


**Modeling Peace Conferences:**  
An Application of Game Theory  
to the  
Search for Peace in the Middle East

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## 1. Introduction

The history of the Middle East is one of conflict. Groups, tribes and nations have fought over the land bordered by the Nile River Valley in the west and the Euphrates River in the east for millennia. In the last century, the struggle has continued, first among colonial powers seeking to exert influence from afar and then among rival groups claiming the right to raise crops and children in a place where they would be safe from intruders. The conflict assumed its present shape after the 1948 establishment of the state of Israel, when not only indigenous Palestinians whose homes and way of life were threatened, but also neighboring Arab governments who had ideological objections to the Jewish state, opposed its formation and expansion.

All the major techniques of modern peacemaking and diplomacy have been tried in attempts to solve the Arab-Israeli conflict. The United Nations - - supposedly an embodiment of Wilsonian collective security -- has sent mediators and passed resolutions appealing to common ideals, and in a more pragmatic fashion, the great powers have offered carrots and sticks to Israelis and Arabs alike. But while these different methods have produced several cease-fire agreements and one peace treaty, the region is still at war.

This thesis will address the question of why some peace-making attempts have come closer to success than others. It will achieve this by examining the way conflicting pressures interact to influence the decisions made by governments and people in power.

Using game theory, this thesis will analyze two separate decisions related to the peace process. The first is Egyptian President Anwar Sadat's decision to go to Jerusalem in 1977, circumventing the plans for a multilateral conference and paving a new road to peace. The thesis will investigate the

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proposition that Sadat saw that Egypt was engaged in an unwinnable deadlock game called the prisoner's dilemma, and that by traveling to Jerusalem, he changed the rules of the game and consequently, changed Egypt's possible rewards. The second decision is Israel's decision to participate in the 1991 Madrid conference, and analysis of the conference will consist of three separate games, each of which focuses on a different influence over the decision. Those influences include the explicit connection between the Palestinian delegation and the PLO, the status of Israeli Prime Minister Yitzchak Shamir within his political party, and the United States' failure to guarantee loans to Israel. Because each of these decisions touches on the way actors perceive peace conferences, the reader will be able to draw conclusions about the utility of the multilateral conference as a method of conflict resolution.

Analysis of a major, international conference seems overwhelming because a conference is an attempt to solve large and complex problems through an effort concentrated in a short, structured period of time. But despite their complexity, the problems can be broken down into a series of choices a leader make among available action options. Game theory allows for examination of each of these decisions, and nested game theory provides a way of linking the decisions into a coherent scenario.

Games are an apt tool for examining conferences, for conferences resemble games. The parameters a theoretician sets for a game are the same as those set by the sponsor of a conference. Both ask the questions, "What actors shall be included?" "What questions shall be discussed?" and "In what order shall they be discussed?" It would not be difficult to transform a list of actors and agenda items into a multi-actor game. While this exercise could

not predict what actors' preferences would be, given those preferences, it could model future interaction between the actors.

Most ambitious among the peace initiatives have been the multilateral peace conferences, in which enemies have been brought face to face in carefully regulated diplomatic sessions. These conferences were attempts to find a comprehensive resolution to the problem by addressing its many facets in a single framework. That task has proved too difficult. In some cases, the parties could not be brought to the table, while in others, they came together for a formal exchange of positions but did not make any substantive negotiations. The most successful multilateral negotiations of the Arab-Israeli conflict were the Camp David accords, which produced a successful peace treaty between Israel and Egypt, but also included resolutions on the Palestinian question which were never implemented.

This thesis will proceed by describing game theory and developing the individual games, but first, a history of the conflict and some of the attempts to resolve it would be useful.

## 2. A History of Peacemaking Attempts

Rather than beginning with Israel's formation in 1948, this paper will cover the period from the 1967 June War to the present because the territorial claims which will provide the basis for negotiation originate in the land seized by Israel in that war. Also, the Palestine Liberation Organization, which must be included in any current discussion of actors pertinent to the Arab-Israeli conflict, was formed in 1964 and did not become a force of international significance until the early 1970s.

On June 5, 1967 Israel attacked Egypt, destroying its air force on the ground. Although Israel struck first, the Arab countries had also been massing troops, and Egypt's President Gamal Abdel Nasser had committed actions which Israel said were provocative and could be considered acts of war. Syria, Jordan and Iraq quickly joined the fight against Israel. When a cease fire was declared six days later, Israel had doubled the territory under its control, having captured the Sinai peninsula, the Golan Heights, the Gaza strip, and a semi-circle of land between its borders and the Jordan River, including East Jerusalem.

The United Nations was intimately involved both in the build-up to the war and in the first peace-making efforts that followed it. On May 16, after five months of sporadic raids and retaliations between Israel and Egypt, Nasser called for the withdrawal of the United Nations Emergency Force from the Sinai. UNEF had been deployed after the 1956 war for the Suez Canal in order to "secure and supervise the cessation of hostilities."<sup>1</sup> By seeking its removal, Nasser not only prepared a place for his own troops close to the Israeli border, but also asserted Egypt's national sovereignty over an

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<sup>1</sup>United Nations General Assembly Resolution 1000 (ES-I), in Sydney Bailey, *Four Arab-Israeli Wars and the Peace Process*, New York, St. Martin's Press, 1990, p. 176.

institution that had been established by international decree. While U.N. Secretary General U Thant went to Egypt to negotiate the pullout with Nasser, he remained faithful to the principle that a United Nations force could not be stationed in a country without that country's approval.<sup>2</sup> This episode illustrates a problem that has impaired the effectiveness of peace agreements in the Middle East: the authority of the agreement is essentially subject to its being accepted by all parties involved. Even a military tool such as UNEF was rendered useless by Nasser's diplomatic action, and non-tangible instruments like U.N. resolutions are even more easily ignored by the parties they supposedly govern.

The most far reaching United Nations response to the 1967 war was the adoption of Security Council Resolution 242, which provided a theoretical and structural reference point for future negotiations but was so ambiguous in both meaning and purpose that it allowed warring states to recognize it without settling their differences. It called for peace in the Middle East under the terms of Israeli withdrawal from territory it had captured and recognition of the sovereignty of all states in the region. It also expressed concern for the settlement of the Palestinian refugee problem and the security of freedom of navigation in international waterways. There were two major uncertainties embodied in Resolution 242. First, the Israelis and the Egyptians disagreed about whether the resolution was to be considered an ideological framework for a settlement or whether it constituted the skeleton of an actual plan, with Israel favoring the former construction and Egypt the latter. These differing interpretations allowed Israel to press for peace talks without meeting the condition of withdrawal, while Egypt (and other Arab states that later

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<sup>2</sup>Report of the Secretary-General on the withdrawal of the UN Emergency Force, 26 June, 1967, in Bailey, p. 280.

recognized the resolution) considered withdrawal a prerequisite to any negotiation. Second, the resolution's writers deliberately failed to specify whether Israel would be required to withdraw from all territory it occupied or only a portion of it, thereby making that element negotiable, at least from the Israeli and American viewpoints.

The period between June, 1967 and October, 1973 was characterized by many acts of war and proposals for peace, none of which gained sufficient momentum to put a decisive end to the the Arab-Israeli conflict. Egypt and Israel engaged in repeated skirmishing that came to be known as the War of Attrition, and the power structure of the Middle East was altered when the Palestine Liberation Organization fought King Hussein for control of Jordan. The king won, and the PLO shifted its base to Southern Lebanon. There were incidents of hijacking by Palestinian groups and Israeli retaliatory violence. In the fall of 1973, the situation escalated as Israeli and Syrian aircraft fought, and Israeli officers on the country's northern and southern borders said they detected battle preparations in Egypt and Syria.

On the peace front, diplomatic action originated in sources as diverse as the United States Department of State, the United Nations, Jordan and a meeting of the Four Powers (France, England, the U.S. and the Soviet Union). Two of these -- the U.N.'s Jarring mission and the U.S.'s Rogers Plan -- highlighted contradictory elements that have precluded the implementation of a peace plan. While Sweden's Ambassador Gunnar Jarring made a concerted effort to discern the precise positions of the parties and to induce them to make simultaneous concessions, he lacked tools tools of encouragement or punishment to influence their actions, and the negotiations deadlocked. American Secretary of State William Rogers, however, was acting from a position of potential power, but he failed to lay

the diplomatic groundwork both at home and in the Middle East, and when Israel and Egypt balked at the idea of an imposed solution after Rogers' abrupt disclosure of his plan, he could neither appeal to President Richard Nixon for support nor approach them for more in-depth discussions. Both initiatives lapsed.

The October War of 1973 began with a surprise attack on Israel from Egypt and Syria, and before it was over, it involved both superpowers not only in diplomatic roles but also in indirect military roles. While the United Nations was used as the forum for declaring cease-fires, real negotiation was facilitated through bilateral contacts between the belligerents and the superpowers, especially American Secretary of State Henry Kissinger. The war ended October 26 with Israel once again in control of the occupied territories and still encircling Egypt's Third Army on three sides.

The era of negotiations from the end of the war through the signing of the Camp David Accords five years later was shaped by the work and individual personalities of the leaders involved -- first by Kissinger's aggressive management of disengagement agreements and the Geneva conferences, then by Egyptian President Anwar Sadat's solitary decision to go to Jerusalem, and finally by American President Jimmy Carter's singleminded devotion to formulating the Camp David agreement.

The conference convened in Geneva on December 21, 1973 was like a trial run for a substantive multilateral convention. While the conference itself consisted of a series of formal speeches by the participants, many diplomats argue that the fact of bringing together opposing parties is as significant an achievement as any settlements that could have been negotiated. Bailey, for example, cites U.S. Undersecretary of State for Near Eastern Affairs Harold Saunders:

Harold Saunders, who has had extensive experience of United States mediation in the Middle East, has stressed that negotiation involves two stages: persuading the parties to get round the table, and then the actual negotiations process itself. Saunders comments that diplomats and scholars tend to emphasize the second stage and neglect the first. The distinctive task of the weaponless mediator is to persuade the parties to negotiate.<sup>3</sup>

Egyptian Foreign Minister Ismail Fahmy also stated that the conference was an important achievement in spite of its lack of substance.<sup>4</sup> Whatever small purpose the gathering may have served in advancing the peace process, however, its greatest significance was a flexing of Kissinger's diplomatic muscle. The official invitation to the conference was issued by both the Soviet Union and the United States, but it was Kissinger, who, in a round of "shuttle diplomacy," garnered promises from the governments of Egypt, Israel and Jordan that they would attend. He also discussed the agenda of the conference with each country, convincing the Arab governments not to set preconditions for their attendance and promising the Israelis that their greatest concern -- participation of the Palestinians -- would not be determined before the parties all convened. In later rounds of diplomacy, such pre-conference securities would expand to include elaborate memoranda of agreement between the United States and Israel and arguments over the need for a party to recognize Resolution 242 before being allowed to attend a conference.

Disengagement talks were part of Kissinger's incremental, or step-by-step, approach to problem solving in the Middle East. Under his auspices, Egypt and Israel signed disengagement agreements for the Sinai front in 1974 and 1975, and Israel and Syria signed an agreement regarding the Golan

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<sup>3</sup>Bailey, p. 421

<sup>4</sup>Ismail Fahmy, *Negotiating for Peace in the Middle East*, Baltimore, Johns Hopkins University Press, 1983, p. 63.