Foreign policy change and transformation

Tamer Nabil Sharkawy

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A THESIS SUBMITTED IN PARTIAL FULFILLMENT OF THE REQUIREMENTS FOR THE DEGREE OF MASTER OF ARTS IN POLITICAL SCIENCE

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Foreign Policy Change and Transformation:  
The Case of Jordan 1988-1994

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The degree of Master of Arts

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ABSTRACT

The neglected concentration on foreign policy change and transformation has left a wide gap in the literature of foreign policy analysis. The problem in the field stems from intense emphasis on the independent variables of foreign policy (i.e. input and process factors) while the dependent variable (foreign policy) has been overlooked. It is important to be able to bridge the gap between the independent and dependent variables of foreign policy in order to produce a thorough study.

This thesis incorporates situational analysis and a systemic methodology for identifying change and transformation. The methodology is separated into two segments. First, incremental and comprehensive changes are separated and defined. Also, demarcation lines are drawn between the independent variables (external, internal and historical) and the intensity of each factor on foreign policy decisions. The second part of the methodology comprises the case studies under analysis. Between 1988 and 1994, we use:

- The Jordanian decision to disengaged from the West Bank (1988)
- The Jordanian resolve on the Arab Cooperation Council (ACC) (1989)
- The Jordanian decision to side with Iraq during the Gulf War (1990)
- The Jordanian-Isreali peace accord (1994).

After integrating the case studies into our indicators of change, we concluded that 1988 to 1994 was a definite transformation period for Jordanian foreign policy. In addition, the thesis acknowledged that comprehensive changes seem to mark the start and end of a transformation cycle. The broad scope of the methodology makes it possible to involve a wide range of countries with similar predicaments as Jordan. Finally, the research indicated the need for further work in the areas of change and transformation and the necessity to bridge the gap between the variables of foreign policy.
CHAPTER 1
INTRODUCTION AND FRAMEWORK

While the scientific analysis of foreign policy represents a relatively recent addition to the international relations literature, trying to comprehend the actions of an actor materialized earlier than the nation-state. As the analysis of foreign policy evolved into its second generation of academia, the study generated an eclectic assortment of methodologies and themes. The first generation of foreign policy scholars attempted to construct “the establishment of adequate intellectual foundations for a genuine analytical science.”¹ This comparative approach to the study of foreign policy prompted such significant works as Rosenau’s pre-theories (Rosenau, 1966), and Allison’s Bureaucratic models (1969, 1971). Charles Hermann points out that the early studies of comparative foreign policy fell into two broad categories.

First, many scholars based their analysis on highly generalized determinants such as: leadership personality, demographics, power, national interests, and social groups. Conversely, other scholars attempted to create ambiguous list of foreign policy determinants which were supposedly applicable to any country.² The deficiencies incorporated throughout the study of comparative foreign policy emerged and enticed scholars to alter their approach. Foreign policy analysis surfaced with the intent to correct the restrictive study of foreign policy. Neack, Hey, and Haney contend that this second generation of foreign policy analysis:

Is conducted using a wide variety of methodologies embracing a diversity of quantitative and qualitative research techniques... Second-generation scholarship rejects simple connections and considers contingent, complex interactions between foreign policy factors.³

The new approach to analyzing foreign policy initiated comprehensive methods for evaluating the numerous aspects of decision-making in the third world. Power theory, displayed by Morgenthau’s (1967) traditionalist approach, could hardly suffice in explaining the myriad of factors affecting developing countries foreign policies. Korany and Dessouki state that the analysis of developing countries foreign policies has been dominated by three approaches: the psychologistic, the great powers, and the reductionist.⁴ The psychologistic approach places the character of the single leader as the major decision making factor. Morgenthau’s great powers approach interpreted third world foreign policy as a reaction to the actions of the superpowers, thus expressing a lack of decision making autonomy. Lastly, the reductionalist approach groups all countries under the same analytic umbrella, therefore neglecting the overwhelming structural political differences between countries.

In addition to the underrepresented literature covering third world foreign policies, the study of political change has also been underdeveloped. Robert Gilpin recognized the deficiency in the literature with his 1981 book War and Change in World Politics. Gilpin states that “a precondition for political change lies in a disjuncture between the existing

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social system and the redistribution of power toward those actors who would benefit most from change in the system." The work of Gilpin ignited others to look specifically at political change and foreign policy transformation. Other significant works followed such as: Holsti (1982), Hermann (1990), and Rosati, Hagan, and Sampson III (1994). The message portrayed from the literature consistently exposes the under representation of foreign policy change for developing countries in the literature of international relations.

**Purpose of the Study**

The broad theoretical intent of this investigation involves a desired integration of foreign policy analysis, security studies, political economy, and area studies to help explain foreign policy transformation. More specifically, this project attempts to examine a developing country within a specified time period in order to explain and measure foreign policy change. The success of this project depends on choosing a country that represents many problems facing the third world. In addition, we had to select a time period encompassing diverse foreign policy decisions that produced various policies. For these reasons, the Hashimite Kingdom of Jordan between 1988 and 1994 represents a relevant case study. Jordan, a country with extremely poor resources, enclosed by stronger neighbors, and demographically diverse witnessed a variety of foreign policy decisions between 1988 and 1994. Due to these conditions, we can identify foreign policy change while generalizing our findings for countries similar to Jordan. In order to expand our scope, this project will not just list and report on Jordan's policy changes. Additionally, this project will not plug situations into foreign policy models until one

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works. Recognizing that within a country, different explanations are necessary for
different situations, this study aims at constructing a measurable indicator of change and
use theory to explain why the changes occurred.

The composition of this thesis is separated into three major sections. First, the
research establishes indicators for evaluating foreign policy change. Second, the study
will discuss four foreign policy decisions between 1988 and 1994. Finally, we must
determine the causes and extent of foreign policy changes from our findings. The four
decisions utilized for identifying foreign policy change consist of the:

- Jordanian disengagement from the West Bank (1988)
- Jordanian involvement in the Arab Cooperation Council (ACC) (1989)
- Jordanian position during the Gulf War (1990-1991)
- Jordanian/Israeli Peace Treaty (1994)

This project assumes that a grand theory of foreign policy or international relations cannot
be sufficient in explaining the different levels of foreign policy change. In addition,
situational analysis best represents the most plausible way in investigating foreign policy
change. Situational analysis stipulates that the action or behavior of an actor is a function
of the situation he confronts. Whether the situation is an internal or external problem,
the situation dictates how the country will react. Although many recurring themes are
applicable in explaining decision-making, we cannot assume that they would represent
credible explanations for every circumstance involving foreign policy changes. Snyder,
Bruck and Sapin explain the “situation” as an analytical concept pointing to a pattern of
relationships among events, objects, conditions, and other actors organized around a

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focus which is the center of interest for the decision-makers. Thus, situational analysis gives us the opportunity to apply many theories in interpreting behavior and change.

Methodology

In order to meet the criteria of this extensive project, it is necessary to create an adequate way of measuring foreign policy change. The major goals of this project rely on the success of measuring foreign policy change and explaining the reasoning behind each decision. Accomplishing these goals will require a set of indicators and an overview of many theories throughout various subfields of international relations. When looking to construct a methodology, many problems arose from the previous literature. For instance, K.J. Holsti’s work *Why Nations Realign* (1982) used a framework for recognizing foreign policy restructuring. While Holsti examines how and why countries restructure the total pattern of their foreign policy interactions, the analytical framework of the study causes problems for our investigation. Holsti acknowledges that in order for restructuring to take place there must be significant changes in:

- The levels of external involvement
- The policies regarding types and sources of external penetration
- Direction or pattern of external involvement
- Military or diplomatic commitments.

These changes result in a policy shift from one of four typologies:

- Isolation
- Self-reliance
- Dependence
- Non-alignment-diversification.

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7 Snyder, *Foreign Policy Decision-Making*, 80-81.
According to Holsti, a country would move from one typology to another with reference to the significant changes listed above. However, what happens if a country witnesses a significant change, but it does not shift to another typology? For instance in the Middle East, what happens when a country signs a peace treaty with Israel? By far, this action is a significant change and an alteration of that country’s foreign policy, however it does not necessarily mean that the country has changed all its foreign policy characteristics. Since peace with Israel is such a substantial occurrence in the Middle East, this point may only represent foreign policy change in the region, but many countries can sign peace agreements with long time enemies, and still not move into another typology. For instance, if Pakistan and India were to sign a peace treaty, this may not move each country to a new foreign policy typology, nevertheless it would indicate a sizeable change in their foreign policy orientations. With every peace treaty, there will exist a degree of change in external, military or diplomatic commitments. But as Holsti asserts, there must be significant changes in all the previous patterns to indicate foreign policy restructuring.

While researching other methods, studies comprised from massive data sets, such as the Comparative Research on the Events of Nations Project (CREON), also signified predicaments for this study. The CREON Project was a cross-national study of the foreign policy behaviors of 36 nations with the primary goal of mapping activity and seeking behavioral explanations. The rigorous development of events data sets attempt to decode the consequences of long-term foreign policy patterns. Since our research is
composed of four major decisions within a six-year period, a massive data set of variables would prove to be more confusing then beneficial. Thus, we hope to construct a methodology, which can provide simplified indicators for the scope of our project and attainable variables for our case study. We will first begin with our independent variables or foreign policy determinants.

**Independent variables**

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<thead>
<tr>
<th>External</th>
<th>Internal</th>
<th>Historical</th>
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<td>Military threats</td>
<td>Domestic threats</td>
<td>Ideology</td>
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<td>Non-Military threats</td>
<td>Economic conditions</td>
<td>Cultural</td>
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<td>Structure of previous relations</td>
<td>Political Fractionalization</td>
<td>Precedents</td>
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Our dependent variable or foreign policy change, includes the four events under investigation between 1988 and 1994. While evaluating these situations, two major occurrences characterize the foreign policy outcomes of the time period:

- Shifts in alliances (military and economic) policies
- New treaties and external arrangements (declarations, etc.)

This study does not contend that other outcomes should be disregarded from indicating foreign policy change, but due to our case study, these two occurrences highlight the most evident forms of change. However, the question remains, how are we to measure foreign policy change? For each event analyzed between 1988 and 1994, we will use the analytical framework revealed in table 1.1.

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10 Because the term Historical has so many different connotations, here we use the term as “path-depency” For a further explanation of path dependency causality can be found in Stephen D. Krasner
Table 1. **Indicators of Foreign Policy Change**

<table>
<thead>
<tr>
<th>Levels</th>
<th>Typology of Change</th>
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<tr>
<td>High</td>
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<td>Mid</td>
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<td>Low</td>
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*note:* Any other combination represents incremental levels of foreign policy change which do not necessarily result in a significant foreign policy alteration.

An avid reader may render this methodology as a crude way of interpreting foreign policy change, yet our framework does satisfy the objective of this thesis. First of all, our goal is to distinguish between actions that constitute foreign policy transformation and actions that can be classified as foreign policy interaction. Events, which signify typical response behavior, must be separated from distinguishable acts constituting foreign policy change. The methodology provides the opportunity to make this distinction. This is evident in our two typologies of foreign policy change: comprehensive and incremental. Comprehensive changes would require high degrees of external, internal and historical influence which in turn lead to a major foreign policy action. This action would be extremely difficult to withdraw due to the enormous nature

"Sovereignty: An Institutional Perspective," in *The Elusive State: International and Comparative*
of its composition. Therefore a comprehensive change would involve a break from the historical orientation of a country’s foreign policy, a decision which redefines future patterns of interaction and results in a precedent for the history of that country. Incremental changes or what we would call “business as usual” refers to governmental responses to their changing environments. Incremental changes vary in degrees according to external, internal and historical pressures, thus not necessarily causing a fundamental policy alteration. While external and internal pressures may be high enough to force a leader to act, these influences do not create the historical impact as comprehensive changes. For instance, external and internal pressures could force a leader to use foreign policy to forge alliances hoping to deflect preserved threats, however, once these perceived threats decline the leader could turn toward other alliances. This type of behavior would represent an incremental change because the actor is responding to environmental changes which do not necessitate a historical antecedent. Therefore comprehensive changes result in binding decisions while incremental changes fluctuate in accordance to the most immediate threat. Hence the major differences between comprehensive and incremental changes is the intensity of each factor and the historical relevance of the decision.

In order to better understand our typologies of change, it is necessary to draw a demarcation line between high, mid, and low levels of influence. In our study, a high level of influence would constitute an extremely volatile situation or situations requiring immediate attention and action from the leadership. High level pressure would result in a decision needed to counterbalance the intensity of the threat. Consequently, when

external, internal, and historical influences are high, the reaction facilitates a comprehensive binding result. Mid level influences capture the attention of the leadership, but falls short of immediate action. Finally, low level influences receive minimal attention and amounts to insignificant pressure on the decision-maker. The delineation between high, mid, and low are quite apparent to our internal and external determinants, but the historical factor is more complex and needs further explanation.

For the historical factor to be high, it must receive the immediate attention of the decision maker, and result in a decision establishing a new precedent for the nation. Accordingly, the leader must realize that the decision about to be taken will lead to a significant ideological, cultural, or precedent setting alteration. The level of historical influence mirrors the impact of a decision. Hence if external, internal and historical influences rank high, we know that the leader will make a comprehensive decision, thus becoming a major change in that country’s foreign policy. Clearly, the historical impact of a decision separates comprehensive from incremental changes in foreign policy. These indicators of change and our analytical framework enable others to use a variety of countries and theories to recognize foreign policy change in similar conditions as Jordan.

The second part of our methodology consists of the four foreign policy decisions under review. First, we will begin with Jordan’s 1988 decision to disengage from the West Bank. This foreign policy decision had a major impact not only on the regional level, but also domestically, in the integral societal politics of Jordan. The second decision, Jordan’s pursuit of the Arab Cooperation Council (ACC) explains a strategy used by the Kingdom to use a regional alliance to balance the threat of Israel while
fostering economic goals. The importance of this decision stems from the economic and security dilemmas facing the Kingdom at the time. The failure of the alliance, due to the second Gulf War, reinforced Jordanian convictions that regional alliances could not guarantee security and economic prosperity. The third decision, Jordan's siding with Iraq during the second Gulf War, exemplifies the complicated internal dilemmas constraining Jordanian foreign policy. Although King Hussein was pro-Western, he had to side with Iraq in order to stabilize the hostile environment that plagued his country. Finally, the shift from siding with Iraq in 1991 to signing a peace treaty with Israel in 1994 indicates a major foreign policy shift within a relatively short period of time. These four decisions are vital because they represent significant fluctuation in Jordan's foreign policy, which ended with the signing of the 1994 peace accord with Israel. The subsequent survey of previous writings in the fields of foreign policy, political economy, and security studies will reinforce our analytical framework while offering numerous decision-making arguments.

**Literature Review**

The multifaceted complexity of the Hashimite Kingdom of Jordan helps to explain the vulnerability and constraints of foreign policy decision-making. Between 1988 and 1994 Jordanian foreign policy portrayed an erratic display of decisions. Many scholars describe the 1988 decision to disengage from the West Bank as a watershed. Jordanian economic problems fostered an ACC alliance that was intended to ease increased internal dissatisfaction with the government. The Gulf War illuminated the
extent of internal forces on King Hussein’s decision-making abilities. Yet, by 1994, King Hussein was able to maneuver around public skepticism to sign a peace treaty with Israel. Consequently, the foreign policy of Jordan before 1988 had significantly transformed by 1994. In order to investigate the reasons guiding Jordan’s decisions and the development of transformation in Jordanian foreign policy, it is important to review the different theories exploring change. This literature review will serve to answer three important questions about foreign policy: what has been explained?; how has it been explained?; and what remains ambiguous.?

*Foreign Policy Analysis*

Pioneers such as Michael Brecher and James Rosenau created models for analyzing all aspects of foreign policy. Brecher’s research design for analyzing decisions in Israeli foreign policy revolved around his input-process-output model. The framework placed the ‘substance of acts or decisions’ as the output. Brecher states that his systemic, dynamic framework permits an inquiry into the cause-effect relations, as well as into the search for patterns of regularity in state behavior.\(^\text{11}\) In 1971, James Rosenau constructed a framework for the purpose of analyzing foreign policy behavior. Rosenau conceived foreign policy behavior as sequences of interactions which span national boundaries and which unfold in three stages: the initiatory, implementive and responsive. These three stages encompass the independent, intervening, and dependent variables of foreign

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\(^{11}\) Michael Brecher, *Decisions in Israel's Foreign Policy* (London: Oxford University Press, 1974), 1-6.
policy. The works of Brecher and Rosenau helped to formulate categories for defining the major input factors influencing the decision-making process. Both authors intended to provide encompassing models for foreign policy analysis. In addition, the innovative frameworks provided by both Brecher and Rosenau prompted many scholars to closely examine the impact of internal and external determinants on foreign policy.

Joe D. Hagan’s research on the “Domestic Political Explanations in the Analysis of Foreign Policy” illustrates the different effects of domestic influences on foreign policy decision-making. Hagan states that at the heart of domestic political explanations of foreign policy is the idea that leaders engage in two-level games or nested games. Leaders are viewed as coping simultaneously with the pressures and constraints of their own domestic political systems as well as with those of the international environment. The games are complex in the following ways: First, political leaders as foreign policy makers cope with dual domestic political imperatives involving opposition in multiple arenas. Second, the effect of domestic politics is contingent upon leaders’ choices of alternative political strategies that, in turn, have sharply divergent effects on foreign policy. Third, these dual games and alternative strategies are pervasive across the different types of political systems and are not limited to established democracies. Finally, these games and strategies have subtle effects on foreign policy; they condition

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how leaders respond to international pressures but, except in extreme circumstances, are not the sole, or even primary, determinant of foreign policy.\textsuperscript{14}

Hagan asserts that there is a complex relationship between domestic politics and foreign policy, “because leaders pursue dual domestic political games involving multiple arenas of opposition and, then, respond to that opposition with alternative strategies with divergent foreign policy effects.”\textsuperscript{15} Decision-makers must simultaneously deal with the pressures of domestic politics and international affairs. Leaders actually deal with two domestic political games: building policy coalitions and retaining political power. A broad array of autonomous actors influence the government’s authority and its long-term hold on office.

Leadership needs to build domestic support for policy initiatives. The task is to achieve agreement, or coalition, “of the various actors who formally or informally share the authority to commit the nation’s resources and/or implement policy in a sustained manner.” Although power may be consolidated in a small group, Hagan states that two conditions may politicize an issue and bring it into a broad political arena. First, the authority for decision-making may be fragmented among various actors, either because of a power-sharing arrangement between the executive and another group, or because of the sharing of executive power among multiple parties or within party factions. Second, is the degree to which the actors involved in the decision-making process disagree with each other over the policy. When many actors share authority, the process of making policy becomes a task of building the support of a coalition to implement a policy.

\textsuperscript{14} Ibid., 121.
\textsuperscript{15} Ibid.
Another goal of a regime, as stated earlier, is retaining long-term political power. As national and political leaders, foreign policy decision-makers must constantly work to maintain and broaden their political base in order to stay in office. Foreign policy must be adjusted at times because of domestic pressure that could threaten to remove the leadership from power. Hagan identifies two conditions that might politicize foreign policy issues and make the decision-makers sensitive to the long-term effects of their policies. The first condition is the existence of significant opposition in the general domestic arena, a challenge to the regime’s control. Second is the development of a mounting public perception that the foreign policy issues at stake are linked to the overall credibility of the regime.

Hagan states that the literature on how this dual game influences foreign policy points to two general effects. First, there is a pulling effect, where domestic politics undercuts foreign policy initiatives. These political constraints undermine the government’s ability to take action in international affairs. Secondly, domestic political pressure can push a government to take action. The domestic political arena exerts these pressures and governments feel compelled to increase their international commitments.

These two push and pull dynamics force decision-makers to cope with domestic pressures with different strategies, which has an effect on foreign policy decisions. Hagan states, “In other words, there is no single dynamic by which political opposition affects foreign policy. Instead, leaders use alternative political strategies to respond to opposition in the foreign policy making process.” Hagan suggests that the causal linkage between domestic politics and foreign policy reflects one of three general strategies: bargaining
and controversy avoidance, legitimization of the regime and its policies, or insulating foreign policy from domestic pressure.\(^6\)

Hagan stresses that domestic political pressures are not the sole determinant of decisions regarding foreign policy, but rather have a subtle effect. These political games act as a supplementary influence on decision-making within the more general realm of the international environment. Essentially, the effects of domestic political games are tied to two dimensions of foreign policy: commitment and risk taking. Commitments involve the international allocation of resources and the entering into foreign agreements, or the threat or promise to do so. Risk taking concerns the likelihood of the leadership to initiate actions that might escalate a confrontation and invite foreign retaliation. Thus, when there is a strong domestic pressure on the leaders, they are less likely to respond to the international pressures. In contrast, when a regime acts to legitimate itself through foreign policy, the leadership is more likely to act. Hagan’s model for analyzing domestic constraints on foreign policy helps to explain the internal dynamics of the Jordanian puzzle.

Another study focusing on the internal aspect is Bassel F. Salloukh’s article “State Strength, Permeability, and Foreign Policy Behavior: Jordan in a Theoretical Perspective.” In this study, the author sets out to explain the success of “Husseinism” or the regime’s ability to retain power over the political process while neutralizing domestic upheavals. Salloukh uses four variables in explaining the success of “Husseinism”: successful insulatory regional policy, the historical process of state formation, the availability of economic resources under state control, and the ability of the state to use its

\(^{16}\) Ibid., 137.
coercive resources without hindrance. The convergence of these factors enabled the Hashimite regime to restructure state-society relations to consolidate social control, mitigate the effects of trans-national ideologies on the domestic arena, and achieve an acceptable level of national integration among the different segments of the society gaining the state allegiance from a sizable number, or from strategic sectors, of the population.  

The author makes the assertion that four main variables characterize the success of "Husseinism. The first variable pertains to the regime's ability to insulate the domestic arena from regional manipulation by an accommodationist regional policy. The extra-regional umbrella enabled Jordan to resist domestic opposition while being protected from external intervention. The second variable deals with the historical process of state formation in Jordan. "The process of state formation in Jordan, and the concomitant institutionalization of the segmental cleavages in a hierarchic, controlled political system, ensured the regime a high degree of political autonomy from society."

This variable explains the state's ability to secure a relative degree of autonomy from existing social organization, thus the state had the ability to penetrate society when necessary. Third, the availability of economic resources under state control also contributed to the success of Husseinism. The subsidies paid by Jordan's extra-regional and regional allies compensated for Jordan's lack of natural resources. The regime's control of the distribution of economic rewards, sanctions, and the provision of an environment conducive to productive economic activity, contributed to the success of its integrative policies and created support for Hashimite rule from strategic sectors in the

Palestinian community. The final variable contributing to the success of Husseinism pertains to the coercive resources available to the regime, including the regime's ability to utilize these resources without hindrance from external or internal actors. By establishing loyal coercive agencies such as the Bedouin dominated mobile strike forces and the intelligence services, the Hashimite regime was able to monopolize coercive capabilities throughout the realm.\textsuperscript{18}

In conclusion, the author states that "Husseinism" consisted of an integrative survival strategy that depended on the conjunctures of a successful insulatory foreign policy, the historical process of state formation, the availability of economic resources, and the state's ability to use coercive measures without hindrance. These tactics created an adequate environment, which by 1994 enabled King Hussein to sign a peace treaty with Israel without losing the stability of his regime.

\textit{Political Economy}

Within the realm of internal determinants, the study of political economy has argued for the causal relationship between economic factors and decision-making. Laurie Brand's, \textit{Jordan's Inter-Arab Relations} (1994), makes a case for the significant effect of economics on foreign policy. Brand states that:

alliance formation by a small, weak, or dependent state, may be viewed as a response, not to concerns about balancing or bandwagoning external power or threat, but rather to threats to state financial solvency\textsuperscript{19}

\begin{itemize}
  \item \textsuperscript{18} Ibid.
  \item \textsuperscript{19} Laurie A. Brand, \textit{Jordan's Inter-Arab Relations: The Political Economy of Alliance Making} (New York: Colombia University Press, 1994), 15-16.
\end{itemize}
While critiquing other works, Brand finds that economic factors have not been seriously considered as significant independent variables affecting the foreign policies of the Arab world. Dependence and foreign aid tend to be the most talked about themes, when economic factors are discussed. Using case studies of relations between Jordan and Saudi Arabia, Kuwait, Syria, Iraq, and Egypt, Brand argued that the nature of the Jordanian economy played a key role in influencing the course of Jordan’s foreign policy. 

Brand uses the term “budget security” to refer to a state or leadership’s drive to ensure the financial flows necessary for its survival. The author indicates that the territorial sovereignty of a nation cannot be defended against an external threat without the necessary funds for troops and supplies. In addition, a regime may have difficulty surviving domestic confrontations resulting from economic hardship. As Jordan’s characteristics imply a heavy reliance on grants and loans from abroad, the Jordanian “drive for budget security has focus first and foremost on securing and diversifying suppliers of assistance.”

While Brand’s explanations and framework seem to explain many of Jordan’s decisions, there are actions that cannot be vindicated by the economic factor. For instance, Brand alludes to the Gulf Crisis as a problem for her thesis. Although she tries to explain that it does not tamper with the budgetary security theme, it seems evident that siding with Iraq came from pure survival tactics that surpassed economic interests. Thus, while economic and budgetary concerns play a significant role in foreign policy decision-

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20 Ibid., 83.
21 Ibid., 277.
making and foreign policy change, there are other factors that supersede financial interests in certain situations.

Karla J. Cunningham’s article “Causes and Effects of Foreign Policy Decision-Making: Jordan” analyzes Jordan’s decision to sign the 1994 peace accords with Israel. Due to the economic problems of the late 1980’s and early 1990’s, the regime responded by adapting a survival strategy designed to deflect popular attention from IMF restructuring. The regime’s desire to lessen both internal and external security threats explains the foreign policy agenda, which was defined by peace and normalization of relations with Israel. The author argues that liberalization is not the determining variable explaining the King’s decision to pursue peace with Israel in 1994, for that process was under way in both 1990-91 and 1994-95, and was arguably even more entrenched in the latter period because of the legalization of political parties and a second parliamentary election in 1993. Rather, it was the scope of opposition by 1990-91 that differed from 1994-95, particularly as the former incorporated, and overcame, the critical Palestinian-Transjordanian divide. Cunningham suggests that the traditional state-societal dynamic continues to influence the King’s leadership pattern and helps to explain why the tremendous political opposition to peace, found in the activities of a broad coalition of political parties and professional associations, has not constrained the King in his efforts to normalize relations with Israel.

Cunningham indicates that it was hoped that peace with Israel would bring debt forgiveness, foreign assistance, and greater investment to Jordan, and these presumed

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economic rewards for peace help to explain the King’s decision to undertake the process. In addition, the accord was intended to alleviate certain Jordanian security concerns and water issues with Israel, as well as to secure Jordan’s strategic role in the region. The King’s willingness to undertake a peace initiative with Israel was mainly because of the increasing troubles plaguing the Jordanian economy in 1993 and 1994 and the need for the government to alleviate them to assure regime stability and survival.

In conclusion, the author states that despite the potential for instability, Jordanian foreign policy calculations remain firmly oriented toward maintaining regime security, an interest that necessitates steady financial inflows, domestic stability (or at least its illusion), and Jordanian strategic centrality in the region. By tying its fortunes to Israel, and thereby indirectly to the United States, Jordan has returned to its pro-Western orientation, which has historically secured the financial inflows so critical for regime survival. What the author did not indicate was that this significant shift toward Israel was the ramifications of a series of prior decisions that enabled, and in essence, forced the King to make peace in order to reconcile with the West. Thus, financial benefits may explain why Jordan returned to the pro-Western camp, but really excludes how the transformation came about.

Curtis R. Ryan’s article “Jordan and the Rise and Fall of the Arab Cooperation Council” looks at Jordan’s foreign policy objectives in the Arab Cooperation Council (ACC) regional alliance. On 16 February 1989, the leaders of Egypt, Iraq, Jordan and North Yemen announced the formation of the ACC. Ryan defines the three key factors that influence Jordanian foreign policy: “the concern with external security threats and

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23 Ibid., 196.
the changing strategic balance of power, domestic political pressure, and economic considerations in the Jordanian regimes’ calculations of its own security and stability.”

Economic cooperation was stressed from the onset of the ACC due to the members’ economic difficulties. Ryan lists that the goals of the organization were to: facilitate labor flow between countries, serve as a common market to increase Arab trade, and the re-negotiations of outstanding debts as a bloc. While each member had economic considerations for forming the ACC, Amman had two distinct reasons that set Jordan apart from the other members. First, the ACC provided Jordan with more military and diplomatic leverage against Israel and Syria who were the immediate regional threats to Jordan. Jordan also used the ACC alliance to legitimize the regime by fostering stronger economic ties to tame the domestic problems faced through financial difficulties. Thus, domestic politics and security concerns were not the main reasons, but the economic situation and the economic goals of Jordan led to the ACC alliance.

Just as the political uprising, due to the IMF reforms of 1989, had underscored the regime’s need to strengthen its domestic basis, it had also made clear its need for more durable economic arrangements with its neighbors. Those considerations enhanced the importance of the ACC in the eyes of the Jordanian regime, as this alliance provided Jordan with the institutional framework it needed to improve regional economic cooperation that could boost the Jordanian economy as a whole. The Jordanians used the regional bloc to reassure the Gulf Cooperation Council (GCC) of their good intentions so

25 Ibid., 389.
26 Ibid., 390.
that it could reap the benefits of the ACC without sacrificing the critical aid linkages to
the Gulf states. In conclusion, Ryan states that Jordan attempted not only to establish the
ACC as a new regional bloc, but also to mold this alliance specifically to meet Jordan’s
economic needs. Meeting the economic needs of Jordan was understood to be critical to
the long term political survival of the Hashimite monarchy. The failure of the ACC at the
beginning of the Gulf War proved paramount to Jordan. The Kingdom learned that it
could not tie its economic and security concerns to Arab coalitions. This valuable lesson
proved crucial in Jordan’s decision to sign a peace accord with Israel. The Kingdom felt
safer tying its future to the U.S. and Israel than to an Arab bloc.

Alliance and Dependency Theory

Whereas many authors concentrate solely on the internal dimension of foreign
policy pressures, the literature on external foreign policy stimulus greatly contributes to
the assessment of decision-making. In addition, many theories have incorporated internal
and external determinants simultaneously in order to explain different foreign policy
strategies taken by leaders. Any analysis on alliance theory customarily begins with the
ally and how do states choose their allies, Walt advanced five hypotheses: 1) states ally
against states that threaten them, thus they “balance.” 2) states ally with states that
threaten them, thus they “bandwagon.” 3) states choose allies of similar ideology. 4)
foreign aid attracts allies. 5) political penetration facilitates alliances. Walt proposed to
replace the traditional theory of “balance of power” with a more comprehensive “balance
of threat.\textsuperscript{27} The terms balancing and bandwagoning emerged from the literature, yet many scholars, especially scholars dealing with the developing world, pursued other explanations inspired by Walt’s. In the eyes of many scholars, the most dominant determinant of third world alignment behavior deals with the ability of leaders to seek outside powers that are most likely to do what is necessary to keep them in power.

Steven David explains that the term omnibalancing arose from the void between balancing and bandwagoning. The theory rests on the assumptions that leaders are illegitimate and that the stakes for domestic politics are very high; it also assumes that the most powerful determinant of alignment is the drive of third world leaders to ensure their political and physical survival. The theory incorporates the need of leaders to appease secondary adversaries, as well as to balance against both internal and external threats in order to survive in power.\textsuperscript{28} The assumptions for omnibalancing seem well placed, but some authors recognized the need for even further clarification.

Richard J. Harknett, and Jeffrey A. VanDenBerg’s article “Alignment Theory and Interrelated Threats: Jordan and the Persian Gulf Crisis” deals with Jordan’s move to side with Iraq during the Gulf War. This article takes into question the different types of alignment theory and which one is most adequate to explain Jordan’s foreign policy decision. The argument states that a regime may seek an international alignment in order to appease a direct and immediate internal security challenge. Alignment can be the product of internal balancing or internal bandwagoning dynamics. Responses to interrelated threats require omnialignments: international alignments that use a combined

strategy to deal with internal and external security challenges that feed off one another.\textsuperscript{29} The authors explain that leaders will align with the outside power that can provide security against the primary threat facing them, whether it is internal, external, or interrelated. The critical determinant of alignment then is the relative intensity of the threats to a regime. Under certain circumstances, threats to the personal survival of a leadership may represent the predominant factor motivating alignment behavior.\textsuperscript{30}

First, the article explained that when examining the four conditions under which omnialignment tendencies will surface, competing allegiances, questionable legitimacy, concentrated state power, and interrelated threats, Jordan was a strong match.\textsuperscript{31} Survival was the main reason behind the decision to side with Iraq, because siding with the U.S. would have inflamed public opinion and neutrality would have sparked Saddam to incite the population against the Kingdom. The King chose omnialignment (double bandwagoning) for his regime’s survival because no balancing option was available. The regime was too weak to balance on its own and the population was open to appeasement. By band-wagoning internally and externally, Hussein neutralized his population and Saddam.\textsuperscript{32} Thus, the authors concluded that Jordan used the Gulf War to appease external forces, which was Saddam Hussein, and appease internal forces which was his own population. The authors observed how King Hussein reacted to the most immediate threat at the time, his own population, and how he responded. The importance of this article is that it recognized the intricate set of dilemmas pushing Jordan toward the Iraqi

\textsuperscript{30} Ibid., 120.
\textsuperscript{31} Ibid., 129.
alliance. The Gulf conflict had a dramatic impact on Jordan-U.S. relations and as indicated in Cunningham’s article, strong relations correlated into economic benefits. The Gulf War paradigm highlights the strength of domestic influences on the Jordanian decision-making process.

Focusing on dependency theory and the primacy of external factors, Jeanne A.K. Hey’s article “Foreign Policy in Dependent States” categorizes two sets of dependent foreign policy behavior: pro-core and anti-core foreign policies. The main crux of the argument is “does economic dependence lead to foreign policy compliance? If it does, what is the process behind a dependent state’s decision to implement a compliant foreign policy?”

The pro-core dependent states may share the foreign policy preferences of the core and implement pro-core policies without ever considering the economic and political consequences. The relationship between the core state and the dependent state can be either consensus or compliance. The author states that consensus among elite in the periphery and core leads to foreign policy alignment. The peripheral states’ economies are controlled by a class of economic elite whose financial and ideological interests are directly linked to the core. Thus foreign policy alignment is consensual and not forced by the core state.

When the core state forces or coerces the peripheral state’s foreign policy, the author sees that as compliance. Economic instruments from the core and foreign policy

33 Ibid., 153.
34 Ibid., 210.
behavior from the periphery are seen as bargaining chips within the hegemon-client relationship. Dependent states comply with the foreign policy wishes of the core in exchange for economic rewards or to avoid economic punishments.\(^{35}\) The anti-core foreign policies explain dependent states that exhibit an independent foreign policy from the core state. Hey states that anti-core foreign policies can take two forms: *counterdependence* and *compensation*. Counterdependence was defined as an attempt to use foreign policy as a means to counteract dependence and to achieve greater independence. The second process by which an anti-core foreign policy develops reflects dependent leaders' use of foreign policy to mollify domestic opposition to dependence.\(^{36}\)

In addition to Hey, Bruce Moon has contributed to the literature on the foreign policy of dependent states. Moon recognizes two major trends in Dependency literature: the bargaining model and dependency model. The bargaining model regards the policymaking process as relatively autonomous though constrained and influenced through a series of reward and punishment actions by a more powerful nation. The dependency model is defined as a the long-term character of the influence and the indirect path by which it occurs.\(^{37}\) Moon's study sought out to explain the influence of American influence on third world foreign policies. He states that the "generally disappointing findings of the bargaining model may suggest to some that either the theoretical formulation must be reexamined or better measures and tests should be designed."\(^{38}\)

\(^{35}\) Ibid.
\(^{36}\) Ibid., 214.
\(^{38}\) Ibid., 332-333.
Moon also concludes that American influence on third world foreign policy orientations can be explained more as a consequence of consensus rather than compliance.

Hagen, Salloukh, Brand, Cunningham, and Ryan investigated various internal determinants to foreign policy action. Whereas Walt, David, Harknett and VanDenBerg, Hey and Moon dealt with external and intermingling foreign policy dynamics. The primacy of input factors helps explain the major forces persuading a leader toward a certain decision. For our case study, not one theory described above vindicates Jordanian foreign policy between 1988 and 1994. This proves that Jordan cannot be categorized by a general theory because of its complex composition. Each situation requires close attention in order to observe the wide ranging amounts of pressure manipulating the decision-maker.

*Foreign Policy Change*

Rosati, Hagan and Sampson assert that the time is ripe for studies of foreign policy to encompass change as well as continuity because the scholarly foundation now exists for understanding the comprehensive dynamics of foreign policy. Although very few, the previous works on political change has proved to be beneficial to students of foreign policy analysis. This led a small group of scholars toward concentrating specifically on the dependent variable. In defining major foreign policy change, Charles Hermann listed four types of changes: adjustment, program, problem/goal, and international orientation. Hermann states that adjustment change occurs in the level of

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effort and/or in the scope of recipients. What is done, how it is done, and the purpose for which it is done remain unchanged. Program changes are made in the methods or means by which the goal or problem is addressed. In contrast to adjustment changes, which tend to be quantitative, program changes are qualitative and involve new instruments of statecraft (such as the pursuit of a goal through diplomatic negotiations rather than military force). What is done and how it is done changes, but the purposes for which it is done remain unchanged. Problem/Goal changes are in which the initial problem or goal that the policy addresses is replaced or simply forfeited. In this foreign policy change, the purposes themselves are replaced. Finally, international orientation changes are the most extreme form of change. This involves the redirection of the actor’s entire orientation toward world affairs. Orientation change involves a basic shift in the actor’s international role and activities. Not one policy but many are more or less simultaneously changed. The last three forms of change Hermann classifies as foreign policy redirection. Hermann’s levels of foreign policy change helped to bridge the gap between agents of change and degrees of policy change.

Robert Gilpin also recognized the importance of political change as he analyzed the international system. Gilpin used incremental verses revolutionary change in explaining changes within the international system. Incremental changes were defined as adjustments within the framework of the existing system consisting of: shifts in alliances, and patterns of economic intercourse are altered. As a consequence, the process of international political change is generally an evolutionary process in which continual

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adjustments are made to accommodate the shifting interest and power relations of groups and states. The revolutionary changes, based on Hegelian-Marxist conceptions, state that political change comes from revolutionary imbalances in the social system which leads to war or revolution. The rapid and usually violent change represents an attempt to rebalance the system. Gilpin moved past simply categorizing levels of political change by formulating a theory for political change. His theory evaluates the causes and effects of disequilibrium in the international system that leads to war as the mechanism of change. In addition, Gilpin suggests three categories of political change: systems, systemic, and interaction. Systems change involves a major change in the character of the international system itself, primarily to the nature of the principal actors or diverse entities composing the system. The second category, systemic change, is identified as a change in the governance of an international system, which involves the international distribution of power, the hierarchy of prestige, and the rules and rights embodied in the system. Finally, interaction change identifies the modifications in the political, economic, and other interactions or processes among the actors in an international system. Although Gilpin’s study focused primarily on the great powers and war, his focus on political change notably enriched the foreign policy literature.

Judith Goldstein and Robert Keohane sought to revitalize the relationship between changing beliefs and its effect on decision-making. While elaborating on the history of ideas in relation to policy changes, Goldstein and Keohane ask “if the study of the impact

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41 Gilpin, War and Change in World Politics, 45.
42 Ibid., 45-46.
43 Ibid., 41-43.
of ideas on policy is so old, why revive it now?" The answer to their question derived from the consistent disregard for belief systems in shaping political action. The authors state that in modern political economy and international relations, the impressive elaboration of rationalist explanations of behavior has called into question old assumptions about whether the substantive content of people's ideas really matters for policy. This cognitive approach to foreign policy stresses that changes in principle beliefs and world views have a profound impact on political actions. Goldstein and Keohane developed three categories of ideas: world views, principled beliefs and causal beliefs. The world views of leaders are embedded in the symbolism of a culture and deeply affect modes of thought and discourse. Principled beliefs consist of normative ideas that specify criteria for distinguishing right from wrong and just from unjust. Causal beliefs are beliefs about cause-effect relationships which derive authority from the shared consensus of recognized elites. These types of ideas indicate ways in which changes in beliefs can affect policy. Hence the cognitive approach represents yet another interpretation of understanding foreign policy change.

One of the major problems for the recognition of foreign policy change has been the focus of the systems approach to foreign policy. The systems approach used by Brecher and many other scholars indicates the desire to isolate foreign policy for investigation. Michael Clarke explains how a scholar using the systems approach looks at foreign policy. First, the analyst defines whatever system was to be studied. Second it

was necessary to define what inputs, process and outputs could be regarded as essential parts of that particular system. Third, because inputs, processes and outputs could only be things which had some tangible effect, so in principle it should be possible to measure them. Thus having defined their system, analysts set about trying to define and measure their components and collect data on those patterns of observable human behavior which would have a system effect.\(^{47}\) The problem with the systems approach is that the outputs, or foreign policy decisions, are always interpreted as just that, decisions. Thus most of the emphasis is placed on the input and process components. Clarke states that the systems approach has its limitations because the foreign policy system approach does not in fact offer explanations, except at a level of abstraction that makes it unhelpful. It can be no more than an arrangement of components since it can only suggest what might be relevant.\(^{48}\) The heavy reliance on system analysis contributed to the neglect of foreign policy change. Research questions such as: what leads to a decision, what factors influence the decision-maker, and how is foreign policy formulated continue to dominate the study of foreign policy.

As more scholars expand the probe of political change, the emphasis on the dependent variable, foreign policy, has increased in small increments. What is needed is more inclusive analysis on foreign policy change without neglecting the independent variables. The gap between foreign policy influences and foreign policy change has yet to be bridged. Accordingly, foreign policy change and transformation continues to be

\(^{46}\) Ibid., 9-10.


\(^{48}\) Ibid., 40.
underrepresented in the literature of international relations. This literature review was
designated to introduce some of the important themes and gaps associated with foreign
policy analysis in relation to Jordan. These themes will be discussed and analyzed further
throughout the study. In chapter two, we will examine Jordan’s 1988 decision to
disengage from the West Bank, and its 1989 association with the Arab Cooperation
Council (ACC). Chapter three will look at the 1990-1991 decision to side with Iraq in the
second Gulf War, and the 1994 peace treaty with Israel. The final chapter summarizes
and deciphers the extent of foreign policy change and its effects on Jordanian
transformation.
CHAPTER 2

DISENGAGEMENT AND ALLIANCE 1988-1989

My Israeli friends complain that they are surrounded by enemies; our problem is we are surrounded by brothers.⁴⁹

-Crown Prince Hassan of Jordan,

The Hashimite Kingdom of Jordan underwent a barrage of contending factors between 1988 and 1989 which in turn led to two major foreign policy decisions: the 1988 disengagement from the West Bank and the 1989 resolve on the Arab Cooperation Council (ACC). The intent of this chapter is to display the dynamics which induced the Monarchy towards its foreign policy orientation. In order to do so, a thorough assessment of Jordan’s position regionally and internally will facilitate a systematic investigation for analyzing the changes in foreign policy. The 1980’s represented a time period of socio-economic uncertainty, heightened security dilemmas, and the prototypical balancing for stability which has become synonymous with King Hussein’s reign. Pursuing Hashimite interests in the 1980’s meant dealing directly with the Palestinian quandary and forging alliances to help Jordan’s problematic status.

Palestinians in Jordan

Guaranteeing survival of the Hashimite Monarchy while consolidating territory has proved to be considerably difficult for the royal family. The first point being that the

Hashimites originated from the Arabian peninsula, not from Jordan. Furthermore, the arrival of hundreds of thousands of Palestinians on the East Bank of the Jordan River after the 1948 and 1967 wars threatened to destabilize a Hashimite regime whose relationship with the Palestinian national movement had been problematic ever since the British Mandate. As the Palestinians became both an internal and external threat, Jordan attempted to eliminate the Palestinian identity from within and outside its borders. The Hashimites moved vigorously toward this aim with the annexation of the West Bank in 1950. The 1948 and 1967 wars produced an influx of Palestinian refugees sequentially forcing the Arab League to rule that Palestinians should not be granted citizen status by the Arab countries which hosted them as refugees. Palestinians who relinquished their claim to Palestinian citizenship would jeopardize the Arab League belief that they would help regain the lost homeland.

Jordan defied the League consensus by turning the resident Palestinians of Jordan and the West Bank into Jordanians, and even more blatantly, by accepting other Diaspora Palestinians as Jordanian citizens. Jordan’s central predicament with the Palestinian challenge differs drastically from that of all other Arab states with significant Palestinian populations. Similar to Israel, the Hashimites view radical Palestinian nationalism as a mortal threat, whereas other Arab states may categorize it between nuisances and a challenge. Adam Garfinkle interprets the long-standing Hashimite effort to coopt and weaken the Palestinian national movement as a “carrot-and-stick methodology, with

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Jordan both identifying with Palestinian ambitions and encouraging them and simultaneously pressuring the Palestinian leadership away from independent paths and toward Jordanian influence, if not control. Arthur Day considers the presence of a Palestinian majority in the population as the most dominant factor influencing and constraining Jordanian domestic policy. Day continues by explaining that the transformation of the problem was formalized by the Rabat summit meeting of Arab League heads of state in 1974, which designated the Palestinian Liberation Organization (PLO) as the sole legitimate representative of the Palestinians. From 1974 on, Jordan began to reduce its presence and its influence on the West Bank as a reaction to the Rabat summit decision. The Arab League designation of the PLO as the sole legitimate representative of the Palestinians, cast a conflicting impact on who was in charge in the West Bank. The 1980’s marked intense rivalry between the PLO and the Kingdom for the future direction and leadership of the West Bank.

Disengagement From the West Bank

On July 28, 1988, King Hussein announced the cessation of a $1.3 billion development program for the West Bank, explaining that the measure was designed to allow the PLO more responsibility for the area. Two days later, the King formally dissolved Parliament, ending West Bank representation in the legislature. Finally, on July 31, Hussein announced the severance of all administrative and legal ties with the

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54 Ibid., 275
occupied West Bank. Many scholars have attributed King Hussein’s decision for relinquishing the West Bank to the disgruntled relationship with PLO chairman Yasser Arafat. But when analyzed closely, Jordan’s predicaments ranged further and deeper than mere disagreements with Arafat. Kamal Salibi explains that due to the growing disparities between King Hussein and the PLO, the King decided on disengagement in order to save the regime. After reconvening parliament, King Hussein would have more maneuverability since the West Bank Palestinians were no longer represented in the Jordanian legislature. On the surface, one can easily point to the incompatible relationship of King Hussein and the PLO, but the literature tends to de-emphasize the environment encompassing the decision. While the government vindicated its position on disengagement, the questions still linger on the driving force behind the decision.

*The Hashimite Explanation for Disengagement*

On July 31, 1988, King Hussein made his decision public as he addressed his nation and defended his measures. The plausible inquiries of people from Jordan, the West Bank, and the international community had to be explained. The King began his speech by indicating that “some may wonder why now?” hoping that by answering this question he may justify the disengagement while improving the government’s status. The speech alluded to the main text of the Unity resolution, April 1950, of the two banks. Hussein stated that the resolution affirms:

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55 The Office of King Hussein I, “History” (www.kinghussein.gov.jo.html)
The reservation of all Arab rights in Palestine and the defense of such rights by all legitimate means, without prejudice to the final settlement of the just cause of the Palestinian people, within the scope of the people’s aspirations and of Arab cooperation and international justice.  

After referring to the Unity resolution, Hussein later declared that “we have responded to the wish of the representatives of the Palestinian people for unity with Jordan in 1950...

Within this context, we respect the wish of the PLO, the sole legitimate representative of the Palestinian people, to secede from us in an independent Palestinian state.” Thus, according to King Hussein’s address to the nation, the PLO had requested Jordanian disengagement from the West Bank, and the Kingdom had respectfully accepted. In addition to consenting with PLO wishes, the speech later went on to say that:

It becomes our duty to be part of this direction, and to respond to its requirements. After all, we are a part of our nation, supportive of its causes, foremost among which is the Palestinian cause. Since there is a general conviction that the struggle to liberate the occupied Palestinian land could be enhanced by dismantling the legal and administrative links between the two banks, we have to fulfill our duty and do what is required of us.

It is imperative to recognize the language used by the King in his speech to the Jordanian people. Phrases such as: fulfill our duty and we have responded to the wish of the PLO to secede from us, illustrates the government’s intention to project the PLO as the instigator of disengagement. At the same time, the speech proposed that while the King had acknowledged the PLO petition, Jordan, by accepting, was furthering the Palestinian

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58 Ibid., 1640-1641.
59 Ibid., 1641-1642.
cause. A day after King Hussein's speech, the Jordanian newspaper ‘al-Ra'y', reported that:

In response to a purely Palestinian wish held and requested by the PLO, and in response to a general Arab determination, reflected by the resolutions of the Rabat and Fez summits, His Majesty King Hussein yesterday announced Jordan's acceptance of, and respect for this determination and desire, the result of which is to disengage the legal and administrative relationship between the two banks [of Jordan].

Once again, the language of the Jordanian newspapers echoed the sentiments of the Hashimite desire to design the PLO as the main instigator for disengagement. Hani al-Khasawneh, the Jordanian Information Minister at the time, stated that Jordan's move to sever legal and administrative links with the West Bank was a step toward liberation of the Israeli-occupied territory. In an interview with Kuwaiti daily "Al-Qabas" Al-Khasawneh said that Amman's decision was "designed to bury any shadow of doubt about Jordan's intentions over the territory." He reiterated that the move was called for by the PLO, which wanted to be solely responsible for the affairs of Palestinians in the West Bank. Al-Khasawneh indicated that the decision meant "immediate abandonment of all measures, institutions, links and statues which had earlier prompted brothers in the PLO and their supporters to think that Jordan was vying with the PLO for representation of Palestinians." While the government continued its campaign to demonstrate a PLO demand for separation, the regional and international community shared different views of King Hussein's action.

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60 BBC Summary of World Broadcasts, “Husayn's Speech from the Nation and with the Nation,” Amman: August 1, 1988.
Responses to Disengagement

Of all the responses toward disengagement, the most astonishing derived from the PLO camp. Sheikh Abdul Hamid Al Sayeh, speaker of the Palestine National Council remarked that "it is true that we were surprised, the PLO didn’t ask for such a step and also was not asked to express a viewpoint... there was no consultation on this step." 62 The Palestinian response casts suspicions over the government statements that the PLO had requested a full Jordanian disengagement from the West Bank. While the PLO strove to become the legitimate representative for the Palestinian people, the financial support of Jordan over the West Bank represented a substantial amount of monetary assistance. A clear indication of the vital financial role Jordan maintained in the West Bank transpired as PLO representatives met with King Hussein to delay the disengagement. Only two weeks after the announcement, King Hussein met with PLO envoys seeking postponement of his plan, allowing the organization time to cope with the cutoff.

The PLO delegation asked for more time in order to give the organization’s hierarchy an opportunity to decipher how to take over responsibilities in the Occupied Territories. Hussein responded by saying there was no chance he would go back on measures already taken, which include severing administrative and legal ties with the West Bank, dissolving the lower house of Jordan’s parliament, abandoning Jordan’s West Bank development plan and stopping salaries and subsidies for over 21,000 Palestinians in the Occupied Territories. 63 The disarray of the PLO and its level of unpreparedness pertaining to the transfer of responsibility demonstrate how uninformed the organization

was concerning disengagement. The fact remained that disengagement would cause significant difficulty for the Occupied Territories. The Jerusalem Post, quoting analysts, said Jordan's decision would indirectly affect about 100,000 Palestinians and immediately cost the West Bank about $20 million annually in lost income, rising to $35 million when severance payments end. The newspaper reiterated that while most of the 21,000 workers also were employed by the Israeli Civil Administration, which runs the territories for the military, their Jordanian supplementary salaries represented between 30 percent and 50 percent of their total income.Obviously, a move of this magnitude could not have been prompted by the PLO who would than have the duty of filling the financial void left behind by Jordan. A discrepancy arose as the Jordanian government pushed disengagement on the PLO and the PLO accepted the responsibility hesitantly. So what could be the explanation behind Jordan's decision?

Mahdi Abdul Hadi, an academician who served in 1985 as an adviser to Jordan's Ministry of Occupied Lands Affairs, said Amman was implementing a new strategy to spur the establishment of an independent Palestinian system in the territories. Hadi rejected Israeli analysts' claims that Hussein's measures were simply tactical to see if the PLO could handle financing and administering the West Bank or if it would be forced to ask Amman for help, retreating to a subordinate position. Hadi, chairman of the Palestinian Academy for the Study of International Affairs in East Jerusalem, predicted an interim period agreed upon by the PLO and Jordan to prepare "the mechanism of Palestinizing institutions in the occupied territories." But a week later, King Hussein

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65 Ibid.
rejected an interim period, and held firm on his pledge of full disengagement, thus countering the theory of Palestinian benevolence.

Israel interpreted the move as another clash between the PLO and King Hussein, which brought mixed reactions from Israel’s divided government. The conflict between Prime Minister Yitzhak Shamir and Foreign Minister Shimon Peres exemplified the complexity of the situation. The disengagement produced a blow for the peace movement as Israel was in no position to negotiate with the PLO alone. Israeli Prime Minister Yitzhak Shamir and Foreign Minister Shimon Peres were once again divided in facing the new situation emanating from King Hussein’s disengagement. The right-wing Shamir and his followers demanded an annexation of the West Bank following Jordan’s disengagement, while Peres criticized Shamir’s lack of initiative in peace negotiations. Even the United States displayed a negative posture toward the disengagement move. Middle East advisor Richard Murphy indicated that the U.S. government had not abandoned hope in Jordan’s role in Middle East peace negotiations despite the fact that this policy had been thrown into question by Jordan’s decision to sever ties with the West Bank.\footnote{The Xinhua General Overseas News Service. “Murphy, Israeli Leaders Study West Bank Situation,” August 7, 1988.}

With the peace process at a standstill and both Israel and the U.S. rejecting an international conference over the Palestinian issue, it appears that King Hussein became disillusioned over the future progress of negotiations. Jreisat and Freij deduced King Hussein’s quick disengagement as a message to both the United States and Israel. The authors state that:
The King wanted to make clear to both Israel and the U.S. that he was now a partner in the peace process and not a proxy for the Palestinians. He also wanted to stress that Israel must come to grips with reality in the West Bank, Gaza and East Jerusalem. But most importantly, by disengaging from the Palestinian representation issue, Jordan would not become the alternative Palestinian state that the Israeli extremists and their supporters in the U.S. seek.\textsuperscript{67}

The Jordanian government may have sought transmitting sharp messages out to both the U.S. and Israel, but this would overlook other factors that produced a stronger impact on King Hussein’s decision. It seems too simplistic to assume that King Hussein would disengage from the West Bank in order to convey a message. In the same light, the relationship between the PLO and the Kingdom of Jordan has historically been divergent. But concluding that King Hussein’s frustration with Arafat prompted the disengagement also seems to simplify the decision. While many authors reference these two circumstances as major factors affecting the King’s decision, there are two occurrences which played an insurmountable role in influencing the rationale for disengagement from the West Bank: the \textit{Intifada} and the economic crisis of the late 1980’s.

\textit{The Intifada}

On December 7, 1987 the Palestinian uprising or \textit{Intifada}, dominated the regional agendas as the Palestinian people took to the streets in pure defiance of Israeli occupation. The powerful display of Palestinian emotion and determination caused many Arab leader to stand and applaud. But for Jordan, the \textit{Intifada} meant destabilization and the implications of emotional zeal carrying over to the East Bank. The two year uprising

amounted to substantial casualties on a human level. According to PLO sources, the 
Intifada accounted for 1,223 dead, 94,214 wounded, 88,301 jailed, 101 expelled, 1,887 
houses demolished. The substantial number of causalities did not distress King Hussein 
as much as the Palestinian question returning to the top of the Arab agenda. 

The emergency Arab League Summit held in Amman, November 11, 1987, was 
the first meeting of Arab Heads of State since 1948 that did not center on the Palestinian 
issue. Instead the meeting focused primarily on the Iran-Iraq war and the resumption of 
diplomatic relations with Egypt. Seven months later, the Algiers Summit, June 9, 1988, 
brought the Palestinian issue to the forefront, hence thawing the King’s accomplishments 
at the Amman summit. The Algiers communiqué:

Hailed the uprising of the Arab Palestinian people... The conference likewise 
expressed their great admiration for and their immense pride in the heroic acts 
which have marked the Palestinian people’s resistance to Israeli occupation and its 
dauntless determination to liberate the occupied land and restore its rights to 
return, self-determination and independent statehood on its national soil, under the 
leadership of the PLO, its legitimate and sole representative. 

The Intifada and the Algiers Summit put King Hussein on the defensive as Arafat 
demanded that the summit give him full financial control in the occupied territories and 
status as the sole, legal representative of all Palestinians, including, by implication, most 
of Jordan’s population. The Summit issued its support for the PLO, the Intifada, and 
Arafat, which in turn prompted intense tribulations for King Hussein’s ability to govern 
over the West Bank. The problem now was not just the West Bank, for Arafat’s demands

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and the Arab Summit’s conclusions were a direct threat to King Hussein’s governance of the East Bank. Arafat’s claim of direct representation over all Palestinians translated into a destructive attack on the leadership of King Hussein and the sovereignty of Jordan. Emile Sahliyeh argues that the Intifada “was particularly detrimental to Jordan’s interests” and that the uprising made the Jordanian government “less relevant to the aspirations of the Palestinians in the Occupied Territories.”

What the Intifada did was to underscore the deep divisions and security concerns between Jordan and the West Bank. King Hussein must have taken into consideration the type of emotional fervor and domestic instability Arafat could have conceivably instigated within Jordan.

At the time, Hussein was already receiving criticism for his neglect of East Bank issues while concentrating more on the peace negotiations. Valerie Yorke contends that the Intifada set the timing for King Hussein’s decision to disengage from the West Bank. Yorke attributes the disengagement as a direct response to the Intifada, which motivated the government to “enhance the legitimacy of the Hashimites and thus their control over the East Bank.” The Intifada contributed to the apparent crisis of legitimacy characterized not only by Jordan, but the Middle East in general. While it seems as though the Intifada could easily be sufficient in explaining King Hussein’s policy decision for disengagement, the economic crisis of the late 1980’s must also be taken into consideration.

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Jordan's Economic Woes

As the Intifada waged on, the Kingdom of Jordan stood at the door steps of an economic crisis. The oil boom’s financial wave of prosperity carried the Jordanian economy in the 1970’s and into the early 1980’s. Consequentially with the deflation of oil prices in the early 1980’s, the Jordanian economy witnessed the volatility of rentierism. Throughout the 1970’s and 1980’s, foreign aid from oil producing Arab states, and expatriate labor remittances, provided most of the financial capital necessary for the growth of Jordan’s economy. Rentier economics, like Jordan’s, do not depend primarily on one single source of revenue. Instead, a combination of foreign aid and labor remittances provide the backbone of the economy. Most of the foreign aid was a product of the Baghdad conference of 1978, which sought to keep Jordan out of the Camp David formula. As a result of foreign assistance, Jordan was able to increase domestic consumption and its standard of living. In fact, during the oil boom years, Jordan experienced enormous growth rates and enhanced national budgets.

As a result, Laurie Brand contends that the Jordanian economy developed the following characteristics: limited development of indigenous productive forces; a standard of living far higher than the level of indigenous productive forces would have suggested or allowed for; state services and infrastructure far more extensive than the GDP would have permitted; and a very high percentage (nearly 50%) of the work force on the state payroll. As was the case throughout the Middle East, the oil boom presented governments the opportunity to buy loyalty without having to deal realistically

with political, economic and social dilemmas. Jordan was no exception, and as soon as the oil currency receded, the fractures of the Jordanian economy emerged. The collapse of the international oil market in the 1980’s as well as the ongoing Iran-Iraq war severely affected the amount of aid levels sent to Jordan and the amount of remittances sent home from abroad.\textsuperscript{75}

The newly established Ministry of Planning was responsible for preparing the 1986-1990 five year plan. They held that:

- Investments must prove to be financially, economically and socially justified.
- Adjustment must be based first and foremost on domestic policies and effective instruments of domestic control.
- Painful decisions should not be put off by resorting to external assistance.
- Productivity should be improved to enhance competitiveness.
- The role of the private sector should be reinforced with a share in total investments of 47.5\%\textsuperscript{76}

With these specific goals in mind, the government would have to reduce expenditures, while increasing revenue. As we see in tables 2.1-2.3, Jordan continued its trade deficit and increased its debt.

<table>
<thead>
<tr>
<th>Table 2. Jordan’s Exports and Imports: 1984-1988 (JD 1000)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Year</td>
</tr>
<tr>
<td>------</td>
</tr>
<tr>
<td>1984</td>
</tr>
<tr>
<td>1985</td>
</tr>
<tr>
<td>1986</td>
</tr>
<tr>
<td>1987</td>
</tr>
<tr>
<td>1988</td>
</tr>
</tbody>
</table>

Source: Central Bank of Jordan: Yearly Statistical Series (1964-1989).\textsuperscript{77}

\textsuperscript{74} Brand, \textit{Jordan’s Inter-Arab Relations}, 48.
\textsuperscript{75} Ibid., 67.
\textsuperscript{77} Piro, The Political Economy of Market Reform in Jordan, 41.
Table 3. Government Budget (1984-1988) in JD 1000

<table>
<thead>
<tr>
<th>Year</th>
<th>Capital</th>
<th>Recurring</th>
<th>Total</th>
<th>Foreign Loans</th>
<th>Domestic Assistance</th>
<th>Revenues</th>
<th>Total</th>
<th>Deficit Surplus</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986</td>
<td>410,816</td>
<td>570,526</td>
<td>981,342</td>
<td>247,323</td>
<td>143,707</td>
<td>514,388</td>
<td>905,418</td>
<td>-75,924</td>
</tr>
<tr>
<td>1987</td>
<td>363,154</td>
<td>602,654</td>
<td>965,808</td>
<td>210,896</td>
<td>127,540</td>
<td>531,533</td>
<td>869,969</td>
<td>-95,839</td>
</tr>
<tr>
<td>1988</td>
<td>384,595</td>
<td>661,085</td>
<td>1,045,680</td>
<td>212,402</td>
<td>164,000</td>
<td>541,160</td>
<td>917,562</td>
<td>-128,118</td>
</tr>
</tbody>
</table>

Table 4. Government Debt: in JD 1000

<table>
<thead>
<tr>
<th>Year</th>
<th>Debt</th>
</tr>
</thead>
<tbody>
<tr>
<td>1985</td>
<td>773,202</td>
</tr>
<tr>
<td>1986</td>
<td>884,481</td>
</tr>
<tr>
<td>1987</td>
<td>951,439</td>
</tr>
<tr>
<td>1988</td>
<td>1,475,107</td>
</tr>
</tbody>
</table>


As indicated in our tables, by 1988, Jordan had reached an alarming stage in its economic deficits. King Hussein was fully aware that foreign assistance could not alleviate the country’s current situation. The domestic tension could be felt as more public criticism filtered its way through the gates of the royal family. The call for reform had a direct influence on the King’s decision to halt the $1.3 billion development program for the West Bank.

The myriad of factors facing King Hussein in 1988 ranged from the political threat of Arafat and the Intifada to the critical stalemate in the peace process and Jordan’s

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78 Brand, Jordan’s Inter-Arab Relations, 52.
economic predicament. It would be precarious to assume that one of these factors alone forced King Hussein to disengage from the West Bank. Since Hussein assumed the throne, he has had to deal with security threats, economic problems and a staggering peace process. So the question raised is, why 1988? While King Hussein has had to deal with these problematic issues before, never has the combination of factors presented themselves so intensely. Hussein was forced to make a decision that would relieve economic tension, consolidate his territory, guard against political threats and ensure the survival of the regime. The King elected to disengage from the West Bank.

Formation of the ACC

The decision to disengage from the West Bank was expected to bring immediate relief to the Kingdom of Jordan. Despite expectations, the economic situation throughout Jordan worsened and forced the leadership to find a new remedy. On February 16, 1989, the heads of state of Egypt, Iraq, Jordan and North Yemen met in Baghdad to announce the formation of the Arab Cooperation Council (ACC). At the time, it appeared to follow the trend of regional economic alliances such as the Arab Maghrib Union (AMU) and the Gulf Cooperation Council (GCC). In the opening speech, Jordanian Prime Minister Zaid Rifai stressed that the aim of the ACC was to unite, cooperate and fully use the resources available among the four countries.79

The birth of the ACC and the Jordanian resolve to form the organization was not initiated from a void. Curtis Ryan, who has done extensive work on Jordan throughout

this time period, argues that Jordan’s foreign policy objectives in the Arab Cooperation Council revolved around three key factors: the concern with external security threats and the changing strategic balance of power, domestic political pressure, and economic considerations in the Jordanian regimes’ calculations of its own security and stability.  

These three factors have been Jordan’s historic and persisting causes for concern, but the 1988 to 1989 stretch intensified each drawback. Before divulging into the possible forces accounting for Jordan’s ACC perusal, one fact is quite evident, King Hussein was keen on regional integration.

Certain aspects of integration would give Jordan heightened security and economic stability against the current tides of flux. By reviewing some of Hussein’s speeches, it appears that the European Community’s (EC) integration model impressed the King. In an address to the Comprehensive Development Conference in Amman, November 28, 1988, Hussein declared that:

I have called for reviving Arab economic integration, especially in these circumstances in which various world regions have found acceptable formulae for cooperation and useful integration. We Arabs have added reasons to unify our regional economies particularly since we have the common denominators of history, religion, language, heritage and destiny and it is important to activate these components. Others have accomplished a lot more with less common elements. Europeans, for example, have found a civilized formula to interact in spite of the lack of harmony among their nations in terms of language, history and culture, and in spite of numerous memories of conflict and antagonism.

The reference to economic integration epitomized the financial situation of Jordan in the late 1980’s. Many had speculated that in order for Jordan to stabilize its economic

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weakness, it had to become part of a substantial partnership. One can easily see why the European model was so attractive to King Hussein. The European Community began as a regional economic cooperation endeavor. As more countries began to take notice and join, political and security issues evolved. Accordingly, the weaker countries benefited from the economically and politically stronger members of the organization. Jordan represented a weaker nation that could significantly profit from its stronger neighbors. Even during the disengagement speech, July 31, 1988, Hussein made reference to economic integration and the European model.

In surveying contemporary tendencies, it becomes clear that the affirmation of national identity does not contradict the attainment of unitary institutional formats that can enjoin Arabs as a whole. There are living examples within our Arab homeland that attest to this, as there are living examples in foreign regions. Foremost among them is the European Community, which now seeks to realize European political unity, having successfully completed the process of economic complementarity among its members. It is well known that the bonds linking the Arabs are far greater than those linking European nations. 82

Hence, the statements by King Hussein suggest that the formation of an economic alliance preoccupied the monarch’s future strategy. In fact, economic cooperation was stressed from the onset of the ACC due to the members' financial difficulties. Some of the organization’s goals, which coincided with Jordanian needs, were to: facilitate labor flow between countries, serve as a common market to increase Arab trade, and the re-negotiation of outstanding debts as a bloc. 83

82 *International Legal Materials*, 1652.
However, with every foreign policy decision we must ask why. First of all, why form an economic alliance with Egypt, Iraq and North Yemen? In addition, how can we explain the timing and the factors contributing to Jordan’s decision?

*Partners and Timing*

The consideration of Egypt, Iraq and North Yemen, coupled with the February 1989 creation date has a strong determining factor: the end of the Iran-Iraq war. Mohammed Wahby attests that the formation of the ACC was the natural culmination of a process begun years earlier. Wahby attributes the cooperation between the four countries during the war as a foundation that carried into the post war period. Right from the beginning of the Iran-Iraq war, Egypt, Jordan and North Yemen committed themselves to fully supporting Iraq as much as possible. Jordanian ports and territory were kept open, with facilities provided to help Iraq get what it needed from abroad, including military supplies, and export what could furnish the necessary foreign exchange.\(^{84}\)

Hussein’s primary quest during the conflict was to find a way to end the Iran-Iraq war. The political, economic, and commercial disturbances on Jordan had already reached unacceptable levels. State security threats by Iran, internal instability, drop in remittances, and the decline in Gulf state liquidity had all seriously affected the region and in turn led to a decline in the aid sent to Jordan. Moreover, the end of the conflict marked the beginning of a power void in the Arab regional order. Iraq had emerged

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victorious and was poised to play a major role in Middle East agenda setting. Likewise, Egypt was recovering from its Camp David ostracizing and appeared eager to reestablish itself on the regional stage.

As Jordan had been accustomed to playing an intermediary role, it seemed natural that King Hussein would take the initiative to form a collective agreement among his stronger neighbors. Due to the solid bilateral ties during the war, Egypt, Iraq, Jordan and North Yemen had developed similar regional concepts. Thus as the shuttle diplomacy began after the implementation of the July 1988 Iran-Iraq cease fire, the group of four emerged as the ACC. It is important to note that Iraq and North Yemen had been excluded from the Gulf Cooperation Council (GCC) and Egypt and Jordan were not geographically eligible for the Arab Maghrib Union (AMU). Accordingly, the ACC appeared to fill the urgency of Egypt, Iraq, Jordan and North Yemen not be marginalized on regional issues. Consequently, only six months after the cease fire, the ACC was announced. The timing was essential for Jordan because it required immediate outside assistance at both the economic and political levels.

Political Balancing

The Iran-Iraq war led to serious political divisions within the Arab political order. The moderate states such as Egypt and Jordan supported Iraq while Syria remained isolated in its backing for Iran. Israel waited patiently and projected that as long as the war continued, the Jewish state was safer. Both Iraq and Iran posed serious security concerns for Israel, but with the end of the war, the political situation turned ambiguous.
The fear of a potential eastern coalition provoked a spirited debate throughout the Gulf conflict among Israeli academics and military experts concerning the likely consequences of the war in terms of regional balance of power. By the beginning of 1989, rising domestic and external pressures on Israel's response to the Intifada made it clear that the government could no longer avoid designing a policy to deal with the Palestinians. Within the conventional range of options, adherence to the status quo and the "Jordanian option" were impossible and annexation was undesirable. This left Israel between autonomy, a Palestinian state, or some form of combination. The unstable state of Israeli domestic politics during the late 1980's triggered enormous Jordanian concern.

The Israelis at the time were battling the Palestinian uprising and since Jordan's disengagement from the West Bank, one of their few options had vanished. Without stake in the West Bank, King Hussein feared that Jordan would be left out of the peace process and lose out on any economic benefits which were traditionally connected to its implementation. In addition, Jordan had no leverage against Israel, and as domestic problems accumulated, so did the fear of hardline action. Jordan needed to foster some form of political advantage that could counter the threat of Israeli measures.

In addition to concerns over Israel, Syria also posed an external threat to Jordan. The conflicting historic relations between Syria and Jordan stem from their contrasting regional views. While the Hashimite monarchy preferred moderate non-confrontational responses to regional challenges, Syria grouped itself in the radical camp and refused to be included in the peace process. By 1988, Jordan and Syria were at disagreement over

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the Iran-Iraq war, the conflict in Lebanon, Jordan’s close alliance with Iraq, and the ongoing peace process. Nevertheless, relations were not at a boiling point as Jordan helped to mediate relations between Syria and Egypt in 1988. Whatever political capital Jordan gained with Syria for its mediation efforts with Egypt were lost with the announcement of the ACC. Syrian relations with Egypt had not yet been restored and now the region’s two most powerful states, Iraq and Egypt, had joined forces. While Jordan viewed the regional grouping as far more important than the risk of offending its northern neighbor, King Hussein also acknowledged the amount of leverage he would acquire from the ACC. He could now negotiate with Syria on an elevated status with more leverage than ever before. Balancing the threat of Israel and Syria was a major concern of King Hussein, but other factors contributed to the mounting pressure on Jordan to align.

**Economic Considerations**

If Jordan was at the doorway of an economic crisis during the disengagement decision, the Kingdom had certainly stepped over the threshold by the time the ACC was announced. In addition to the economic woes explained earlier, two major incidents facilitated the advancement of financial calamity. First of all, shortly after the announcement of disengagement, there was a panic run on the Jordanian Dinar that devalued the currency significantly. Secondly, a costly scandal had surfaced from the bilateral trade arrangements between Iraq and Jordan during the war. Finally, the effects of the previous factors led the Jordanian government to start initial consultations with the

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International Monetary Fund (IMF) in 1988. Table 2.4 demonstrates the downward economic spiral facing Jordan by the end of 1988 and the 1989 fiscal years.

**Table 5. Jordan's Macroeconomic Indicators**

<table>
<thead>
<tr>
<th>Year</th>
<th>Exchange rate JD per US $</th>
<th>Consumer Price Inflation</th>
<th>Per Capita Incomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>1986</td>
<td>.350</td>
<td>-</td>
<td>$2,110</td>
</tr>
<tr>
<td>1987</td>
<td>.339</td>
<td>0.2</td>
<td>$2,186</td>
</tr>
<tr>
<td>1988</td>
<td>.372</td>
<td>6.6</td>
<td>$1,918</td>
</tr>
<tr>
<td>1989</td>
<td>.570</td>
<td>25.8</td>
<td>$1,145</td>
</tr>
</tbody>
</table>

Source: Central Bank of Jordan

The dramatic fall of the Jordanian Dinar (JD) in the fourth quarter of 1988 introduced instability in almost all sectors of the economy. Naturally, the standard of living of Jordanian citizens decreased as well. The panic rush on the Jordanian Dinar severely crippled the overvalued currency and the population of Jordan felt the immediate crunch. In addition to the financial panic rush, the Jordanian-Iraqi trade scandal also contributed to the fall of the Jordanian Dinar.

During the Iran-Iraq war, trade between Iraq and Jordan had been extensive. According to the trade protocols, Iraq was permitted to import Jordanian manufactures up to a ceiling of $185 million using the Jordanian export credits. However, it was found

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89 Ibid., 182-183.
that a large percentage of these exports were in fact not Jordanian products. Only goods with at least 40 percent of their value added in Jordan were eligible for Central Bank financing. By simply relabeling the non-Jordanian products with Jordanian labels the private sector was able to take advantage of the government financing provisions. At the beginning of May, 1988, it was revealed that letters of credit totaling $450 to 500 million had been taken out in the first three months of the year. While Jordan moved to freeze the credit disbursements and arrange a reparation period, the damage to the economy had been done. The impact was severe as the Jordanian Dinar, on October 15, 1988, was floated down to follow the free market and lost half of its value in the four months period. As a result of devaluation, the Kingdom’s first austerity program was introduced in 1988, which banned many luxury goods, introduced a freeze on many of the country’s large sector projects, and raised customs duties. By April 16, 1989, price increases ranging from 10 percent to 65 percent on such items as gasoline, sugar, soft drinks, and steel bars were implemented according to IMF regulations.

Only one month after the formation of the ACC, Jordan was compelled to turn to the IMF and the World Bank to renegotiate and reschedule Jordan’s debt payment. The intensity of the economic crisis became obvious as Jordan stopped making payments on bilateral government loans. Emergency economic measures were announced in March and the government had no choice but to request new terms for its debt repayments. Consultation with the IMF had begun as early as January for debt rescheduling. In return, the IMF agreed to grant Jordan $125 million in credit in addition to more than $100

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90 Brand, *Jordan’s Inter-Arab Relations*, 223.
91 Ibid., 223-224.
million in loan money to come from the World Bank over a two year period. The austerity plan included in its provisions methods to reduce government expenditures as much as possible.\textsuperscript{93} The Jordanians response to the price increases was immediate rage as they took to the streets in protest. Although the April bread riots occurred two months after the formation of the ACC, the economic turmoil characterizing Jordan was already in the making earlier. The riots indicated the level of sensitivity and instability, which accumulated over years of insufficient government progress. After the riots, Jordanian officials emphasized the importance of Jordan’s foreign relations as the key to economic stability, and hence domestic social peace, within the Kingdom.\textsuperscript{94} Although Curtis Ryan states that domestic constraints were not the key factor in the formation of the ACC but soon became important, it appears that domestic economic factors were paramount in the ACC formation. The riots were the visual display of dissatisfaction, but the Hashimite regime knew well that its economic course was heading for disaster. Even after Jordanian government officials met with the IMF, the major austerity measures were not introduced until after the formation of the ACC. The King hoped that the organization could bring immediate economic results to the dire situation.

As we have seen, Jordan’s decision to disengage from the West Bank and its resolve on the Arab Cooperation Council derive from many contending factors. In the case of disengagement, it appears that a combination of economic, political, and security concerns moved the King towards his decision. After disengagement, the economic

\textsuperscript{94} Curtis, “Jordan and the Rise and Fall of the Arab Cooperation Council,” 394.
problems emerged as the most pressing issue to the Hashimite monarchy. The Jordanian pursuit of the ACC has its foundation in the economic crisis of 1988 and early 1989. Although King Hussein hoped to forge a regional political giant in the future, his main concern was economic recovery. As we will see in our evaluation of Jordan’s decision making between 1990 to 1994, some of the same factors will materialize, but with quite different results. We will now turn to the 1990 to 1994 time period in order investigate the second Gulf War and Jordan’s peace with Israel.
CHAPTER 3
WAR AND PEACE 1990-1994

The Gulf crisis, the world economy in its oil dimension, the Palestinian problem and weapons of mass destruction are all inter-related Middle East problems. Any effort to resolve only one of these problems in isolation from the others would fail to produce security, stability and peace in the region. 95

-King Hussein

Only a year and a half after the establishment of the Arab Cooperation Council, Iraq unexpectedly invaded neighboring Kuwait and hurled the region into further turmoil. As if the consequences of the first Gulf War were not enough for the Hashimite Kingdom, now a new conflict surfaced with a considerably intricate composition. The complex interdependence connecting Iraq and Jordan, which accumulated during the 1980’s, produced a weary alliance during the second Gulf War. King Hussein was once again forced to walk the political tight rope wherein he sided with Saddam Hussein while trying not to upset his historic Western allies. Four years after the start of the war, King Hussein negotiated a peace treaty with Israel ending nearly fifty years of belligerence. The end of the second Gulf War precipitated an atmosphere of reconciliation in an attempt to mend the Hashimite Kingdom’s economic and security concerns. This chapter explores King Hussein’s decisions to side with Saddam during the second Gulf War and

finalize the Jordanian-Israeli peace treaty. Once again, as in chapter two, we will have to
survey the gamut of factors that contributed to each decision.

War Again?

As Iraqi troops and tanks rolled over the Kuwait border, on August 2, 1990, King
Hussein was handed one of the most problematic situations to date. The immediate
international condemnation of the invasion prompted Hussein to find a peaceful solution
to the conflict. Realizing that Jordan benefits economically from both Iraqi trade and
Western aid, the Gulf conflict appeared to jeopardize the stable flow of finances to an
already unstable economy. The economic wounds of the first Gulf conflict had hardly
healed and now King Hussein had to face another potentially destabilizing external factor.
Shortly after the invasion, the U.N. Security Council passed resolution 661 which
imposed full economic sanctions on Iraq. Two weeks later the Hashimite regime
responded to the Security Council’s resolution through a letter detailing the Jordanian
dilemma toward applying sanctions. The August 20, 1990 letter indicated “both the
geographical location and the economic interdependence between the two countries made
it exceedingly difficult to apply most of the economic and financial sanctions.” The letter
came attached with a memorandum specifying the amount of lost revenue that Jordan
would incur from total economic sanctions toward Iraq.

- Loss in income from foreign trade (quoting the figure for 1989) was $65 million.
- The loss of export income to Iraq in 1990 was expected to be $200 million.
- The income from the ‘Aqaba Port charges, transportation, and packing activities
  was estimated to exceed $250 million annually.
- As all of Jordan’s imports of oil was from Iraq and Kuwait, Jordan could not
  afford to shift to new sources without loss of concessionary supplies.
- Grants to the budget and end of remittances from Jordanians working in Kuwait who were forced to return home entailed serious losses.
- Jordan's expected losses from all these sources were estimated to exceed two and a half billion dollars.

The conclusion of the letter stated that for these statistical reasons, Jordan felt that its economy would "collapse unless arrangements were made to obtain grants, oil with concessionary conditions, and long-term soft loans in order to enable the country to overcome its economic predicament." Nevertheless, the government declared that Jordan could not completely stop its trade with Iraq owing to geographical and other considerations: long frontiers, location of desert areas on both sides of the frontiers, and public pressures in favor of assisting Iraq. This sobering letter was received by the United Nations, but little was done to ensure Jordanian compensation for the loss of financial dependence on Iraq. It seems evident from the beginning of the conflict that Jordan could not 'afford' to dislodge its allegiance to Iraq.

Three months after the beginning of the crisis, King Hussein opened the Jordanian Parliament with a gloomy assessment of Jordan's prospects in the wake of the Gulf crisis. By November 1990, the significant military build up in Saudi Arabia had signaled the eminence of war. The King's speech attacked the "blatant and shameless" hypocrisy of nations involved in the military buildup in Saudi Arabia. While Hussein was cautious not to mention the United States by name, his attack was clearly directed at the Bush Administration and its Western allies. "Their actual goals stem from their desire to control our destiny and the Arab nations' resources," said the Jordanian monarch, using language that was uncharacteristically harsh. "Their blatant and shameless conduct must
confirm to us that their real motives are far from being the hollow claim to uphold legitimacy and defend principles. By November 1990, the materialization of King Hussein’s disappointment toward continuous failures regarding a peaceful solution to the crisis emerged. The monarch’s animosity toward the Western failure of diplomacy was clearly present in his speeches, letters and television interviews. By the time the allied offensive began to expel Iraq from Kuwait, King Hussein had formulated his posture and consistently kept to his stance.

The Ground War

Soon after the start of the allied ground offensive against Iraq, the Jordanian permanent representative to the United Nations sent a letter to the Security Council. The January 17, 1991 letter embodied the Hashimite response to the allied ground war. The letter stated that:

The leadership, Government and people of Jordan condemn the brutal assault in the early hours of today on a peaceable Arab country and people... All of those who took part will bear responsibility for it, to God, to man and to history, for having set out to destroy an Arab military, intellectual and human power and a peaceable, proud and fraternal Arab people which is of and for the essence of this nation.

Many leaders around the Western world were sympathetic to the extraordinary position encompassing Jordan during the Gulf War. While King Hussein voiced criticism, the Western allies were still confident that Jordan would not impede the coalition effort.

Thus many were willing to sacrifice King Hussein’s rhetoric for a policy of neutrality or silent approval. The speech which received the most criticism and indicated to the world that Jordan had sided with Iraq was delivered at King Hussein’s address to the nation on February 6, 1991.

Arab honor and religious duty move me to address you on the eve of the fourth week of this savage and large-scale war which has been imposed on brotherly Iraq, and which is aimed at Iraq’s very existence, its role, its progress and its vitality... The world has known cruel wars, but never one such as this which is being waged against Iraq, and the likes of which it may never know again... Because the real purpose of this destructive war, as demonstrated by its scope and the declarations of the parties to it is to destroy Iraq, and rearrange the area in a manner far more dangerous to the present and future of our nation than the Sykes-Picot agreement... From Amman of the Arabs I convey to our people in Palestine our great pride in them, in their steadfastness, their resilience in their suffering... As for our people in Iraq, what words can describe their great courage and pride, their tenacity and their unique ability to face 28 allied countries, 28 armies headed by the largest, most powerful and best-armed army of the world! To them we convey our love and our pride as they defend us all and raise the banner that says God is Great, the banner of Arabs and Islam.²⁹

A few days after King Hussein’s explosive address to the nation, he was interviewed on a U.S. television network. The American Broadcast Company (ABC) interview with David Brinkley underscored the Western concern over the Jordanian position. The February 10, 1991 interview is pertinent due to the significant American anxiety toward the Hashimite viewpoint. When asked what the Jordanian position regarding Kuwaiti occupation is, the King responded by saying:

On principle and in fact, we have always been against the occupation of territories by war and their annexation, regarding all the crises in this region and certainly, that applies to Kuwait and our position has not changed an iota in that particular regard.

²⁹Ibid., 361-362.
The interviewer quickly countered by asking, “well, you oppose the occupation of Kuwait, but you still support the country that is occupying it. Americans find that a bit hard to understand. Could you explain that?” Obviously a difficult question facing the monarch, but being the seasoned diplomat that he is, his answer completely sidetracked the question.

I have opposed the occupation of Kuwait and I have sought a peaceful solution to the problem from the outset and I believe firmly that it was reachable within the first days of the conflict and I believe it was reachable through the months that have past.

The question that seemed to irritate King Hussein the most derived from the very predicament that most observers had attributed to Jordan’s position. “Does the rising hostility among the Arab-Islamic population in your country and others toward America, does that help bring you to this decision?” Hussein responded sharply and confidently:

No, sir. I have always echoed my own feelings… I am proud to say that I feel very close to the people of Jordan who freely express themselves and their hopes. And therefore, I do not see why my statement, my appeal for peace had been so misunderstood and misinterpreted.

At the conclusion of the interview, Hussein appealed to the US by describing the current situation in Jordan.

We are facing enormous difficulties, but we are not that cheap and believe me, we are proud to be friends of friends who treat us with mutual respect and who seek to be our friends and we will be theirs always.100

The interview, in addition to the speeches and letters, illuminate the Hashimite sentiments toward Iraq and Gulf crisis. The importance of evaluating these primary sources was to convey King Hussein’s exact diplomatic posture. In analyzing foreign policy, one always investigates the intentions of leaders and the actions that follow. If King Hussein had
vocalized his discontent, yet stood neutral during the crisis, there would be a strong case against a Jordanian-Iraqi alliance. But, shortly after the crisis, information surfaced revealing the extent of Jordanian aid to Iraq. Harknett and VanDenBerg site four major instances that prove a Jordanian-Iraqi alliance.

First, Jordan assisted Iraq in hiding over a billion dollars, which might otherwise have been frozen, in the Central Bank of Jordan. Second, King Hussein provided Saddam Hussein with a degree of diplomatic support at a time of Iraqi isolation from the international community. The highly publicized Jordanian violations of the U.N. embargo on Iraq also signified the extent of the relationship between the two countries. Finally, Jordan contributed military support to Saddam Hussein during the crisis. Israeli sources reported that the Jordanian air force had been absorbed by Iraq and were flying reconnaissance missions for Saddam. In addition, U.S. intelligence reports verified joint training exercises, two cases of providing access to U.S. technology, one case of purchasing spare parts, and one case dealing with the sharing of coalition and Israeli intelligence information.\(^\text{100}\) The authors maintain that the combination of military cooperation, violation of economic embargos, and diplomatic support easily classifies the relationship between Jordan and Iraq within the definition of alignment.

The intentions of the Hashimite regime went well beyond words of support and neutrality, instead moving into the sphere of an Iraqi ally. The speeches, letters, and interviews of King Hussein bring up some interesting questions to just why Jordan would side with Iraq during the conflict. Obviously, the economic loss of Iraqi trade played a

\(^{100}\) Ibid., 250-251.
significant role in Jordan’s judgment. But as we will see, other factors played a considerable role also.

External Environment

William Quandt characterizes the defining issues for the Middle East in 1990 as: Iraq's aggression, the collapse of the Arab-Israeli peace process, and the massive influx of Soviet Jews to Israel. Even before the invasion of Kuwait, enormous tension had festered over the year, which graded on the citizens of the region. Enough so that Fouad Ajami wrote an article rightly titled “The Summer of Arab Discontent.” From the Jordanian standpoint, Israel posed more of a threat than Iraq, and shortly after the invasion, King Hussein declared that Israel was the most dangerous threat in the region:

There are other tigers in the area that have been loose for a long period of time...Such a tiger exists in our neighboring Israel...Israel represents a very serious threat...I believe that Israel has done a lot to create the present image of Iraq.

In June 1990, Prime Minister Yitzhak Shamir presented his Likud led government to the Knesset in which many affirm was the most right wing government in Israeli history. As the United States had been pushing for a peace plan, Shamir and his government vetoed the U.S. proposal. The disintegration of the peace process and the rise of the Likud Party prompted immediate concern for the Hashmites in Jordan. Political

circles in Amman were wary of the Likud Party’s thesis that “Jordan is Palestine.” The course Israeli discourse and fear of implementation was exactly what Hussein hoped to defend against with the ACC alliance. The defunct ACC could do nothing to prevent the Gulf crisis and left Jordan vulnerable to the political developments of its stronger neighbor.

The influx of Soviet Jews, totaling nearly 200,000 in 1990, opened the Israeli debate on the future of the Jewish state. Hard-liners were contemplating that Israel might be able to keep the Occupied Territories and try to retain a Jewish majority. Shamir went a step further speaking of a need for a “big Israel” to accommodate the immigrants. The massive influx of immigrants and the government’s response to absorbing them brought fears of further settlements and a long-standing halt to the peace process. The combination of the Likud government’s uncompromising stance toward the peace process and the massive arrival of Soviet Jews fueled Jordanian discontent.

While the Jordanian-Israeli front was insecure, the pressures and attitudes developing in the United States also had bearing on Jordan’s Gulf War stance. After ignoring countless letters and speeches supporting Iraq, President Bush finally denounced King Hussein’s declaration of support after his February address to the nation speech. As the Bush Administration’s view of Jordan and its King grew suddenly harsh, White House Press Secretary Marlin Fitzwater said Jordan has “declared its allegiance to Iraq...It’s clear he has taken up their cause.” In addition, U.S. Ambassador to Jordan, Rodger

Harrison met Jordanian Foreign Minister Taher Masri and “protested King Hussein’s speech criticizing America and its allies.” The protest was heard all the way to the American Congress who began debates on cutting Jordan’s $55 million a year aid package. But one factor that complicated the issue and many say pushed Jordan into the Iraqi camp was the Jordanian casualties during the crisis. The relationship between the U.S. and Jordan worsened as allied bombing attacks on Jordanian trucks, carrying crude oil from Iraq to Jordan along the Baghdad-Amman road, amounted to loss of lives and revenue. Jordan reported to the United Nations that 14 truck drivers were killed between January 29 and February 5 in air attacks inside Iraq on vehicles belonging to Jordanian companies. Jordan said another 26 people were injured and 50 trucks were damaged or destroyed in the attacks. The deliberate strikes on Jordanian trucks and oil imports prompted many Hashimite officials to strengthen their position against the U.S. and its coalition efforts. While externally Jordan had to face the Western coalition, the disgruntled Gulf States, and Israel; internally, Jordanian economic conditions worsened and the public outcries raged throughout the streets of Amman.

_Economic Consequences_

Iraq was Jordan’s main trading partner before the U.N. imposed embargo that followed the invasion of Kuwait. Between 1980 and 1989, as much as 80% of the traffic through Jordan’s Port of Aqaba was to or from Iraq. In addition, Jordan imported most of its oil, at very cheap rates, from its eastern neighbor. Trade with Iraq accounted for 11%

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of Jordan’s $4 billion economy in 1989. The World Bank forecasted the losses to the Jordanian economy from the Gulf War at more than $1.5 billion annually.109 Jordan had become so dependent on Iraq as a market for its exports and as a source of cheap oil that destruction of the Iraqi economy by either military means or blockade threatened to destroy Jordan’s economy as well.110

Richard Reid, the United Nations Children’s Fund (UNICEF) regional director, stated that several studies showed Jordan’s gross national product had plummeted at least 40 per cent since the start of the conflict. Reid said about a third of Jordan’s 3.1 million people live below the poverty line and earn less than 89 Dinars, about $190, a month.111 Jordan’s principal export was workers to Persian Gulf countries who sent back millions of dollars a year from their earnings. But the war has driven an estimated 300,000 Jordanians back home, which amounted to loss of another $360 million the workers would have sent to Jordan.112 The enormous cost of the Gulf War on the Jordanian economy and King Hussein’s tolerance with his initial stance indicate that economics were not the principal factor toward alliance with Iraq. In fact, had Jordan sided with the coalition effort, the international community and Gulf States were willing to compensate. Nevertheless, Jordan turned its back on its primary financial donors catering to the public sympathy toward Iraq.

112 Ibid.
Power of Democracy in Jordan

While the Gulf conflict sparked street rallies and demonstrations throughout the region, the Arab government facing the most overwhelming pressure was Jordan. A continuation of the 1989 bread riots and the newly formed democratization process vigorously radicalized Jordan’s Palestinian majority. Although the riots initially reflected the public resentment born mainly of economic grievances, political complaints also fanned the flames of disenchantment. These political grievances focused on two key issues: anger over corruption in high places and frustration with the lack of political reform. In the wake of these political protests King Hussein went on national television and promised to “speed up the steps toward holding parliamentary elections to enhance the basis and execution of participation.”113 Liberalization attempted to re-establish the legitimacy of the modernization program represented by Jordanian economic austerity measures. Desperately in need of IMF assistance in a time of deep economic recession, the Hashimite regime sought to downplay the economic aspect of the unrest, and instead chose to interpret the protests as a plea for greater political participation among average Jordanians.

In the aftermath of the April 1989 bread riots, King Hussein called for new parliamentary elections to be held in November 1989. Its democratization program was defensive or pre-emptive in that it was controlled, top-down affair, initiated to forestall

more serious challenges to the political order in Jordan. In the freely contested elections held in November 1989, the Muslim Brotherhood captured 22 seats, while independent Islamists captured another 12 seats. The 34 seats garnered by the Islamists in the election almost equaled the number won by the regime’s loyalists. Jordan’s fundamentalist Moslem Brotherhood won an unprecedented victory at the opening parliamentary session when one of its members, Abdul Latif Arabiyat, was elected Speaker. A Jordanian official quoted by Reuters said the Brotherhood was trying to take control of Jordan. "First, they made big gains in the November elections. Now they have parliament’s speakership, tomorrow they will ask for some ministries, then the government, and ultimately the highest political job. We have to fight them with all available means, because we don’t want them to lead us toward becoming another Iran." Jordanian officials say the beleaguered King Hussein fell back on popular support and used ‘democracy as Jordan’s safety valve’

During the first session of parliament, the Islamists found themselves outmaneuvered on all major policy issues. It was not until the second session, which opened in 1990 during the Gulf conflict, that the Islamist bloc began to have an impact. It was the combination of the Islamists advantage in Parliament and the radical outcry of displeasure from the Jordanian citizens, which held the most substantial impact on King Hussein. The daily pro-Iraqi protests in Amman illuminated the Jordanian citizens level

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115 Freij and Robinson, “Liberalization, the Islamists, and the Stability of the Arab State: Jordan as a Case Study” 10.
of frustration. Saddam’s fanatical statements of crushing Israel and returning Palestine to the Palestinians underscored the “summer of discontent.” At one rally in Amman, Muslim militants urged Saddam to turn his chemical weapons on United States troops in the Persian Gulf region. "Chemicals, chemicals, O Saddam!" about 1,000 Jordanians screamed. They also set American and British flags ablaze and urged King Hussein to arm them against Western forces. The main speaker, Sheik Yaacoub Qarrash, an Islamic member of Parliament, said in reference to the Jordanian King: "We acknowledge you as our leader, but leadership has responsibilities and at this time that means arming the people." 119 Crown Prince Hassan explains that the whole issue of the growing Palestinian militancy had him and his brother deeply concerned.

The street agenda is totally different from what you and I look at…it is this Lebanonization of Jordan that I find so worrying. I don’t know where it might lead…The reality is that we are in a very serious predicament. 120

King Hussein argued that if he had quieted the Palestinians, or even argued with them in public he believed there would have been an eruption.

The fact that they were able to express themselves that way was the reason Jordan survived this period without violence…Under the circumstances, looking back at whatever happened, the way we acted, or reacted, we couldn’t have done it any other way 121

In essence the King chose domestic tranquility over international standing and financial solvency. Hussein had been a close friend with the Shah of Iran, and the lessons of Iran weighed heavy on his mind when he decided not to join the alliance against

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118 Glenn, "Can Islamists Be Democrats?" 375.
121 Ibid.
Saddam. Jordanians close to Hussein said that the Jordanian Monarch knew that neither money, power nor the support of the U.S. could protect an Arab leader when his population turned against him.\textsuperscript{122}

After the Gulf War

In late February 1991, many Gulf countries and the United States froze aid deals to Jordan that were crucial to the survival of the regime. Shortly after the Gulf war, many countries, especially in the Gulf, were skeptic over renewing normalization with Jordan. In the United States, the Congress moved to cut off military aid to Jordan in protest of King Hussein’s support of Iraq during the conflict. In a lopsided 410-4 vote lawmakers said none of the $27 million in military aid planned for Jordan in fiscal 1992 should flow unless President Bush certifies that several strict conditions have been met. “Providing Jordan with any support is like offering Saddam Hussein money to rebuild his Republican Guard,” said Republican Harold Volkmer. The Congress approved the aid cutoff after voting to let the President keep aid flowing if he deems it to be in the national interest, and if he certifies that Jordan has committed to bilateral negotiations with Israel, recognized Israel’s right to exist and stopped aiding Iraq.\textsuperscript{123} The snubbing from the U.S. and the continued expulsion of Palestinian and Jordanian workers from the Gulf caused significant shortages and economic dilemmas for Jordan. Among the 300,000 returnees, 83 per cent were jobless and 20,000 families had no homes. Schools and Health Planning

Minister Ziyad Fariz said Jordan would require at least $4.5 billion over the next five years to cope with the population explosion.\textsuperscript{124} It was clear that from the moment the Gulf War came to a close, King Hussein had to compensate for the economic and political damages incurred by his war stance. The first step was for King Hussein to reassure the United States that he had returned to the Western camp.

In the aftermath of the conflict, the United States found it to be an opportune time to form an international peace conference on the Middle East peace issue. In fact, the leveling of the radical camp, the marginalization of the PLO after supporting Saddam, and the Syrian adherence to the coalition exemplified a golden opportunity for a peace effort. In order to get the process moving, the United States began courting and rebuilding relations with Jordan. As early as July 1991, President Bush freed some $35 million in economic aid as part of a step-by-step process of warming relations between the two countries. Next, the President cleared the way for renewed military aid to Jordan. In a letter to Congress, Bush declared that freeing the $21 million in military aid that had been allocated to Jordan in the 1991 fiscal year “is in the national interest of the United States” and “would be beneficial to the peace process in the Middle East...Jordan has clarified its stance on the Middle East peace process in very helpful ways.”\textsuperscript{125} The new American attitude toward Jordan stems from Amman’s agreement to attend the Madrid peace conference and to sponsor a joint Jordanian-Palestinian delegation to the meeting. When observing the beginning of Jordanian-Israeli discussions and the signing of the 1994 peace treaty, the rapid pace of negotiations is far more astonishing than the actual

treaty. Although we have already discussed some of the dominant factors influencing King Hussein toward peace with Israel, we must still look deeper to explain the accelerated momentum for peace.

**Jordan’s Peace Process**

The start of the Madrid peace conference, orchestrated by U.S. Secretary of State James Baker, initiated the beginning of the first viable negotiating process between Arabs and Israelis since the Camp David talks in 1978. The conference produced face-to-face talks between Israelis and Palestinians, Israelis and Lebanese, Israelis and Jordanians, and Israelis and Syrians.126 The Jordanians, in coordination with the U.S., agreed to sponsor a joint Jordanian-Palestinian delegation in order to appease Israeli objections. Although the Shamir government was still in power at the time, the Madrid conference stimulated a foundation for future negotiations. For Jordan, the optimal time to pursue peace would have to come on the heals of guaranteed concessions and financial recompense.

Careful observers of the Israeli-Jordanian relationship over the years testify that Jordanian peace with Israel was conceivable if it could be done at an acceptable risk with respect to both its inter-Arab and its domestic relationships. Adam Garfinkle affirms that in 1991 those requirements were fourfold:

- An Israeli government prepared to satisfy Jordan’s minimal requirements concerning Hashimite legitimacy, security, land and water.
- Either protection from or weakness in that part of the Arab periphery opposed to peace.


• A “down-loading”, so to speak, of the Palestinian issue onto accepted representation of the Palestinians.

• A U.S. administration that could either facilitate the deal diplomatically and economically or at least avoid going hard on a deal evolving on its own.  

The first of Jordan’s conditions was fulfilled with the election of a compromising Israeli Labor government in June 1992. On the international level, the end of the Cold War and of the Soviet Union left the Arab rejectionists without their historic external support. In addition, the temporary Gulf War alignment of Syria with Saudi Arabia along with the devastation of Iraq further marginalized the rejectionist states. The September 1993, Declaration of Principles signed by Yasir Arafat and Prime Minister Yatzack Rabin relinquished the Palestinian domestic opposition toward Jordanian negotiations. Finally, the transition between the activist Bush administration and an inert Clinton administration completed the Jordanian requirements.  Therefore, the political environment was ripe for significant progress on a Jordanian-Israeli peace settlement.

But as Jim Lederman asked “the Jordanian regime lived in a condition of de facto non-belligerence with Israel for more than twenty years, so why all of a sudden, should the two countries be interested in making a formal peace?”  The author’s answer to his question revolved around the economic incentives toward peace. Lederman states that a major part of what Jordan had been looking for in an agreement with Israel was a restructuring of its economy. The peace agreement provided a vehicle for economic rehabilitation through direct financial assistance. For example, as incentives prior to the

128 Ibid., 104.
signing of the agreement, the Club of Paris restructured $1.5 billion worth of Jordanian debt. In addition, the United States promised that if Hussein struck a deal with Israel, Washington would forgive $770 million in debt.\textsuperscript{130} But before the Jordanian Monarch reached his conclusion on the economic benefits of peace, many political events facilitated the urgency for Jordan to rush toward a settlement.

\textit{The Politics of Peace}

The publication of the Declaration of Principles, September 1993, between the PLO and Israel came as a surprise to Jordan. Hussein, who had accommodated the "Jordan umbrella" for the PLO in Madrid, had been excluded from the secret negotiations in Oslo, Norway. In spite of the substantial Palestinian concessions, it marked a dramatic change in the relationships within the conflict. Jordan considered the declaration a major threat to its basic interests and a challenge to its strategic aims and future regional role.\textsuperscript{131} Following the PLO-Israeli agreement, Hussein felt he had to scramble in order to ensure that Jordan would not be marginalized. Jordan quickly signed a draft agenda negotiated with Israel, which provides a basis for a future peace treaty. The October 1993 "understandings" document outlined many of the crucial economic and political concerns that the Hashemite Monarch found essential to the security of his thrown. The King voiced his concern for the Palestinian self-rule agreement, which he feared, would direct the international community's aid to the new Palestinian government. Jordan also worried that the new Palestinian entity would maintain close economic links with Tel


\textsuperscript{130} Ibid., 557.
Aviv rather than Amman. An additional risk is that the Palestinians residing in Jordan may invest their capital in the new Palestinian entity, which would drain reserves from Jordanian banks.

Dr. Asher Susser, an expert on Jordan and director of Tel Aviv University’s Dayan Center for Middle East Studies, said: "Jordanians don’t want to be left out, politically and economically... Jordanians feel their past passivity didn’t pay off." Jordan realized that unless it took more open steps for peace, it would not win the international assistance that was being directed at the Palestinians. International donors agreed to provide Palestinians in the territories with $2 billion in economic aid over the next several years, while Jordan has received no assistance for the Palestinians living in its country.132 The trilateral U.S., Israeli, Jordanian commission hastened the pace of the negotiations as the U.S. was in a position to guarantee compensation and encouragement toward a final treaty. But Hussein believed that Jordan’s moment had come and he should follow his instinct that Prime Minister Ishak Rabin would prove to be a reliable partner in peace. Thus, less than one year after signing the “understandings” common agenda agreement, the two parties met in Washington under the auspicious of President Bill Clinton and signed the July, 1994 Washington Declaration. The Washington Declaration acknowledged that the two parties agreed on:

- Direct telephone links will be opened between Jordan and Israel.
- The electricity grids of Jordan and Israel will be linked as part of a regional concept.
- Two new border crossings will be opened between Jordan and Israel

one at the southern tip of Aqaba- Eilat and the other at a mutually agreed point in the north.

- In principle free access will be given to third country tourists traveling between Jordan and Israel.
- Negotiations will be accelerated on opening an international air corridor between both countries.
- The police forces of Jordan and Israel will cooperate in combating crime with emphasis on smuggling and particularly drug smuggling. The United States will be invited to participate in this joint endeavor.
- Negotiations on economic matters will continue in order to prepare for future bilateral cooperation including the abolition of all economic boycotts.\textsuperscript{133}

The trilateral meetings that took place after the Washington Declaration assured both parties that they would be compensated for their pursuit of a peace treaty. Jordan, especially, needed to benefit from peace in the region to attract investment and to become a hub for regional commerce.\textsuperscript{134} Therefore, before the ink dried on the Washington Declaration, Jordan and Israel announced that they had reached agreement on all measures and signed their peace treaty on October 26, 1994. Right before the signing of the peace treaty, Crown Prince Hassan indicated in a speech exactly what Jordan hoped for in a peace settlement.

Direct private investment will play a key role, as will joint ventures and appropriate technology transfer. Those who seek to help the Middle East toward a peaceful and prosperous future would do well to consider how such channels can best be developed.\textsuperscript{135}

\textsuperscript{134} Peter Hinchcliffe, "Jordan's Relations with her Neighbors: Victim of War or Casualty of Peace?" Asian Affairs 28, (1997) : 346.
The intense focus on economic support describes the overriding factor pushing the pace of the peace process. The Hashimites seized the opportunity to overhaul and reform the crippling Jordanian economy. It is essential to explore the Jordanian economic situation before the peace treaty to fully understand the necessity of peace.

Economic Situation

By 1992, the results of the IMF-backed structural adjustment program Jordan had begun in 1989 were starting to show. Low wage costs and a devalued currency had helped exporters find new markets. Resident investors showed a new confidence in the country. Figures for 1992 showed the extent of the recovery. Trading on the stock exchange had increased three-fold over 1991. Total registered capital invested in Jordanian industries had risen to $330 million from $140 million in 1991. The budget deficit had fallen to 6 per cent of gross domestic product (GDP) from nearly 14 per cent the previous year. And GDP itself had grown by 11 per cent, after zero growth in 1990-91.\textsuperscript{136} These figures appeared to signify the growth of the Jordanian economy, but most of the inflated figures were due to Gulf returnee’s spending money. World Bank officials estimated that the Jordanian economy needed to grow about six percent, which requires a private investment rate of 20%. As a result, the World Bank had been campaigning among Jordan’s creditors particularly Japan and Western Europe to provide debt relief and grants to Amman. World Bank Vice President for the Middle East Caio Kochweser stated that "all the tools for meeting these challenges, for dealing with both opportunities

and risks, are in the hands of the Jordanian government, particularly in terms of further reinvigorating and proceeding with domestic economic reform, where Jordan has done well after the Gulf War.”137 Whereas the World Bank tried to generate international interest in the revival of the Jordanian economy, the damage from the Gulf War severely threatened the future stability of the Kingdom.

The Gulf War and U.N. sanctions against Aqaba Port significantly paralyzed Jordan’s economy and trade. In addition, unemployment had soared between 20-25 percent, coupled with the halting of inter-Arab assistance and the expulsion of Jordanian citizens working in the Arab oil countries, the loss to Jordan amounted to between $3.5 billion and $4.5 billion a year. The flight of foreign currency in mid 1994, estimated at $250 million, badly hurt the financing of imports of basic staples.138 Jordan desperately needed a mechanism to impede its economic deterioration. The Jerusalem Post, in 1994, listed Jordan’s socioeconomic distress as:

1. Jordan has one of the highest birthrates in the world, averaging 3.6-3.8 percent annually. This swallows up the country’s entire economic growth. In an economy which lacks sufficient resources, 42 percent of the population are under age 15.
2. Unemployment totals 160,000 out of a work force of between 850,000 and 900,000.
3. A severe lack of water resources affects both the population and the economy. The 1993 deficit has been estimated at 333 million cubic meters of the needed total of 1.316 billion cubic meters.
4. The naval blockade imposed by the U.N. in its campaign against Iraq’s Saddam Hussein cost Jordan $1.5 billion and badly hurt its diminished treasury.
5. The direct loss from the blockade was in Iraq-related trade, estimated at $400 million a year (or 35 percent of exports), while 90 percent of Jordan’s oil imports had come from Iraq.

6. The most pressing problem of all is Jordan’s continuing inability to repay its foreign debt estimated at $8.2 billion.\textsuperscript{139}

These future financial concerns were evident in the type of negotiations depicted at the meetings. For instance, U.S. officials maintained that the 1993 summits “sought progress on economic issues rather than on reaching a peace treaty.” The trilateral economic commission, set up following the Washington Declaration, also underpins the emphasis of peace rested on economic priorities. U.S. officials describe the trilateral meetings as “not so much a negotiating session as a logistics session” meant at “assessing what progress has been made in discussions on regional economic development.”\textsuperscript{140} The timing of the talks between Jordan and Israel coincided with the ongoing negotiations between Israel and the Palestinians over self-rule. Hussein was quick to coordinate his position with Israel first before Israel-PLO agreements could hurt his own economic interests in the territories. Therefore, it was not accidental that Bank of Israel Governor Jacob Frenkel announced new Israeli-Jordanian monetary cooperation during the period of self-rule. Jordan aimed at opening banks in the territories during that time, which would be subject to both countries' monetary regulations. Agreements were also struck on raising imports of Jordanian goods into the territories, and equal customs levies.\textsuperscript{141} While King Hussein was striking promising deals for the future of Jordan, he still had to face his citizenry. The democratic process had brought the Jordanian public closer to the regime’s

\textsuperscript{139}Ibid.
\textsuperscript{141}David Makovsky, “Jordan Looking for Best Price in Middle East Peace Bazaar,” The Jerusalem Post, November 14, 1993.
foreign policy capabilities. Any peace agreement would have to pass through the Jordanian parliament.

**Elections in 1993**

As vindicated during the Gulf crisis, the power of public and parliamentary opinion plays a major role in formulating King Hussein’s decisions. The Monarch knew well that in order to pass any peace treaty by the Jordanian Parliament that he would have to reinforce the regime loyalists and undermine the power of the Islamists. The 1991 Jordanian National Charter essentially involved a trade off between the regime and political forces within society. The King recognized the right to a liberalized political system, and in turn all political parties pledged their allegiance to the regime.\(^{142}\) In preparation for the 1993 elections, King Hussein reformed the election laws hoping to curtail fundamentalist support. The result of the King’s efforts plus the resolve of the Jordanian people decreased the control of the Islamists in parliament to levels significantly less than the plurality enjoyed from 1989. As a result, the position of the regime vis-à-vis parliament was strengthened. The Middle East peace process and the Jordanian economy were the dominant themes during parliamentary campaigning. The number of Hashimite supporters in parliament meant that the King could be assured of approval for a peace agreement with Israel.\(^{143}\) The elections yielded 59 out of 80 members of parliament as independents who campaigned on pledges of providing better

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\(^{142}\) Freij and Robinson, “Liberalization, the Islamists, and the Stability of the Arab State: Jordan as a Case Study,” 19.
services. These new parliamentarians could now be aligned with government policy. In contrast, the Islamic Action Front, Islamists party, won 16 seats, a sharp drop from the 22 it received in the 1989 elections. To the King, it was a vote of confidence in his regime since Islamic fundamentalism and the Middle East peace process were the most discussed issues throughout the country during the short election campaign.144

King Hussein’s calculations bore fruit as the peace proposal went to the parliament for ratification. The vote in the 80-member Chamber of Deputies was 55 to 23 with one abstention. The ratification cleared the way for full diplomatic relations between Jordan and Israel. The cabinet also ratified the peace treaty as Prime Minister Abdul-Salam Majali told the Chamber of Deputies that the treaty restored “Jordan’s territorial and water rights and paved the way for revitalizing Jordan’s moribund economy... and allowed Jordan a central role in regional politics after a four-year isolation caused by the Kingdom’s pro-Iraq tilt during the 1990-91 Gulf crisis.”145 Thus as the parliament ratified King Hussein’s peace initiative, the Hashimite regime had consolidated its social status by receiving approval from the elected representatives of the Jordanian people. The democratic process was used to legitimize the foreign policy decision making of King Hussein. As economic factors and the political urgency to counter being marginalized played major roles in pushing the King towards peace, the 1993 elections were pertinent to the government’s ability to fulfill the obligations negotiated in the peace treaty.

144 Steve Rodan, “Jordan Vote is a Victory for the Economy,” The Jerusalem Post, November 12, 1993.
The 1994 peace treaty restored over 300 square kilometers of occupied land to Jordanian sovereignty, afforded promises of more water, established transport and trading links, which were to produce many joint ventures. In addition to the economic relief from donor countries, King Hussein was able to use peace to help reconstruct his economic and security dilemmas. The popular tide, which forced the Monarch to side with Saddam Hussein during the Gulf crisis, had now turned inward hoping for Jordanian recovery. The 1990-1994 time period displayed how external factors can manipulate Jordanian decision-making and how foreign policy was used to combat the most immediate threats to the regime. The four-year segment also pointed out the indivisibility of factors influencing the government. External and internal issues became intertwined during the Gulf War and the Kingdom's peace perusal. In the final chapter, we will bring the examples of our case studies together to evaluate the extent of change and the transformation of Jordanian foreign policy.

146 Hinchcliffe, "Jordan's Relations with Her Neighbors," 346.
CHAPTER 4

CHANGE AND TRANSFORMATION

The preceding chapters demonstrate that between 1988 and 1994 Jordan underwent a series of foreign policy changes. An array of factors were explored in order to determine their impact on King Hussein's decision-making. Chapters two and three were designated as case study sections outlining the factual material during the time period. This segment incorporates the findings from the previous chapters into the analytical framework explained in the introduction. The cohesiveness of this thesis will manifest once our case studies can reinforce our indicators of foreign policy change.

The significance of this final chapter is that it moves past some of the pitfalls of previous works. As Rosati, Sampson and Hagan point out; one of the problems in the study of foreign policy has been the lack of attention to the dependent variable or what it is that is being explained. Instead, most of the attention has focused on the independent and intervening variables, or sources of explanation, and methodological questions. The neglect of the concept of foreign policy and what it is that is being explained may help explain the lack of attention to foreign policy change.\textsuperscript{147} From the beginning, the intention of this thesis was to evade neglecting the dependent variable while providing sufficient rationalization for the independent variables. For this reason, we preferred to leave the analysis of foreign policy change to the end. This gives readers the opportunity to become acquainted to the factors influencing change, which in turn enhances the explanation of the extent of change.
Thus far we have seen that foreign policy is not created out of a vacuum and that
prevailing decisions directly affect future decisions. Michael Clarke justly asserts that any
study of a state’s foreign policy over a given period quickly reveals that rather than a
series of clear decisions, there is a continuing and confusing ‘flow of action’ made up of a
mixture of political decisions, non-political decisions, bureaucratic procedures,
continuations of previous policy, and sheer accident. The overlapping combination of
variables directly influenced King Hussein’s decisions in each of the situations analyzed.
However as we will see, comprehensive changes were the primary medium to
recognizing the transformation of Jordanian foreign policy.

Disengagement From the West Bank

The circumstances facing Jordan in 1988 had a direct impact on how King
Hussein formulated his decision to disengage. As described in chapter two, the Arab
decision on PLO exclusive representation, the Intifada, the Arab reaction to the uprising,
the peace process stalemate, and the economic predicaments within the Kingdom
critically pressed King Hussein to find a formula to balance his perceived threats. Joe
Hagan’s “Domestic Political Explanations in the Analysis of Foreign Policy” highlights
the internal influence on decision-making. In Hagan’s general strategies linking domestic
politics and foreign policy, it was obvious that King Hussein used his foreign policy to
legitimize the Hashimite regime. Hagan’s explanation of domestic political games,
building policy and retaining political power, emphasizes the most important concern for

147 Rosati, "The Study of Change in Foreign Policy," 17.
the Hashimite Monarchy in 1988. The domestic political pressure stemming from economic difficulty, and the domestic political threat from Arafat and the *Intifada* required King Hussein to guard the retention of his political power. What we do not get from Hagan is whether external and historical factors influenced the disengagement decision.

*Incremental or Comprehensive*

The decision to disengage from the West Bank carried significant consequences that carried into the future strategies for Jordan. To determine whether disengagement from the West Bank constituted an incremental or comprehensive foreign policy change, we must revert back to our indicators (Table 1.1). While externally, Jordan did not have any immediate military threats, the non-military threats and the structure of previous relationships considerably plagued the Hashimite leadership. The external non-military threats emanating from the Arab League decision to fully support Arafat undercut the ruling legitimacy of King Hussein in the West Bank. In addition, the ongoing *Intifada*, which can be categorized as an external and internal determinant, posed another high-level non-military threat that could have evolved into a military threat. The frustrations with Israel over the failure of the peace process prompted many Palestinians to conduct border raids from Jordan that heightened tensions between the two countries. The structure of the previous relationship between Jordan, the PLO and Israel was also at a critical level. Since the beginning of the *Intifada*, the influence of Jordan in the West Bank decreased significantly as the PLO had increased its power. Since over half of the

148 Clarke, *Understanding Foreign Policy*, 27.
Jordanian population is Palestinian, the relationship between Hussein and Arafat equated to a high level external political threat. In addition, Israel’s uncompromising stance in the peace process had left King Hussein and Jordan helpless in influencing its stronger neighbor into concessions. The amalgamation of non-military threats and previous relationship structures triggered a high level of external pressure.

Internally, the dynamics were even more detrimental to the decision-making options of King Hussein. The domestic threats and drastic economic conditions generated a state of emergency for the Hashimite Kingdom. The fear of Palestinian alignment away from King Hussein toward Arafat and the deteriorating economic conditions prompted the Monarch to find a way to consolidate his rule. The exorbitant amount of capital funneled to the West Bank could be reverted to reconstruct the Jordanian economy. In addition, a break from the West Bank would force Arafat out of the already unstable Jordanian domestic arena. As seen throughout chapter two, the internal dilemmas of Jordan significantly persuaded King Hussein to make an immediate decision. Consequentially, determinants at the internal level were also high.

The historical factors influencing King Hussein had a very intricate impact on his foreign policy decision. The ideological attachment to the West Bank after the 1948 war was apparent from the 1950 Union agreement. Toward the late 1980’s King Hussein realized that the prospects of integrating the West Bank into Jordan had diminished. The cultural attachment between Jordan and the Islamic sites in the West Bank were also crucial since the Hashimites had regarded themselves as the custodians to the religious sites in Jerusalem. Thus, a detachment from the area would cut deep into the ideology of
Hashimite rule. While these factors would reveal a historical deterrence from disengagement, the Monarch knew that he could later negotiate the Jordanian influence over the sites at a later time. The historical precedents set by disengagement were far more vital. Due to external and internal factors, disengagement from the West Bank appeared logical, but the Monarch still needed a face-saving reason for public, regional, and international justification. From King Hussein’s speech and subsequent government reinforcement, the Monarch chose to set a historical precedent in recognizing the Palestinian right to govern themselves, while championing himself as a friend to the Palestinian cause by relinquishing Jordanian rights over the territory. This type of historic decision would fare well with the Palestinians in the West Bank and the East Bankers in Jordan. In itself the decision was historic and signified a break from nearly forty years of Jordanian-West Bank unity. Consequently, King Hussein’s language in explaining his watershed decision implies the high level of historical determinants affecting the 1988 state of affairs.

We conclude by distinguishing that external, internal and historical foreign policy determinants all ranked at high levels. Each factor transmitted diverse issues which in turn facilitated the alarming situation before disengagement. The combination and intensity of each factor prompted a decision intended to counter the perceived threats. These results indicate a comprehensive change in Jordanian foreign policy via the disengagement from the West Bank.
The Arab Cooperation Council (ACC)

After disengagement, Jordan needed to attain additional leverage versus external and internal forces. The Hashimite Kingdom was not strong enough to deal with Israel and Syria, nor did it possess the resources to bring stability to the economy. Throughout history, Jordan had utilized alliances to help suppress nationalistic movements and foster economic rewards. Accordingly, the Kingdom pursued alliances that could provide the most benefit for the longevity of the Hashimite throne. By late 1989, the Realist approach to national security best exemplifies the situation Jordan was facing. Al-Mashat explains that the international system has no central authority that can enforce order and provide security. In the power constellation that instead exists, nations must be concerned about their security from being dominated, attacked, or annihilated by other nations or groups.

To attain security from such attacks, they are driven to acquire more and more power in order to escape the impact of the power of others. This process, in turn, renders the others more insecure and compels them to prepare for the worst. Since no one can ever feel entirely secure in such a world of competing units, power rivalry ensues and the vicious circle of security and power accumulation begins.  

Jordan needed some sort of heightened power to offset the effect of relinquishing the West Bank and thus losing the economic and political benefits of the peace process. While the Realist approach specifically acknowledges the external security apparatus, the economic quandary played an even greater role in Jordanian-ACC alignment. Political economy literature better explains the significant push toward regional cooperation. As
seen in chapter two, the dire situation in Jordan was not a direct result from Israel or an external threat. Laurie Brand sums it best:

These considerations (reasons for Jordanian involvement in the formation of the ACC) must all then be placed against the backdrop of increasing unemployment in Jordan and, in the period of the king’s campaign for the organization (ACC), the precipitous drop in the value of the Jordanian dinar and the rescheduling of the kingdom’s external debt with the IMF in January 1989. The ACC’s ultimate failure to meet the king’s economic expectations in no way vitiates the initial role of these factors in Hussein’s calculations. ¹⁵⁰

Incremental or Comprehensive

Israel had gained even more leverage against Jordan in 1989 and the external pressures on King Hussein were intermingled with the internal dilemmas. External security challenges vis-à-vis Israel and Syria were always a top priority concern, and without a doubt the attention of King Hussein has always been directed toward his neighbors. Hussein hoped the new alliance would ensure Jordan’s place in regional politics, while creating a deterrent against future Israeli or Syrian aggression. But this point would come as an added bonus to the Kingdom’s immediate economic concerns. Another noteworthy point is that the decision for the alliance in no way restructured the previous relationships of the countries involved. As chapter two highlighted, the alliance became an institutionalization of the support provided by countries that stood by Iraq during its war with Iran. King Hussein hoped to strengthen these relations, but those relations did not pressure Jordan into an alliance. However, it would be precarious to refute that in the late 1980s and early 1990s security threats for Jordan were constantly

¹⁵⁰ Brand, Jordan’s Inter-Arab Relations, 284.
high. The volatile regional environment at the time persistently caused an alarming status for the King of Jordan. For these reasons, the external foreign policy pressures for the ACC alignment constituted a high level effect.

The impact of economic conditions on the internal influence of the Jordanian-ACC alignment has been amply presented. In addition to economics, the bread riots shortly after the formation of the organization exposed the extent of summering public dissatisfaction toward the deteriorating living standards. Public discontent had reached a boiling point by the beginning of 1989, and the implementation of IMF austerity measures ignited what King Hussein had hoped to avoid. In this instance, Hussein expected the utilization of alignment to deflect domestic pressures from within Jordan. The use of foreign policy to insulate domestic pressures indicates the seriousness of internal factors. Therefore, the internal foreign policy factors ranked high concerning the ACC alliance.

Historically, the ideological affiliation toward the EC model of economic integration had captured King Hussein's attention. Within speeches and interviews, the King was obviously impressed with the success of the EC. He noted many times that the Arab countries possessed more historic, cultural and religious closeness than Europe, thus economic integration should be a goal for the Middle East. But the haste formation of the organization denotes Hussein's concern to deal with his immediate threat. Had historical factors played a high role in alliance building, King Hussein would have attempted to form a larger and more cohesive group. The King's ideological preference was what would have guided the organization had it lasted; yet it did play a role in the goals of the
group. Hence the historical influence on the ACC alliance could range anywhere from a 
low to a mid level.

The importance here is not to quarrel over whether or not the historical 
determinants represent a low or mid level effect on foreign policy. Early detection from 
the intensity of factors prompted us to assume that the ACC alliance only represented an 
incremental change in Jordan’s foreign policy. However, it was necessary to implement 
the same rigor incorporated for all the case studies. The ACC alliance represented an 
attempt to counter the prevailing economic threats facing Jordan, thus indicating a 
‘business as usual’ response to the Kingdom's changing environment.

The Gulf War

The Gulf War offers another case of alignment, but the Jordanian-Iraqi coalition 
presented a crisis situation for King Hussein. The innate economic interdependence 
between Jordan and Iraq situated Hussein in a ‘no win’ situation. As described in chapter 
three, the Jordanian economy would collapse under Iraqi economic sanctions and a 
prolonged war. In addition, the Jordanian and Palestinian public had become so 
radicalized, that the government was reluctant to go against the tide. The process of 
democratization had also given the Jordanian public a much greater voice in relation to 
the Hashimite regime.

Edward Mansfield and Jack Snyder conducted a relevant study on the actions of 
countries undergoing democratization. The authors assert that statistical evidence
covering the past two centuries indicate that during the transitional phase of
democratization, countries become more aggressive and war-prone, not less. Mansfield
and Snyder declare the reasoning behind this is that democratization typically creates a
syndrome of weak central authority, unstable domestic coalitions, and high-energy mass
politics. Leaders, finding no way to reconcile incompatible interests, resort to shortsighted
bargains or reckless gambles in order to maintain their governing coalitions.151 In
Jordan’s case, the radical elements within the Parliament coincided with the mass
movements in the streets. The Hashimite leadership could not afford to sacrifice regime
stability for a neutral stance.

*Incremental or Comprehensive*

Externally and internally, the Gulf War created *high* levels of influence on King
Hussein’s decision to side with Saddam Hussein. The most notable impact stemmed
from the Jordanian public. As we have already seen, the radicalized Jordanian and
Palestinian population used the Gulf War to voice discontent over the current situation
within the Kingdom. Since economic conditions and the public mood toward Israel had
worsened, the environment encompassing Jordan surfaced as volatile and detrimental to
the Hashimite throne. At the same time, Saddam’s feverish speeches attacking the rich
Gulf states and the illegitimate Israeli occupation of Palestine sparked wide spread
sympathy for Iraq. Enough that King Hussein recognized the ability of Saddam to create
militant opposition toward regimes unfavorable to Iraq. The external threat of Saddam

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and the internal threat of the Palestinian majority in Jordan provoked King Hussein to find a way to neutralize his two immediate threats. Harknet and VanDenBerg’s omnialignment (double band-wagoning) synopsis vindicates the strategy used by the king to guard the survival of the regime. The omnialignment strategy reveals the high level of external and internal determinants affecting King Hussein’s decision to side with Iraq.

The historical factors deviate from the high degree of internal and external tension. Ideologically, King Hussein did not favor stronger countries engulfing their smaller neighbors. As a small country, Jordan could not rightly condone the very act which they guard so heavily against. In addition, Jordan had historically been aligned with the West, which guaranteed significant financial resources. Although culturally King Hussein identified more with the Iraqi people than with the Western-led coalition, the main emphasis on the Hashimite position dealt little with cultural overtones. What did encourage King Hussein historically was the precedence that he would set as a leader to his people. The popularity of the monarch soared during the Gulf War as he criticized the bombardment of Iraq. But the precedence King Hussein set was only a legitimization recompense for the position he was forced to take. Consequentially, the historical element could only account for a mid level affect on the decision to side with Iraq.

Many may argue that the Jordanian alignment with Iraq during the Gulf War had to characterize a comprehensive change. Jordan did align away from its historic Western allies and actually condemned Western involvement in the region. In essence, the decision represented an incremental change for many reasons. As we have seen, the external and internal influences were very high. Yet, historically, the alignment did not
play such a crucial role. A comprehensive change would entail an action exceptionally difficult to retract. The rapprochement with the West soon after the Gulf War amplifies that the strategy used by Hussein was in direct response to the changing environment surrounding Jordan. The ability to shift positions due to current situations depicts incremental foreign policy responses. In addition, the Gulf War stance did not leave a significant historical mark on the country. The Gulf War itself was a comprehensive change on the region as a whole, but as for Hussein’s decision to side with Iraq, that was forced by internal and external factors which typically characterizes decision-making in Jordan.

Peace with Israel

Martin Indyk described the end of the Gulf War as a watershed in the Middle East that promoted the United States to a position of unchallenged dominance in the region. Indyk later stated that U.S. objectives called for a new regional security structure, limitations on the Middle East arms race, an end to the Arab-Israeli conflict and economic freedom and prosperity for all the people of the region.152 The Gulf War results consolidated the U.S. dominance in the Middle East, which changed the status quo of the region. The Gulf War and subsequent American involvement in the region changed the old order by shifting the power base and the balance of power. One of the first examples occurred shortly after the war. The Damascus Pact signed in March 1991 provided a possible option for security within a pan-Arab framework. The pact was a mutual defense

agreement among the GCC states, Egypt and Syria. By the end of 1991, however, the Gulf States shifted toward a complete pro-U.S. policy for security, indicating that they could not fully rely on Egypt and Syria for security.\footnote{Abdulaziz Bashir, “Saudi Foreign Policy After the Gulf War,”} The Gulf States shift toward American security cemented the U.S. presence and incursion into the region. A few years later in 1994, Jordan’s historic peace accord with Israel signified King Hussein’s need to restore his pro-Western stance. Karla J. Cunningham affirms the importance of Amman to reestablish its historical Western links, which in the past funded the Hashemite regime’s goals of maintaining domestic stability and a strategic location in the region. The peace treaty with Israel indirectly solidified Amman’s relations with the United States. The significant U.S. role and new regional order pressed even the PLO to make historic concessions to ensure its survival. Apparent in chapter three, the PLO and Jordan were rushing to secure agreements with Israel under the auspices of the United States. Gilpin’s theory acknowledging war as the mechanism of change duly fits the Gulf War scenario. The conflict destroyed the old idea that Arab policies towards the outside world ought to be based on consensus. In the past, this idea had enabled the radicals, presenting themselves as patriotic, to exercise a veto over the conservatives pursuing pro-Western policies. The Gulf crisis not only eliminated the veto, but it also made each state in the region pursue what it conceived as its own interest.\footnote{Michael Field, Inside the Arab World (London: John Murray Ltd, 1994), 392.} Not only did the conflict accelerate the emphasis of the nation-state, but also the core issues of the region became secondary to the gains for Jordan. Korany emphasizes the new status for the post-Gulf War environment.
A focus on state security and territorial survival would necessarily subordinate Arab core issues and undermine prospects for functional cooperative regional projects... Should this occur, Arab State security policies will become increasingly pragmatic and be based on shifting alliances.  

Jordan’s prompt alliance shift from Iraq back to the pro-Western camp and a peace treaty with Israel reiterates the degree of change the region had undergone since the conflict. The external security concerns coupled with the internal economic problems hastened the Jordanian pace toward peace. The new position of the United States in the Middle East launched the development of new security arrangements. Using the arguments of Hey and Moon, the core state and systemic structure became the United States and Jordan followed U.S. pressure by consensus not compliance. It is important to note that the ruling elite in Jordan had always sought after a peace with Israel on minimal risk terms. Thus as the economic and concessions benefits surpassed the risks of peace, the Hashemite monarchy moved to take full advantage from the situation.

Incremental or Comprehensive

As with the Gulf War and the decision to disengage from the West Bank, the external and internal determinants rank high in the King’s decision to sign a peace treaty with Israel. From the external situation, the PLO-Israeli peace accords and the significant international aid promised to the PLO posed a serious threat to Jordan. Non-military threats and the structure of previous relations were extremely high because Jordan needed

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to reestablish its close relations with the United States especially after the enhanced position it occupied in the region. As Avi Shlaim states:

King Hussein signed this treaty not simply in order to recover territory and water resources but to protect his kingdom against a takeover bid by the Palestinians and in order to forestall the emergence of an Israeli-Palestinian axis.\textsuperscript{156}

The U.S.-Israeli-Palestinian negotiation track had forced Jordan to initiate and accelerate its haste for peace. The fear of missing out on the opportunities in this situation was clearly overlapped into the internal problems facing the Kingdom.

External forces pushed Jordan to the negotiation table, but the increased need to restructure the Jordanian economy compelled Jordan to sign. The economic indicators evaluated in chapter three illustrated the dire need for a solution or new reform policy. The elections of 1993 proved that people in Jordan had moved pasted the emotional fervor of the Gulf War and were determined to elect official promising reform and change. The domestic threat of economic instability had prompted the King to take action in most of the decisions we have investigated. Accordingly, the external/internal combination had once again increased to a point in which King Hussein had to act and a peace treaty offered the most inclusive answer.

The historic overtones to signing a peace treaty with Israel were fully recognized by King Hussein. Signing a peace treaty would set a new precedence in Jordanian-Israeli relations, which he hoped would solve the economic-security quandary. Historically, King Hussein’s grandfather had been assassinated for his rapprochement with Israel, but even at that time, the ruling Hashimites knew that the only way to secure the regime would be to secure peace with Israel. The radical elements within the region had
hindered the Jordanian ability to publicly negotiate with Israel. As we explained in the previous chapter, the requirements facilitating Jordan’s peace making ability were in tune.

Even before the Gulf War, King Hussein had been stressing the need for peace. At the Cyril Foster Lecture at Oxford University in 1989, the King stated that:

We must not leave future generations a legacy of fear...we must enable the peoples of the Middle East to look forward, not back. None of this will be possible in the absence of peace.\(^{157}\)

Peace was a high ideological and future model to the success of Jordan. Thus, in addition to the external and internal influences, the historical element also played a crucial role in the decision of King Hussein. This comprehensive change in Jordanian foreign policy marked the end-point of a transformation phase that began in 1988.

**The Transformation of Jordanian Foreign Policy**

Our beginning assumption in this thesis was that through significant foreign policy changes, Jordan had transformed its foreign policy. We also specified 1988 and 1994 as a set time period in which these changes evolved into foreign policy transformation. By transformation, we are not using what Holsti explained as restructuring. Jordan did not restructure its whole foreign policy, yet many significant elements had been altered. What transformation implies is a substantial alteration to the foreign policy orientation of a country. Thomas Volgy and John Schwarz’s definition of

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foreign policy restructuring is exactly what we have incorporated as foreign policy transformation. They state that:

Foreign policy restructuring is defined as a major comprehensive change in the foreign policy orientation of a nation, over a relatively short period of time, as manifested through behavioral changes in a nation's interactions with other actors in international politics.\(^{158}\)

We have seen how two major comprehensive changes marked the beginning and end of a transformation period for Jordan. The disengagement from the West Bank set the course for peace with Israel. Had the West Bank been still incorporated in the Jordanian Parliamentary system, passing a peace treaty would have been extremely difficult to maneuver past the public. Likewise, the incremental changes also exposed the weaknesses of the Hashimite regime's ability to counter the negative affects of changing external events. King Hussein marked the end this period of change in his address to the nation shortly after the peace accord.

I speak to you at a time of great historic change both in terms of events and transformational magnitude...we are now entering a new phase in our history at a time when the world is embarking on painful transformations.\(^{159}\)

The language used in the king's speech denotes awareness of the level of change that his country had undergone. What we have concluded brings up an interesting question for the future study of foreign policy transformation. Do comprehensive changes mark the beginning and end of a transformation cycle? In our case it did. We can also look to other examples to broaden our findings. For example, could we take President Sadat's historic decision to go to Jerusalem and speak at the Knesset and the Camp David Accords as

comprehensive foreign policy changes for Egypt? And if so, do these two comprehensive changes mark the beginning and end of a foreign policy transformation for Egypt? One could make a strong case for this argument using the framework and conclusions that we have produced. Establishing indicators of change and transformation was the inclusive objective of this study. Jordan lent a strong case study for many countries facing the same predicaments. In conclusion, foreign policy change and transformation constitutes a valuable supplement to the fields of foreign policy analysis, security studies, political economy, and area studies. The continued research and study of the phenomena of change will result in the further understanding of the elusive question: what makes an actor act?

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