic reform by states in the region. According to an IMF working paper on the scope of regional integration in the Middle East and North Africa region, while increased regional interaction and cooperation can bring some economic gains to the region, these gains are limited and are subordinate to

policy changes *within* these states. As the paper observes, "Rather than set as their first economic policy priority the goal of regional integration, MENA countries should focus on domestic policy reforms and the associated process of greater integration into the world economy."[69] A study group of economists from Harvard University and regional participants analyzing economic cooperation in the Middle East came to a similar conclusion.[70] While the group found that Arab-Israeli peace and enhanced regional economic cooperation in projects like tourism, hotels, and joint airports carried many potential economic gains for regional parties, most of the participants stressed the greater need for domestic policy reform if regional states were to truly realize a peace dividend.[71] Recognizing the importance of regional, Arab-Israeli projects for primarily political purposes, many economic observers still prescribe domestic policy reform as the most viable long-term solution to low growth and high unemployment in the region.[72] Thus, fostering regional economic cooperation among Arabs and Israelis was a *choice* rather than an efficient response to economic demands of regional parties whose economic needs might have been better met by alternative policies.[73]

Domestic demand for economic cooperation was also not evident in the region, with both Arabs and Israelis concerned about different aspects of the process. From the Arab perspective, normalizing ties with Israel was a risky proposition. Important Arab participants, like Saudi Arabia, were not enthusiastic about entering this process and made it clear they were not willing to pay its bills. The Syrians continued to apply pressure to other Arab participants to stay away from cooperative ventures with Israel before bilateral disputes had been settled. The Arab private sector was particularly hostile to normalized economic contacts with Israel, and the Arab press also reflected this anti-normalization stance, as the substantial literature on Israeli economic hegemony illustrates.[74] As for Israel, REDWG was established during the tenure of an ideological Likud government (led by Yitzhak Shamir), which boycotted the first session because of the Palestinian representation issue. Israelis were suspicious of European intentions as gavelholder of the working group, fearing European designs to gain a foothold in the peace process rather than foster regional economic development. While Israeli public opinion strongly favored normalization and acceptance by its Arab neighbors, most Israelis, and particularly the Israeli business community, did not demand deep economic relations with the Arab world. Key domestic constituencies had to be coaxed into the economic cooperation process by government officials for the sake of the peace process, a position that the

private sector ultimately embraced.[75] And, like the general multilateral process, neither Arab nor Israeli publics were familiar with this process, excluding the possibility that these publics created a pressing demand for it.

Water and Environment

The primary argument that we would expect to account for the creation of the most "functional" working groups of the multilaterals would be a regional-interest explanation. (I do not consider domestic politics here because they played virtually no role in these particular issue areas). According to such an argument, the regional parties' shared interests in addressing water scarcity and environmental threats should lead to expectations for mutual gain by cooperating in these spheres. Moreover, the creation of a regular forum for regional interaction would have made cooperation on these issues easier and more efficient to maintain, and reduce transaction costs by dealing with these problems regionally as opposed to bilaterally. For example, setting up a regional desalination plant—bringing in more financial resources and expertise—is theoretically a cheaper, more efficient way to develop such technology, which would be more limited and expensive at the bilateral level. Indeed, of all the issue areas, both water and the environment lend themselves to regional solutions that in many ways fit a contractual approach to cooperation. The interests and benefits of cooperating in such a forum are less ambiguous than in the case of either arms control or economic development.

But this argument faces a serious limitation. If interests were so strong in demanding such a regional solution to these issue areas, why didn't a similar type of multilateral forum emerge much earlier? An interest-based approach neglects the political environment and the power brokers who are often necessary to bring about cooperative arrangements. These external forces are critical in understanding why new cooperative forums emerge when they do, and why they might assume a particular shape or format (e.g., multilateral) rather than another (e.g., bilateral or trilateral). Indeed, other alternatives that would have satisfied regional demands and interests in solving common problems more cheaply and more readily through cooperation were possible after the Gulf War. For one, tacit bilateral or trilateral (Israel, Jordan, and the Palestinians) cooperation on water was possible among riparian states, and would have avoided the political problem of cooperating with Israel before the Palestinian track was resolved and perhaps have proved

more efficient than the large and unruly multilateral forum that ultimately emerged. Jordan had tacitly cooperated with Israel on sharing the Jordan waters for decades, with the American-sponsored Johnston plan of the early 1950s serving as a guide despite the plan's official failure.[76] Or the regional parties could have opted for more public cooperation on water enhancement projects at the subregional level (just the Jordan River riparians) and in smaller, more technical forums under the cover of existing international conferences or scientific gatherings. For the environment, the region already had an existing forum to discuss and negotiate this issue, the Mediterranean Action Plan (Med Plan),[77] which avoided the problem of direct Arab-Israeli interaction which was still problematic before the Oslo Accord. And, of course, there was always the alternative of an inter-Arab forum or national projects excluding Israel. True, many of the regional water and environment projects would have to include Israel because of practical externalities. But, for the water issue, Israel could have been included in a different fashion and for the environment the region could have waited until all political disputes had been resolved, just as they had already waited over forty years to deal with common environmental concerns other than those covered by the Med Plan. Given that no particular environmental crisis between Israel and Arab parties initiated a sudden demand to solve these threats multilaterally with Israel, what was the rush? From a regional demand perspective, the answer is not clear.

In short, while regional participants displayed a variety of interests in engaging in the multilaterals, neither Arabs nor Israelis demanded their establishment and all were equivocal at best about the value of cooperation in the various issue areas on its agenda, leaving regional demand as an insufficient foundation for explaining its origins. The diffuse regional interests—not to mention the numerous regional forces working against the formation of a multilateral process—were not sufficient to create a regional multilateral forum that included Israel.

The Altered Strategic Environment

A traditional power argument would point to the external environment, or the altered regional and international balance of power in the early 1990s, as responsible for the emergence of Arab-Israeli cooperation. Indeed, the developments leading to the Moscow conference demonstrate that the al-

tered international and regional environment did make such a forum possible and thinkable in the minds of both American and regional elites. But pre-Moscow negotiations illustrate that *what was possible was not inevitable*, particularly given the variety of choice for American Mideast diplomacy in the wake of the Gulf War.

For example, the Americans could have satisfied regional parties with compromise formulas on the bilateral tracks, which is ultimately what took place (in particular, satisfying Shamir's concerns on Palestinian representation proved to be the greatest potential challenge to convening Madrid). At the time the multilaterals were conceived in the run-up to the Madrid conference, the Arab parties would have been perfectly content had the Americans left the multilaterals out of the Madrid letter of invitation, perceiving them as a political reward for Israel rather than a generator of real solutions to problems facing the Arab participants. While by Moscow Arab parties like the Palestinians recognized the utility of the multilaterals to soften the Madrid rules governing their representation in the peace process, they were originally opposed to the notion that normalization could proceed without progress on the Palestinian track. And, of course, Arab concerns about the multilaterals moving ahead of the bilaterals led to Syrian opposition to the regional forum even before Madrid.

In short, the American team did not *have* to expend the energy to create this additional peace process track, which required lengthy diplomacy by Secretary Baker. And in the end, Secretary Baker was willing to give the whole initiative up if persisting in it meant that Syria would refuse to attend the Madrid conference and the subsequent bilateral negotiations with Israel. This reveals how close the process came to confinement in American policy papers rather than becoming a new regional forum for Arab-Israeli cooperation. External shifts in power balances and strategic conditions may have bid well for some sort of Arab-Israeli cooperation, but it certainly did not dictate the formation of a multilateral process.

Moreover, the altered strategic environment offered the Americans choices other than a multilateral process as created at Moscow or no multilateral process at all. Alternative strategies were available to promote Arab-Israeli cooperation on issues of common concern that may have been more likely to succeed, such as informal subregional working groups where participants had a more substantive basis for cooperation (as in the Gulf of Aqaba area or the Jordan Rift Valley). Or the Americans could have supported quiet discussions, or even secret forums, among regional experts to

address these technical problems, without convening a large organizational session and subsequent plenary meetings that included political representatives. But these types of forums would have likely been bilateral, or trilateral, and thus would not have guaranteed the wide regional participation and Arab acceptance of Israel that the Americans sought. These types of concerns about how to organize regional relations (i.e., the importance of normalizing Israel) were prevalent among the American elites who designed this process, and who represented the official side of the Middle East policy community in Washington.

Leadership, Ideas and the Middle East Policy Elite

While traditional power arguments may be insufficient to explain the origins of regional multilateral cooperation, other variants of power do play a role. In particular, U.S. leadership is the primary force explaining the origins of this process. For example, the critical participation of the Saudis was the result of the fact that the Americans were willing to use the capital they generated during the Gulf War to "encourage" reluctant Arab parties to attend a multilateral forum that did not intuitively serve narrow self-interests. As a senior American official put it, the United States carried a lot of "chits" in the wake of the Gulf War that "we wanted to cash in on."[78]

The United States exercised not only its structural leadership (or willingness to exert influence based on its prominent position in the region), but also intellectual leadership, insisting on a multilateral process because of firmly held beliefs about how the region should be shaped. Again, the exertion of power does not tell us as much as the motivations and worldviews of those elites representing the dominant power and their ideas about the goals and objectives that their power can bring about. In this case, these goals were more concerned with intangibles like Arab acceptance of Israel than with maximizing the power position of the United States. Thus, what matters is *who* exercises leadership, and the ideas of those leaders.[79]

This is not to say the Americans served no narrow interests by creating the multilaterals. For example, the multilateral track enabled the United States to get the Europeans "out of the way" in terms of core peace process issues (i.e., the bilaterals), giving them control over the Economic working group from which the United States expected very little. The economic substance of the multilaterals was of minimal concern to top policymakers,

who were more concerned with getting Madrid and Moscow off the ground than with the agendas of the working groups. Moreover, bringing the Europeans and Japanese into the process would help pay the peace process bills without sacrificing the prominent U.S. position as mediator in the bilateral talks.

Nonetheless, including these extraregional parties in the peace process entailed some risk that expectations would be raised, leading to more aggressive, and unwanted, intervention by European powers. The Europeans were particularly problematic because of Israel's—particularly Shamir's—strong distrust of their ability to serve as neutral interlocutors given their perceived bias toward the Arab position. It is also questionable whether the Americans needed the multilateral track to draw on European funds and support for the Madrid process, which could have been targeted as bilateral progress necessitated (such as the appeal for European and other international funding for the Palestinians in the wake of the Oslo Accord).

Thus, the normative aspect of American diplomacy cannot be ignored. The American elites who structured the Madrid and Moscow conferences were committed to Israeli normalization into the Arab world and believed it was worth capitalizing on a revived peace process to create a forum that would enhance this goal. But how were these ideas transmitted, and how did they become so influential in shaping American policy? To understand the role of ideas, we must also specify the agents who carried and transmitted them, who in this case were a small group of policy elites responsible for Middle East policy in the executive branch.[80]

The policymakers in the Bush administration who shaped the Madrid and Moscow conferences were not principally partisan political elites but rather foreign policy professionals who had served successive administrations (Democratic and Republican) and had well-developed views about the Arab-Israeli conflict and the requisites for its resolution (namely, the importance of Arab acceptance of Israel in order for Israel to make peace). The nature of this group of elites mirrored larger changes in the American foreign policy establishment that began with the National Security Act of 1947, which substantially increased the size and power of the executive branch, a trend which only accelerated in the wake of the Vietnam War and Watergate. This growth led to a professionalized foreign policy establishment, where intellectual credentials, not social status, were the valued commodity. As Nelson Polsby explains,

> What do we mean by professionalization? John Foster Dulles and Dean Acheson came to their concerns about foreign affairs through their families: Acheson's father, born a Canadian, was a bishop in the American branch of the Church of England. Dulles began as secretary to his uncle, Robert Lansing, who was secretary of state in the Wilson administration. These were among the last of an old guard. Today specialists in foreign affairs have Ph.D.s or at least extensive explicit training; even Henry Kissinger, born in Germany, and Zbigniew Brzezinski, born the son of a Polish diplomat, had to do graduate work and write dissertations on their way to participation in foreign policy-making. . . . Foreign policy specialists are being recruited to the entourages of presidential candidates based on brains; the loyalty comes later. That's professionalization.[81]

The subset of this establishment, the Middle East policymaking elite, has evolved in a similar fashion. The old American elites responsible for Middle East policy were largely the same men who dictated other facets of American foreign policy: a group of "wise men" who came from business backgrounds and tended to view the Middle East through the prism of American oil interests.[82] To the extent that Middle East "specialists" were found in the pre-Nixon era, they were located in the Bureau for Near East Affairs at the State Department (representing the so-called "Arabists") and earned their expertise largely from living in the region.[83]

Increasingly, however, the nature of this policy community has changed, as a growing number of Middle East specialists came from Ph.D. programs and from more diverse backgrounds (including American-Jewish officials). Since the 1967 Arab-Israeli war in particular, a new type of policy community emerged which, despite disagreements over tactics and even strategy, shared an intellectual and normative commitment to solve the Arab-Israeli conflict. The ideas these policymakers hold about Arab-Israeli relations stem from shared understandings of the conflict formed both by common interpretations of history and through interactions among these elites in forums and seminars, such as those sponsored by Washington think tanks. While many of the Middle East policymakers are Jewish (explaining in part their initial interest in the peace process), their religion does not dictate their beliefs concerning Arab-Israeli peacemaking, nor do these beliefs stem from individual, cognitive biases. Rather, the ideas held by these elites were for-

mulated through social interaction, education, and experience, leading to their shared intellectual understanding of the region.

Specifically, these policymakers—some of whom were studying in Israel during the 1973 Yom Kippur (or October) War—interpreted the lessons of the conflict in similar ways: namely, that to ensure Israel's security and to end the conflict, a peace deal had to be made with the Arab states, and the United States would play a critical role in such a deal. Moreover, unlike their "Arabist" predecessors, the new set of American Mideast policymakers did not view close relations with Israel as a liability when negotiating with Arab states, nor did they believe that the United States could support Israel at all costs. As one observer of the American Middle East policy community observed: "They [the American Middle East policymakers] all arrived at the same conclusion: A settlement will be achieved not by squeezing Israel, as Arabists advocate, nor by coddling Israel, as the Zionist lobby might like, but by cajoling the Jewish state to take 'baby steps..' . . Or to take an 'incrementalist' approach, a term [Dennis] Ross prefers."[84]

At any given time over the last twenty years, a segment of this community has occupied critical official positions in the U.S. government, particularly the State Department and National Security Council.[85] Consider the following members. Dennis Ross wrote his doctoral dissertation on Soviet decision-making and, before his high profile position in the Clinton administration as special Middle East peace coordinator, held positions at State, Defense, and the NSC in the Reagan and Bush administrations. Ross was particularly influential in forming American policy after the Gulf War, serving as the director of policy planning in the State Department at the time. As a member of Secretary Baker's "inner circle,"[86] Ross was behind many of the administration's foreign policy initiatives, including the Madrid and Moscow conferences. Ross "represents a permanent establishment that influences government while presidents come and go. Less partisan and ideological than many of the appointees who come to town with each new administration, these foreign policy professionals are critical to many decisions but function almost entirely out of the spotlight."[87] Ross's earlier writings reveal his emphasis on establishing Arab-Israeli dialogue as a means to build trust and confidence, ideas which he would later introduce when conceiving the multilateral track of the peace process.[88] Because of Ross's influence in successive administrations, his ideas about Arab-Israeli peacemaking were critical in the formation of American policy in the region.

Others who worked with Ross in the Bush and Clinton administrations shaped the intellectual agenda based on their own expertise and the lessons from previous U.S. experience in the peace process. Assistant Secretary Edward P. Djerejian joined Baker's inner circle when he took over the Near East Affairs Bureau in late 1991, becoming "one of Baker's top peace process strategists, along with Dennis Ross. . . . According to insiders, Djerejian and Ross direct a small cadre of experts assigned to the Middle East peace process."[89] Raised in Queens, New York, by Armenian immigrant parents from Turkey, Djerejian represents the "new breed" of Foreign Service Officers (FSOs): he served in Lebanon, Morocco, Jordan, and Syria, and was also trusted by the Israelis, who viewed his experience in Syria as an asset to the peace process.

Another key player, Daniel Kurtzer, similarly challenged the traditional characteristics of the policy elite with his ability to gain the trust of both Arabs and Israelis, having served in Arab capitals and Israel, speaking Arabic as well as Hebrew. As one of the key architects of Secretary Shultz's policy toward the PLO in the Reagan administration, Kurtzer also brought a good deal of continuity to the Bush team, and continued to serve in the Clinton administration, including as the U.S. ambassador to Egypt. Like the other top Mideast policymakers, Kurtzer studied the Middle East in graduate school, earning a doctorate from Columbia University. Aaron Miller, one of the chief architects of the Madrid peace conference (and a close associate of Dennis Ross in the Bush and Clinton administrations), received a Ph.D. in Middle Eastern studies from the University of Michigan and is the author of numerous books and articles on Palestinian nationalism.

Similarly, Martin Indyk wrote his dissertation on the Camp David peace process and founded the influential Middle East think tank, the Washington Institute for Near East Policy, before his entry into government in the first Clinton administration. Indyk's think tank provided an arena where members of the Middle East policy community, both in and out of government, would convene and conceptualize American policy in the region. Indeed, Dennis Ross authored the Washington Institute's first policy paper. Indyk's think tank also organized study groups comprised of important members of the policy community who would issue influential reports. One such study group included many of the officials who would serve in the Bush and Clinton administrations and provided a blueprint for an Arab-Israeli peace that influenced future peace process diplomacy.[90] Other reports emphasized the importance of confidence-building among Arabs and Israelis and the

importance of Arab acceptance of Israel in order to facilitate the bilateral peace process, ideas which became an important rationale for the multilaterals.[91] Indyk subsequently entered government as President Clinton's NSC adviser on the Middle East and then as U.S. ambassador to Israel and assistant secretary of state for Near East affairs.

Thus, a professionalized community of American officials responsible for Middle East policy developed and led to continuity in American policy in this region and commonly held beliefs about how to resolve the Arab-Israeli conflict. This institutional memory also gave these policy elites tremendous influence over U.S. policy regardless of the president or secretary of state in power. The emergence of the multilateral process is a reflection of this group's larger vision about how to reshape regional relations in order to bring about an Arab-Israeli peace. Most critical to this vision was a belief that Israel had to gain acceptance in the Arab world (thus demonstrating to the Israeli public that peace with the Arabs was possible and genuine) in order for Israel to make the concessions necessary for a lasting peace (i.e., concessions on the Palestinian track, including land in the West Bank and Gaza). The idea of creating a multilateral process stemmed from these fundamental conceptions about how to resolve the Arab-Israeli conflict.

Senior U.S. officials responsible for negotiating the Madrid and Moscow conferences perceived the multilaterals less as a forum for solving regional problems than as a "conditioning process" whereby Arab parties would get used to Israel acting as a normal player in the regional landscape, in settings that provided opportunities for direct interaction. According to this logic, just including Israel in a regional multilateral process would "change the climate" in the region.[92] As a senior U.S. official explained, the Americans viewed the process in terms of its "psychological impact" more than by its ability to produce substantive results across various issue areas.[93] The issue areas were *chosen* by the United States to serve larger political interests in efforts to resolve the Arab-Israeli conflict. Thus, the groups were not, initially, intended to solve the substantive problems on the agenda. They were intended to facilitate Arab-Israeli political accommodation. The groups were created because the American sponsors valued their political purpose, and pushed such cooperation forward even against the wishes of some regional players. As another senior official involved in the negotiations explained, the idea of the process was to "make normative" the notion that Arabs and Israelis could talk to one another, legitimizing this interaction by establishing a new negotiating framework.[94]

In this way, American ideas about Israeli political integration into the larger region shaped the structure of this process, creating a broad regional forum where North African and Gulf states would join the core Arab parties in a cooperative process that included Israel. In American minds, only an event on such a broad and unprecedented scale would fulfill their notions of how the region needed to be reshaped in the aftermath of a war that afforded them the opportunity and tools to carry out this vision.

Summary

The altered international and regional strategic environment in 1991–92 made a cooperative Arab-Israeli process thinkable and more likely, but it in no way necessitated a new multilateral peace track to address regional issues, particularly not one on such a broad scale as that established at the Moscow organizational conference. Nor can regional preferences fully explain the origins of this process; if anything, they should have worked against its establishment both in general and across the specific issue areas included in the process. To understand the origins of the multilaterals, one must search for forces outside the region—namely, in Washington, D.C.

The Americans who created this process were a small group of influential elites responsible for U.S. policy in the Middle East who were part of a professionalized foreign policy establishment that brought significant continuity to American policy in the region. By creating a multilateral peace track, these elites served normative interests, particularly the notion that for Israel to be accepted into the region as a normal player, a process had to be established with the widest possible regional participation, even if more modest subregional arrangements could have produced more substantive results in the issue areas under discussion. The originators of the multilaterals thus were not concerned with the substance of the working groups or what would ultimately emerge from them. In their minds, any tangible cooperative projects in particular issue areas would be "gravy," but certainly not the primary rationale for expending American leadership to launch a new multilateral process.

First and foremost, the process was created to foster Arab acceptance of Israel. In an indirect way, the Americans hoped the multilaterals would facilitate a regional atmosphere where bilateral peace treaties would stand a better chance of success. That the process went beyond this original purpose

and produced a multitude of regional forums, some of which endured despite a number of serious crises on the bilateral tracks, was unexpected. The multilaterals would proceed to produce many surprises, both positive and negative, as the following chapters will illustrate. But the subsequent development of the multilaterals should not cloud the fact that the process was initiated by forces and individuals outside the region with particular visions of a future Middle East.