

# Breaking the Mideast Deadlock

## II. The Prospects

“The impasse between Israel and the Palestinians is complete. Palesinians support the PLO, which offers no program Israel could possibly accept. Israel, in turn, refuses to deal with the PLO. And under the occupation, Palestinian political expression has been carefully controlled or suppressed.”

*Israeli*



Stephen Shames

The “game of nations” in the Middle East has many players, and most of them see the stakes as very high. So high, in fact, that they will accept virtually any risk to attain their national goals. This is true of the two nations whose local conflict serves as the focal point for a complex network of interests and antagonisms, Israeli Jews and Palestinian Arabs, each claiming national rights in a single territory. It is no less true of the imperial states. The major oil producers can hardly remain aloof from the local conflict, whatever the private preferences of their ruling groups. Consequently, the structure of power in the industrial world is sure to be affected, and may even be determined, by the outcome of the conflict.

It is a simple matter to sketch a “scenario” that ends with the destruction of the local contestants or even with the century’s third and final World War. The “confrontation states,” Egypt and Syria (with Jordan a reluctant partner), realizing that their occupied territories will not be regained through negotiation and political accommodation, may move towards war as their only option, particularly under conditions of domestic unrest. In a state of heightened tension, Israel might strike, sensing that the issue is survival. The pattern of October 1973 is not likely to recur. The government of Israel, isolated internationally and facing a worsening power balance, may find itself unable to sustain an arms race against an adversary of unlimited wealth. Under such circumstances, a pre-emptive strike may seem the only reasonable move, whatever the consequences.

To cast a wider net, consider the interests of the United States. A fundamental principle of American policy is that the incomparable energy reserves of the Middle East must be under the control of the United States and its international oil companies, or at the very least, that its industrial competitors not gain privileged access to these reserves.

by Noam Chomsky

With only a slight exaggeration, one might take this principle to be axiomatic. The United States will tolerate the kind of formal "nationalization" that leaves processing and distribution in the hands of U.S.-based energy companies, but is hardly likely to accept steps that seriously challenge these arrangements. The threat of military intervention is, no doubt, intended as a mild warning to this effect.

Significant Russian penetration of the oil producing regions would almost certainly lead to general war, but quite apart from this remote eventuality, the United States is not likely to permit a new relationship between the oil producers and other capitalist industrial societies on a scale that would challenge American global hegemony. Since World War II, a primary goal of U.S. foreign policy has been to ensure that Western Europe and Japan remain under its effective domination. This global system would be seriously threatened by significant bilateral arrangements between the state capitalist industrial societies and the oil producing states. In the aftermath of the October war, tentative steps in this direction were opposed by the United States, which insisted on a "united front" under its control. Furthermore, the U.S. government will try to ensure that the American-based energy companies amass sufficient profits in the latter stages of the petroleum-based economy so that they will dominate the next phase (coal, nuclear energy) as well.

[STATUS QUO SCENARIO]

Suppose, then, that Saudi Arabia, which is the centerpiece of the drama, were to pressure the United States to compel Israel to withdraw from the occupied territories. If the pressure were serious, the United States would have two choices: to yield, or to take control of some significant part of the Arabian oil reserves by force, a risky move with unpredictable consequences. The United States has no standing commitment to Israeli occupation of the territories. Support for virtual annexa-

tion was a temporary policy, instituted seriously when Kissinger took control of Middle Eastern affairs in 1970, but abandoned as a guiding principle when the October war demonstrated the falsity of its major premise—that Israel's power in the region was beyond short-range challenge. At that point, with his policy in ruins, Kissinger naturally began to consider again the abandoned Rogers Plan. If there is serious pressure from the oil producers, it is likely that the U.S. would pressure Israel to withdraw, as in 1956.

How would Israel respond? That depends on the nature of the American pressure. Since 1967 Israel has adopted policies leading, quite predictably, to international isolation and total dependence on the United States, a dangerous gamble for a small power. It is in no position to resist American orders. If the American position were strong and clear, Israel would be forced to comply. But there is likely to be a measure of disunity within the American government on the matter, and recognizing this, Israel might move to cement the American alliance, on which it now depends for survival, in quite a different way. A successful Israeli military strike might provoke the Soviet Union, and even hesitant moves or warnings on its part will bring U.S. intervention in force, given "axiom one of world politics" as just outlined. An Arab oil embargo or production cut-back might have the very same result; an Israeli pre-emptive strike might even lead to direct invasion of the oil-producing regions to prevent or reverse such moves. In either case, Israel would have succeeded in restoring the American alliance—to be sure, at the risk of nuclear war. So the government of Israel might reason, faced with the alternative of withdrawal to the 1967 borders.

None of these possibilities is unlikely. Each carries the risk of destruction for Israeli Jews and Palestinian Arabs—and if they cannot live together, then they will be destroyed together, given the context of their local conflict. The possibility of a general war is not small. As long as Israel occupies the territories taken in 1967, these and

Jack Madvo/U.N.R.W.A.

*Palestinians*



other related prospects will never be remote.

For the moment, the Arab oil producers are not pressuring the United States to compel Israeli withdrawal. The rulers of these states have an indirect stake in Israeli power, which stands as a barrier to Russian influence and to a potentially disruptive radical Arab nationalism, though at the same time the Israeli occupation of the territories contributes to both of these undesired consequences. The interstate relations are thus complex. Saudi Arabia is no less hostile to Iran, but is satisfied to have Iranian forces engaged in counter-insurgency on its borders in Dhofar. Its relation to Israel is in some ways similar. Saudi Arabia made no effort to use its immense potential power to dislodge Israel from the occupied territories, through the medium of the United States, prior to the October war. And even in October 1973 it delayed 11 days before agreeing to join in anti-U.S. measures. At that point it could hardly refrain, short of abandoning any claim to represent the forces of Arab nationalism, taking whatever consequences this might entail for radicalization of the Arab world. Saudi Arabia would prefer to remain an American client state, and will take no initiative to threaten American power unless compelled to do so by forces that it cannot control, as in October.

Thus it is possible to imagine that the current Israeli-American policy will succeed for some time. Under this policy, Israel will try to negotiate some kind of separation-of-forces agreement with Egypt, thus neutralizing its southern front, while intensifying efforts to incorporate the West Bank, the Gaza Strip, and the Golan Heights within an expanded Israel. Possibly some form of home rule will be offered to the local Arab population. Israel would then be free to continue its military operations in southern Lebanon. Standing alone, Syria can only watch in silence. Oil prices will remain high, but for the United States this is not an unmitigated disaster. The U.S. is harmed far less than its industrial rivals, and it gains directly through the vastly

increased profits of the American oil companies. As Michael Tanzer observes, "one key effect of the changes in the international oil industry is a drastic shift in economic power from Western Europe and Japan to the United States."<sup>1</sup>

True, Saudi Arabia and the Gulf states will amass tremendous capital reserves, but as long as they remain American client states, the problem is no doubt manageable. Saudi Arabia may become the financier of global reaction, not unlike the Czar a century ago, or to take a closer analogy, like the United States after World War II. The decline in American global hegemony has compelled the United States to seek assistance in managing international society and repressing revolutionary nationalism in the vast areas that have not escaped its control. Other powers have sometimes been hesitant; witness the difficulties faced by the United States in arranging international support for the Saigon regime. But now the United States can impose a virtual tax on its reluctant allies by means of the price of petroleum. Saudi Arabia may become, in effect, a more manageable World Bank to which all powers must contribute; thus it will serve American imperial interests, which generally coincide with its own. Saudi Arabia has already granted the World Bank a loan of \$750 million, by far the largest in the Bank's 25-year history.<sup>2</sup> It may also act directly under the American aegis.

Quite apart from this, a vast arms flow to the region and new investment opportunities partially offset the negative impact of oil prices on the U.S. economy. Russia understands very well the fundamental principles of American policy, and is unlikely to pose a serious threat to the U.S.-dominated system. Its primary concern is détente and management of its own imperial domains. No other outside power can pose a serious challenge to a *Pax Americana* in the region. Thus it is not inconceivable that the current order may remain for some period.

*(Continued on page 58)*

*Israelis*

Stephen Shames



*California Politics:*

# The Riddle of Governor Jerry Brown

*The following is the first of a two-part series on the new Brown Administration in California. This installment centers on the unusual character of the Governor and his appointees. The second will assess the policies and programs, and their prospective significance for the state and the nation.*

A note of perplexity, not to say exasperation, marks most of the daily reporting on California's new Governor, Edmund G. Brown, Jr.—“Jerry,” nearly everyone calls him—and the rather unconventional state administration he is still putting together. Brown is typically referred to as “paradoxical,” “enigmatic,” a “complex young man.” Some writers and commentators simply note that Brown is “an intellectual,” as though that explained the elusiveness and singularity of his personality and temperament. Unkinder critics say that he is “inconsistent,” that he “doesn't know his own mind,” that he wants “to have things both ways” or that he hasn't yet decided where he wants his administration to go. The term “arrogant” appears frequently in connection with Brown and his appointees. More and more one hears the complaints that the Governor and the important members of his staff are inaccessible, that they keep their own counsel, and that therefore legislators, bureaucrats, and representatives of major groups do not know what the Administration has in mind, where it is going, what its priorities are. The Administration is not getting a good press. There is little affection in the legislature for it or for its leader. The lobbyists speak of Brown with loathing and one soon tires of their heavy-handed jokes about the youth, gender, and

sexual proclivities of the men and women of his staff and Administration. The new governor is not having much of a honeymoon.

What is the problem? For one thing, the State of California is in trouble and there is doubt about just how much government, state or federal, can do about it. If California really is a kind of national barometer, the economic slide has a long way to go before it “bottoms out.” That is a long and complex story and will be treated more fully later, but it does at least bear on those observations about the enigmatic and paradoxical character of the Brown Administration. In almost everything Brown has said and done to date, in his former public office, as candidate for Governor, and in his two months as Governor, he has signalled a commitment to reform, to movement, to significant change. That, in addition to the fact that he sponsored and fought for political financing reform, that he is the son of a former Democratic liberal governor, and that his associates and appointees have a decided leftward slant, has stereotyped Brown as a liberal Democrat. There is a stereotype of the liberal Democrat as social engineer, as advocate of active, interventionist government, who through prodigies of legislative enactment pumps money into the economy to help to right it and also to redistribute income, achieve racial justice, thwart the rich, help the poor and the sick, encourage education and the arts, put the unemployed to work through bold and inventive environment-protecting and enriching programs, and generally usher the people across new frontiers into the great society. All of these possibilities had been dammed up throughout the protracted and brutal lustrium of Reagan. Brown, the liberal Democrat, would surely open the floodgates; there would be a torrent of new legis-

by Francis Carney