

In 1964 the Palestine Liberation Organisation was founded as a "junior spokesman" for the Palestinians, in addition to Jordan. During the subsequent few years the PLO failed to attract serious attention but the situation changed following the disastrous Arab defeat of 1967 which led to bitter disappointment in the minds of Arabs and undermined the credibility of many of their regimes. In contrast, Palestinians and Arabs began to view the emergence of armed Palestinian resistance with respect and even admiration, and hence provided such groups with massive material and moral support. Within two years of the June War, Palestinian commandos (whose major force was Fateh) had become a threat to Israel's security.

Despite assaults from Israel and tragic confrontations with some Arab regimes, Palestinian armed groups grew in ability and succeeded later in coordinating their fight under the umbrella of the Palestine Liberation Organisation. In 1974 the PLO culminated its political struggle for identity by its recognition at the Rabat Arab Summit as the "legitimate and sole representative of the Palestinian people." During the 1970s the PLO succeeded in gaining stronger international support and recognition, until it came close to being a de facto regime in exile.

The 1970s also witnessed an important structural change in the Israeli ruling hierarchy. After almost thirty years in power, Israel's Labour coalition lost the 1977 Knesset elections to the right-wing Likud opposition, headed by Menachem Begin. This provided ultra-religious groups and Zionist extremists with their opportunity to attempt to create a greater Israel.

Another major development came in the fall of 1977 following Sadat's surprising visit to Israel. In 1978 Egypt, Israel and the United

States signed the Camp David Accords calling for Israel's phased withdrawal from Sinai and normalization of relations between Egypt and Israel. On the Palestinian question, Israel and Egypt were supposed to reach an agreement which would give Palestinians in "Judea and Samaria" full autonomy, pending final agreement on the future of that territory five years later. The PLO and all other Arab regimes (except Sudan) were opposed to the unilateral Egyptian-Israeli peace treaty. Despite American and Egyptian promises of "full autonomy", most Palestinians believed that Begin held a completely different view, and that autonomy meant to him no more than a means to legalize occupation. This would overcome Palestinian resistance and diffuse the international consensus against Israel. According to the dominant Palestinian view, Israel interpreted Camp David as giving it more control in the West Bank and other occupied territories. It immediately launched an aggressive settlement policy to which Americans and Egyptians expressed no more than verbal opposition. In the view of the Palestinians, they were to pay the price of returning Sinai to Egypt.

The political background for the resource conflict

The West Bank was caught by Israeli occupation in a state of extreme vulnerability and fragility, both in its political and socio-economic structures. This, as we shall see later, has proved of assistance to Israel in fulfilling its own ambitions in the occupied territories. The West Bank was subjected under Israel to forms of exploitation which were distinctly different from those practiced under Jordan.

Notwithstanding certain differences, the official policies regarding the occupied territories of successive Israeli governments have all