

Material related to “Forecasting Israeli-Palestinian Relations,”
by D.A. Sylvan, J.W. Keller, and Y.Z. Haftel,
Journal of Peace Research, 41(4), July 2004, pp. 445-463.

Translation of “levels of analysis debate” or issue of “driving forces” into specific variables

Let us re-emphasize two points we made at the outset of this article. First, the degree to which the structure of the international or even the regional system dictate what transpires between Israelis and Palestinians is of interest to us, as is the degree to which both the state or unit and individual Palestinian or Israeli leaders have a major influence on future “outcomes” between Israel and Palestine. Also note that the article to which this website refers addresses these issues by first identifying specific variables and paths associated with arguments at each of the three levels. Then, we will see both what a group of experts believe are the most influential variables, and what some empirical evidence supports as more influential paths. The first of these two tasks is accomplished by running sensitivity analyses on the model, which in turn is based on expert opinion. A sensitivity analysis is an examination of each of the model’s paths to see which changes in which variables have the most impact on the output of the model (i.e., to which variables is the model most sensitive). The second is accomplished by comparing our forecasts to those empirical “results” that have unfolded prior to the writing of this paper. The very process of experts even listing variables in their conditional forecasts has a major influence on the later sensitivity analyses. In other words, if an expert does not see a variable as being significant enough to include it as part of a path leading to an outcome, there will be no variable on which to run a sensitivity analysis.

With that important caveat in mind, we will now list some of the systemic or interstate variables that we will track in the sensitivity and empirical analyses, as well as the state-unit level variables, and the cognitive and decision-making level variables.

Systemic/Interstate Variables¹:

- Economic strength/weakness of various states
- Reciprocity between actors (as a surrogate for “the nature of anarchy in the Middle East”)
- Status of the Oslo peace process
- U.S. involvement (viewing the U.S. as a hegemon)

State/Unit Level Variables:

- Government composition of each of the states in the region
- Violence levels
- Public opinion in various states

Cognitive/Decision Making Variables

- Leadership style of individual political leaders
- Perceptions of leaders concerning such subjects as existential threats, other leaders, and influence of other states

A more specific tracing of these variables can be found in Table 1.

¹See Gause (1999) for an argument behind concentrating on this set of systemic/interstate variables.

Table 1: Model Drivers and their Levels, by Outcome

Outcome	Key Drivers/Conditions	Level of Key Drivers
two-state Solution (Outcome #1)		
Scenario #1	Israeli perception of regional WMD existential threat (O1S1)	Decision-making
Scenario #2	Israeli perception of existential threat from Islamist revolution Revolution must occur in Turkey, Iraq, or Saudi Arabia Israel must perceive that the PA will remain in control)	Decision-making System level
Scenario #3	Labor-led coalition ruling in Israel Labor PM has strong security credentials Labor has comfortable Jewish majority in Knesset	State level
Scenario #4	Benign security environment (Israel's relations with Syria & Egypt improve, plus no downturn in Israeli-Jordanian relations) Split in Likud between religious hawks and security hawks Labor-led coalition ruling in Israel	System level State level
Outcome #4, Scenario #2	U.S. minimally involved Labor comes to power in next elections, due to increased violence in Israel and West Bank/Gaza and stalled peace process under	System level State level

	Likud government	
Negotiated Agreement, Status Quo Plus Territory, Palestinian Autonomy (Outcome #2)		
Scenario #1	Peace negotiations dragging on without producing agreement Israeli public opinion restive and frustrated (but without a clear alternative) Israel is led by a Likud-Center Coalition or NUG after the next Elections	System level State level
Scenario #2	Peace negotiations dragging on without producing agreement Israeli public opinion restive and frustrated (but without a clear alternative) Strong centrist coalition with Labor PM ruling in Israel after next elections PA led by internationalizing coalition PA economy stronger than '98 Condition Israeli-Palestinian relations improved over '98	System level State level
No Negotiated Settlement, Status Quo Plus Territory, Palestinian Independence (Outcome #3)		
Scenario #1	Weak centrist coalition ruling in Israel Peace negotiations	System level State level

	<p>stalemated U.S. minimally involved Violence in Israel greater than early '98 levels Israeli public opinion increases pressure for decisive action Israeli settlers are intransigent Israel makes unilateral move to impose separation PA UDI comes in response to Israeli plan Palestinian state meets Israel's requirements concerning limited security apparatus PA public opinion accepts UDI</p>	
Scenario #2	<p>Center-Left Government in Israel No downturn in Israel's relations with Jordan and Egypt Hamas comes to play a major role in the PA government The PA is able to limit violence against Israelis for some period of time</p>	<p>System Level State Level</p>
No Negotiated Settlement, Territorial Status Quo, Palestinian Autonomy (Outcome #4)	<p>Increased violence in Israel and West Bank/Gaza (but not extreme) U.S. minimally involved PA appears incapable of providing Israelis with personal security Israeli public opinion becomes hardened against further concessions to the PA</p>	<p>System Level State Level</p>

No Negotiated Settlement, Status Quo Plus Territory, Palestinian Autonomy (Outcome #5)	Likud-Center or Labor-Center coalition in Israel Negotiations stalemated Israeli public opinion pressures leaders to end the process Israel's relations with Egypt and Jordan are improved over '98, so Israel can make a credible threat to reoccupy territories Israel argues that autonomy is final status and makes territorial concessions to PA U.S. and other non-Middle Eastern sources increase financial support to the PA over '98 levels	System level State level
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Description of Tables, Model, and Relation to IR Theory

One category or level of variables, the "Cognitive/Decision Making Variables," includes the personalities and leadership styles of individual political leaders and the perceptions of leaders concerning such subjects as existential threats, other leaders, and the influence of other states. As can be seen in Table 2, it is noteworthy that there are only a few scenarios in which these variables come into play: Outcome 1, Scenario 1 is driven by Israeli government perceptions of an existential threat from weapons of mass destruction (WMD); Outcome 1, Scenario 2 involves Israeli government perceptions of an existential threat due to an Islamic resurgence, plus Israeli government perceptions about the PA (whether it will remain in control or be overtaken by the Islamist wave). In each scenario, the perceptions of the Israeli government are key determinants of whether or not it offers the PA a two-state solution. Outcome 5 prominently features PA government perceptions of the peace process: if the PA is able to suppress extremists, then it will weigh an Israeli bid to end the process at autonomy according to the credibility of the military threat against a unilateral declaration of an independent Palestinian state (UDI). Outcome 3 also involves the perceptions of political leaders: if the U.S. does not veto the unilateral Israeli separation plan, then mainstream opposition political leaders in Israel will view this plan as a viable alternative. Several other scenarios could be viewed as including leadership variables if we take "government composition" requirements concerning specific leaders being in power as personality/leadership style variables (i.e., O1S1 says Asad must be in power in Syria, O3S1 says Arafat must be leading the PA). In

general, however, these leadership and decision making variables do not figure prominently in most of the scenarios, and take a clear “back seat” to such drivers as government compositions (i.e., whether Labor or Likud is in power in Israel), and violence levels.

The minimal importance of cognitive/decision-making variables in this set of SOWs and if-then rules regarding the future of the Palestinian-Israeli peace process runs counter to much of the theoretical and empirical work by scholars dealing with foreign policy decision making and the influence of cognitive variables on international relations. The importance of perceptions regarding the capabilities and intentions of adversaries and third parties (Jervis 1976), the pivotal role of perceptions in coercive diplomacy (George and Smoke 1989), and the influence of decision makers’ philosophical and instrumental beliefs (George 1969, Leites 1951, Holsti 1970, Walker et al., 1998), cognitive maps (Axelrod 1976), images (Herrmann and Fischerkeller 1995, Cottam 1994), and problem representations (Sylvan 1992, Sylvan and Voss 1998) on policy behavior have each been noted by IR scholars. Perhaps the central insight contributed by such scholars involves the lessons of the cognitive revolution in psychology: in order to explain behavior, it is necessary to go beyond objective features of the situation as causal drivers, to explore how these objective factors are variously interpreted and reacted to by decision makers who use heuristics, schemata, and scripts, and who come to the situation with a range of preexisting beliefs, images, and motives.

In several places throughout the forecasts concerning Palestinian-Israeli relations, these lessons appear to have been ignored. “Objective” changes in violence levels, public opinion, or the regional security environment are seen as driving the policy behavior of states, rather than decision makers’ perceptions about these variables, which may or may not be in accord with the “objective realities” (if such realities are measurable; in some cases they may not be). For example, Outcome 5 states that if Israel’s relations with Egypt and Jordan improve, it can make a credible threat to reoccupy the territories in case of a complete breakdown or a Palestinian UDI, and it will therefore accept increasing degrees of Palestinian autonomy. This sounds plausible, but as George and Simons (1994), Jervis, (1976), and others have noted, the credibility of a deterrent threat is ultimately best measured according to the perceptions of the decision makers in the state which is the target of the influence attempt.

In other words, if we seek to explain behavior, it is misleading to come up with objective criteria according to which threats will presumably be recognized as credible; rather, it is necessary to consider how the targets of the influence attempt are actually perceiving the threat in question: it may be perceived as very credible to most observers, but not to the target, or the target may consider the threat credible, but not costly enough to deter action. Additional examples of the (perhaps unconscious) discounting of the role of perceptions include numerous instances in which objective changes in the government compositions of regional states, relations among these states, or violence levels are seen as driving states’ policy behavior (particularly Israel’s actions vis-à-vis final status).

For example, according to Outcome 1, Scenario 4, Israel is said to face a “benign security environment” if its relations with Syria and Egypt improve, if its relations with Jordan are equal or better than those of 1998, and if the PA is successful at controlling opposition in the territories. Several consequences are said to flow from this benign security environment, including a split within Likud over non-security issues, the return of Labor to power, and Israel’s offer of a two-state solution. In several scenarios, an increase in violence in Israel and the West Bank/Gaza is linked directly to such outcomes as a) Israel refusing to continue the Oslo process (Outcome 2, Scenario

1), b) Israel undertaking a unilateral move to impose separation (Outcome 3, Scenario 1), and c) Likud losing power and being replaced by a Labor-led government (revised Outcome 4, Scenario 1), while *no increase* in violence levels (over 1998 levels) is seen as an important condition for such outcomes as Israel's offer of a two-state solution (Outcome 1, Scenarios 1-4) and Israel's acceptance of a Palestinian UDI (Outcome 3, Scenario 2).

In short, a range of specific policy consequences are assumed to flow rather unproblematically from a set of presumably obvious "objective" changes in violence levels and the regional security environment. Instead of government *perceptions* of a benign vs. threatening security environment or of increased vs. status quo violence levels driving policy behavior, the situational features themselves are presumed to be recognized and responded to in a rather uncomplicated fashion. Research on heuristics, schemata, and images suggests, however, that the link between situational features and their perceptual encoding (and subsequent translation into policy behavior) is anything but uncomplicated. Such scholars might point out that while violence levels may remain "status quo" in terms of numbers of casualties, a particularly high-profile attack or a violent event that is perceived as especially salient by decision makers (for any number of reasons) might make the "effective violence level," in terms of the perceptions which decision makers will act upon, much higher than the objective measures would indicate. Or the decision makers comprising the ultimate decision unit with the authority to commit state resources (whether that be a single, predominant leader or a small group) might perceive their regional security environment to be more benign or dangerous than an "objective" analyst would conclude; and of course it is the authoritative decision makers' views which matter for policy choice.

There is an important, alternative argument concerning why perceptual and cognitive variables do not play a prominent role in this model: the nature of the research design. Since the major building blocks of the model were scenarios, those scenarios did not necessitate making cognitive constructs explicit. In a group predisposed to agree with cognitive explanations², they may have been assumed rather than stated in each scenario.

While there appear to be several instances throughout the rules in which the importance of perceptions is unduly slighted, it may be that the scholars in question simply left their assumptions about decision making processes unstated, while implicitly including them in the model. For example, an increase in violence against Israelis leads the Israeli government to discontinue the Oslo process *if Likud is in power* (O2S1), and an internationalizing coalition coming to power in the PA plus an improvement in Israeli-PA relations leads to an Israeli offer of a two-state solution *if a strong centrist coalition with a Labor Prime Minister is in power in Israel*. The fact that these outcomes are contingent upon the type of government that is in power in Israel may be indicative of underlying assumptions our scholars have made about the beliefs, motives, and values of the decision makers who comprise the various political blocs, and consequently, assumptions about how these groups of decision makers will perceive, and respond differently to, the same "objective" situational changes.

Having addressed the issue of how the model's sensitivity analysis relates to some cognitive

²If one looks at the membership of the expert group (listed earlier), one will see that many (e.g., Stein, Herrmann, Sylvan, and Lebow) have focused much of their academic work on cognitive and political psychological aspects of foreign policy.

and decision-making theory, let us now address other areas of international relations theory and their relationship to the results of the sensitivity analysis.

Realist theory

Realism and neorealism are two prominent systemic theoretical perspectives³. While they are not the only systemic approaches (Marxism, for instance, is clearly a systemic level theory), one cannot analyze systemic theories satisfactorily without reference to realism and neorealism. Neorealists, who believe that features of the international system such as power distributions and alliance patterns drive interstate relations, would likely disagree with the heavy weight given, in the model, to domestic-level drivers such as government compositions, domestic violence levels, and public opinion⁴. However, they might argue, as some of our project contributors have, that the regional security environment faced by Israel (and the PA) serves as a permissive cause that allows or prevents certain actions from being taken. That is, if there is a benign security environment, and consequently no strong systemic constraints or pressures, then Israel might be free to allow its policy toward the PA to be driven by domestic forces (See Wolfers, 1962). Neorealists would also probably agree with the argument, advanced by some in our group, that the power differential between Israel and the PA would necessitate the PA's acceptance of virtually any two-state solution offered by Israel. Those realists who have sought to incorporate perceptions of threat, rather than simply power, into the explanatory mix, would be pleased with several of the rules in the model. For example, Outcome 1, Scenarios 1 and 2 are both driven by the Israeli government's perceptions of an existential threat; this is closer to Walt's (1987) "balance of threat" theory than Waltz's (1979) "balance of power," in that Israel is seen to balance (internally, by freeing up resources to deal with the threats) against threats in the region, not simply to counteract changes in relative power positions.

Public opinion:

Public opinion is, in general, a factor most appropriately tied to state or unit level theories. There are two issues related to the model's treatment of public opinion that deserve some attention: the determinants of public opinion, and the policy consequences of public opinion. In terms of its determinants, a great deal of theory and research⁵ has shown that public opinion responds to a vast array of factors, ranging from media framing and priming to elite influence to "real world" events (though the public's access to information about such events is often filtered by the media, elites, etc.). The model's rules regarding the determinants of public opinion appear too simplistic in several instances, given what we know about the complexities of public opinion formation. For example, "If the Palestinian UDI comes in response to an Israeli unilateral move to impose separation, then

³See, e.g., Thudicydes (1996), Morgenthau (1948), and Waltz (1979).

⁴Some realists and neorealists, it should be noted, argue that their theories only apply to interactions among great powers. Therefore, such scholars might well argue that their premises are not necessarily applicable to Israeli-Palestinian relations.

⁵Important contributors from among the voluminous literature on this topic are Russett (1990) and Nincic (1992).

Israeli public opinion will accept the UDI," while "if the PA UDI is not in response to an Israeli unilateral move to impose separation, Israeli public opinion will reject the UDI." Or, "if no new negotiating positions emerge in the peace process, then Israeli public opinion will view the status quo as unacceptable." These rules may indeed be accurate, but the public opinion of various states appears to be driven rather mechanistically by events in the model; additional "ifs" related to media framing or elite influence might improve the explanatory power and theoretical basis of these rules.

The second issue relates to the link between public opinion and foreign policy. Once again, the relevant theory and research is very complex.⁶ Yet once again, the rules envision public opinion affecting policy in a rather straightforward way: "If Israeli public opinion accepts the Palestinian UDI and the Palestinian state meets Israel's basic requirements concerning limits on security apparatus, then Israel will de facto accept the Palestinian state and deal with it but not recognize it." The assumption among our contributors may be that this is such a key issue and the communication channels are so open on the issue that public opinion would affect Israeli policy in this straightforward fashion, but the fact that this and other rules envision public opinion having a direct influence on policy seems to gloss over some of the complexities that research on this subject has uncovered.

Two-level games:

Two-level games include the state or unit level. They are, by definition, cross-level. By most interpretations, the game is state versus system level⁷, although state versus decision-making level could also be consistent with a two level game analysis. The importance of domestic-level variables such as government composition, the strength of the governing coalition, public opinion, and violence levels in driving many outcomes, and the connections drawn between domestic level and interstate level variables fits very well with what we know about "two-level games" in international negotiation and bargaining (Putnam, 1988). For example, the model specifies that certain types of governing coalitions in Israel and in the PA (both the composition and the strength of these coalitions) will be amenable to different sorts of compromises and deals vis-a-vis final status, and many outcomes are predicated upon a "match" between the types of governments in power in Israel and in the PA. This is an implicit recognition that international negotiation is not simply a process of two heads of state hammering out agreement at the international level; instead, each leader's "win set" is shaped by the unique constellation of domestic political forces from whom any agreement must win approval. One example of this would be Yassir Arafat's use of Israeli demands to confront his domestic opponents. Similarly, a two-level game calculation can be found during times where Arafat encourages increases in Palestinian violence. This can be seen as a calculation having an impact on both the frustration level of Palestinians and Israeli public opinion, government

⁶That theory and research notes that the relationship between public opinion and foreign policy is moderated by such variables as the issue area, the salience of opinion among different segments of the public, the political power of these various segments, the beliefs of decision makers about the role of public opinion, the channels through which public opinion is expressed to decision makers, and the type of regime under consideration.

⁷The use of "levels" here refers to different "audiences" with which a decision maker is engaged, in contrast to Singer's (1969) explication of "levels of analysis."

composition, and bargaining stances. Similarly, Sharon can be seen as trying to outflank Netanyahu at the same time as he attempts to send a message to Palestinians.

Intersection between systemic and state level variables

As we have already mentioned, the model lends credence to the importance of state/unit level variables. As such, it echoes recent IR scholarly works that call for the relaxation of the state as a unitary actor and to a combination of systemic level and domestic level variables (Milner, 1998; Risse-Kappen, 1995; Moravchic, 1997).

One important structural distinction is between democracies and non-democracies. It is widely perceived that non-democracies, and particularly authoritarian Third World states, resemble the unitary actor model. For instance, Risse-Kappen categorizes such states as *state-controlled* domestic structures (1995:23). In this type of states, decision making is concentrated in the hands of one or few individuals, and the foreign policy reflects his or her personal beliefs and preferences to a very high degree. Our model seems to agree with these theoretical expectations, when assigning little weight to public opinion, interest groups, and political parties in most of the Arab states, including (with some exception) the Palestinian Authority.

A caveat is in order here. One important problem of the domestic structure literature is its emphasis on democracies and developed countries. As a result, many times this literature takes the institutional primacy of the state as a given, and then goes on to make various distinctions such as presidential vs. parliamentary, executive dominance vs. parliamentary dominance (Milner, 1997), 'strong' vs. 'weak' (Katzenstein, 1978; Hall, 1986; for a more sophisticated version, see: Risse-Kappen, 1995). This literature tends to ignore the problematique of the *state itself* as a legitimate institution in many third world countries, and the need of rulers to legitimize their authority and to eliminate competing social institutions. As Ayoob put it, "in most Third World states there are competing foci of authority, usually weaker than the state in terms of coercive capacity, but equal or stronger in terms of legitimacy" (1992, 66). This, in turn, leads to greater domestic insecurity for the ruler, which Ayoob defines as "vulnerabilities that threaten to, or have potential to, bring down or significantly weaken state structure, both territorial and institutional and regimes" (1992, 65). One implication of this theory is that transitional times in authoritative state are especially vulnerable to the new ruler and open to domestic challenges. If this is true, then one can expect that in such periods leaders will turn to such activities as domestic state building, repression of political opposition, and co-optation. These steps will be seen as means to enhance their legitimacy, at the expense of other issues, such as international cooperation. Moreover, the desire to legitimacy may well push the new leader to 'rally around the flag', which operates to decrease the likelihood of international cooperation.

These expectations are strongly supported by the model. In several scenarios, the death of an Arab leader is expected to lead to a period of legitimacy enhancement on the expense of more cooperative policies with Israel (the death of Arafat and the death of King Hussein in O2S1, the death of Asad in other scenarios). In light of the current trend of 'shift changing', this issue seems to be very relevant to current Middle East politics. The replacement of senior Arab leaders by their sons already took place, in Jordan, Syria and Morocco. The life expectancy of other Arab leaders, especially Arafat, is also a key issue. In short, both the domestic structure literature and our model predicts that transitional period in various Arab countries will make cooperation with Israel more

difficult, at least in the short term. Longer-term expectations seem to be contingent on the ability of the new leaders to bring domestic stability and to legitimize their authority. These expectations is also supported by empirical test we conducted below with respect to the Jordanian policy making before and after King Hussein’s death.

As a democratic country, the politics of Israel are captured better by the domestic structure literature. Following Risse-Kappen, Israel can be defined as a ‘*stalemate*’ domestic structure. That type of state is characterized by comparatively strong state facing strong social organizations in a highly polarized polity and a political culture emphasizing distributional bargaining.” (1995, 24) As the epithet reveals, policy making is very difficult in such political systems, while “decision blockades are expected to occur frequently.” (Risse Kappen, 1995:24). These expectations are corroborated by Helen Milner, who argues that the more divided the government the less likely international cooperation is (1997:224).

As Milner points out, these expectations can be contrasted with what she calls the ‘Schelling conjecture’. That is, the more divided the domestic political system over a specific issue, the more leverage the policy maker has in an international bargaining situation (1997:68). The second hypothesis posited by Milner (which is not at all surprising) is that the more ‘dovish’ the executive the greater the likelihood of international cooperation (1997:236-7).

By and large, our model corresponds to these expectations to a very high degree. First, the identity of the executive, i.e. ‘dovish’ for Labor and ‘hawkish’, is critical to the political outcomes. Most of the more cooperative outcomes, and particularly a two state solution, can be obtained only under Labor government (the exceptions have to do with existential threat). In contrast, the model expects Likud governments to end up with a non-cooperative outcome (O2S1). More interestingly, the model also corroborates the second hypothesis. According to the model, Labor government can reach an international agreement only when it enjoys a comfortable Jewish majority in the Knesset (O1S3, O2S2). In other words, even though the Labor can create a minority coalition that is supported only by left-wing parties, which in turn will allow it to reach an international agreement that closer to its original political preferences, it knows that it will not be able to ratify such an agreement in the Knesset. Hence, in order to overcome the fragmentation and political stalemate the government needs to incorporate the preferences of more ‘hawkish’ social group. This leads to a less cooperative outcome relative to a ‘dovish’ unitary actor (Milner, 1997:234).

TABLE 3: ALL REPORTED MEETINGS OF KINGS HUSSEIN AND ABDULLAH (INCLUDES MEETINGS OF JORDANIAN KING WITH NON-HEADS OF STATE)

All Meetings				Only Meetings with Heads of State			
Month	West	Arab	Other	Month	West	Arab	Other
1 September 1997	4	4	1	1 September 1997	2	3	0
1 October 1997	1	3	0	1 October 1997	0	3	0
1 November 1997	4	1	0	1 November 1997	3	0	0

1 December 1997	3	1	1	1 December 1997	0	0	1
1 January 1998	10	3	0	1 January 1998	0	3	0
1 February 1998	2	3	1	1 February 1998	1	1	0
1 March 1998	4	3	0	1 March 1998	2	3	0
1 April 1998	9	4	1	1 April 1998	5	4	0
1 May 1998	2	3	0	1 May 1998	0	1	0
1 June 1998	5	1	0	1 June 1998	2	0	0
1 July 1998	1	4	0	1 July 1998	0	2	0
1 August 1998	3	1	0	1 August 1998	1	1	0
1 September 1998	0	2	0	1 September 1998	0	0	0
1 October 1998	1	0	0	1 October 1998	1	1	0
1 November 1998	1	1	0	1 November 1998	0	1	0
1 December 1998	0	0	0	1 December 1998	0	0	0
1 January 1999	3	3	0	1 January 1999	2	3	0
1 February 1999	2	4	0	1 February 1999	1	1	0
1 March 1999	9	9	1	1 March 1999	2	7	0
1 April 1999	1	7	0	1 April 1999	0	7	0
1 May 1999	7	4	0	1 May 1999	7	4	0
1 June 1999	4	16	1	1 June 1999	2	10	0
1 July 1999	5	4	1	1 July 1999	4	4	1
1 August 1999	3	1	0	1 August 1999	1	0	0

Appendix: Overview of Model's Five Scenarios

Note: The model on which this article is based is composed of five scenarios, each focused on an outcome. What follows is an English language (as opposed to computer code) translation of the outcomes of each scenario, the key drivers in each scenarios, and the levels at which the key drivers reside.

Outcome (Outcome #1)	Key Drivers/Conditions	Level of Key Driver	two-state Solution
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Scenario #1

Israeli perception of regional WMD existential threat
Decision-making level

Scenario #2 Israeli perception of existential threat from Islamist revolution

Revolution must occur in Turkey, Iraq, or Saudi Arabia

Israel must perceive that the PA will remain in control)

Decision-making level

System level

Scenario #3 Labor-led coalition ruling in Israel

Labor PM has strong security credentials

Labor has comfortable Jewish majority in Knesset

State level

Scenario #4 Benign security environment (Israel's relations with Syria & Egypt improve, plus no downturn in Israeli-Jordanian relations)

Split in Likud between religious hawks and security hawks

Labor-led coalition ruling in Israel

System level

State level

Outcome 4, Scenario #2

U.S. minimally involved

Labor comes to power in next elections, due to increased violence in Israel and West Bank/Gaza and stalled peace process under Likud government

System level

State level

Negotiated Agreement, Status Quo Plus Territory, Palestinian Autonomy

(Outcome #2)

Scenario #1

peace negotiations dragging on without producing agreement
Israeli public opinion restive and frustrated (but without a clear alternative)
Israel is led by a Likud-Center coalition or NUG after the next elections

System level

State level

Scenario #2 peace negotiations dragging on without producing agreement
Israeli public opinion restive and frustrated (but without a clear alternative)
Strong centrist coalition with Labor PM ruling in Israel after next elections
PA led by internationalizing coalition
PA economy stronger than '98 condition
Israeli-Palestinian relations improved over '98

System level

State level

No Negotiated Settlement, Status Quo Plus Territory, Palestinian Independence (Outcome #3)

Scenario #1 Weak centrist coalition ruling in Israel

Peace negotiations stalemated

U.S. minimally involved

Violence in Israel greater than early '98 levels

Israeli public opinion increases pressure for decisive action

Israeli settlers are intransigent

Israel makes unilateral move to impose separation

PA UDI comes in response to Israeli plan

Palestinian state meets Israel's requirements concerning limited security apparatus

PA public opinion accepts UDI

System level

State level

Scenario #2 Center-Left Government in Israel

No downturn in Israel's relations with Jordan and Egypt

Hamas comes to play a major role in the PA government

The PA is able to limit violence against Israelis for some period of time

System level

State level

No Negotiated Settlement, Territorial Status Quo, Palestinian Autonomy (Outcome #4)

Increased violence in Israel and West Bank/Gaza (but not extreme)

U.S. minimally involved

PA appears incapable of providing Israelis with personal security

Israeli public opinion becomes hardened against further concessions to the PA

System level

State level

No Negotiated Settlement, Status Quo Plus Territory, Palestinian Autonomy
(Outcome #5) Likud-Center or Labor-Center coalition in Israel

Negotiations stalemated

Israeli public opinion pressures leaders to end the process

Israel's relations with Egypt and Jordan are improved over '98, so Israel can make a credible threat to reoccupy territories

Israel argues that autonomy is final status and makes territorial concessions to PA

U.S. and other non-Middle Eastern sources increase financial support to the PA over '98 levels

State level

System level