

# TABLE OF CONTENTS

	Page
Foreword.....	i
Summary of Conclusions and Recommendations.....	v
I. Introduction.....	1
II. Security Implications.....	5
III. The Arab-Israeli Conflict .....	7
A. Peace proposals.....	11
B. Israel.....	19
1. Israel's security concerns.....	19
2. Israel and the West Bank and Gaza.....	24
C. The Palestinians.....	30
1. Palestinians in the West Bank and Gaza.....	32
2. The PLO.....	39
D. Prospects for a renewal of the peace process .....	46
E. Canada's position .....	49
1. Canada's early involvement in the Arab-Israeli dispute.....	49
2. Canadian policies relative to the peace plans .....	51
3. Positive steps that could be taken.....	53
4. Jerusalem.....	60
5. How Canada should relate to the PLO.....	63
6. Golan Heights .....	68
F. Lebanon.....	69
IV. Iran and Iraq.....	75
V. Canada and Middle East Peacekeeping.....	79
VI. General Relations .....	87
A. Representation.....	87
B. Trade relations.....	91
1. Bilateral trade .....	95