

The Palestinian Strategic Report 2006



Edited By

Dr. Mohsen M. Saleh



Al-Zaytouna Centre For Studies & Consultations

The Palestinian Strategic Report 2006



**Al-Zaytouna Centre
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The Palestinian Strategic Report 2006

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List of Abbreviations

AEI	American Enterprise Institute
AKP	Justice and Development Party (<i>Adalet ve Kalkınma Partisi</i>)
ARIJ	Applied Research Institute of Jerusalem
CBS	Central Bureau of Statistics
EU	European Union
Fatah	Palestinian National Liberation Movement
GCC	Cooperation Council for the Arab States of the Gulf
GDP	Gross Domestic Product
GNI	Gross National Income
GS	Gaza Strip
Hamas	Islamic Resistance Movement
ICG	International Crisis Group
ICJ	International Court of Justice
IDB	Islamic Development Bank
IMF	International Monetary Fund
MOT	Museum of Tolerance
NATO	North Atlantic Treaty Organization
OIC	Organization of the Islamic Conference
OCHA	The United Nations Office for the Coordination of Humanitarian Affairs
PA	Palestinian Authority
PCBS	Palestinian Central Bureau of Statistics
PICCR	Palestinian Independent Commission for Citizens' Rights
PLC	Palestinian Legislative Council
PMA	Palestinian Monetary Authority
PNC	Palestinian National Council
PFLP	Popular Front for the Liberation of Palestine
PFLP-GC	Popular Front for the Liberation of Palestine - General Command
PLO	Palestinian Liberation Organization
TOBB	Union of Chambers and Commodity Exchanges of Turkey
QIZ Agreement	Qualified Industrial Zone Agreement
Shabak	Israel Security Agency

UK	United Kingdom
UNHCR	The United Nations High Commissioner for Refugees
UNIFIL	United Nations Interim Force in Lebanon
UNRWA	United Nations Relief and Works Agency for Palestine Refugees in the Near East
USA	United States of America
WAFA	Palestine News Agency
WB	West Bank

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The Palestinian
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Introduction

After the success of its first Report of 2005, al-Zaytouna Centre is pleased to issue the Palestinian Strategic Report 2006 (PSR 2006). We are deeply indebted to all our colleagues and writers whose remarks, comments and notes were of the utmost use to us.

This Report monitors and analyzes the internal Palestinian situation, the Israeli scene, the Israeli aggression on land and man, and the peace settlement track. It discusses the Palestinian demographic indicators, the economy in the West Bank (WB) and Gaza Strip (GS). It focuses on the Arab, Islamic and international stances towards the Palestinian issue. This year the Report dedicated a chapter for discussing the Land and the Sanctuaries and another one for the Israeli war on Hizbullah and Lebanon.

Eleven distinguished experts contributed to this Report, besides our consultants who gave their important remarks. All this helped us to elevate and enhance this edition in comparison to that of the previous year.

PSR 2006 traces the major track of 2006 events; it combines the latest up to date detailed information, analysis and forecast. This Report was written according to the basics of scientific research methodology. Sensitive issues were discussed with neutrality and without any preconceived ideas.

We acknowledge with appreciation al-Zaytouna's research assistants; Wa'el Sa'd, Ghina Jamal al-Din, Iqbal 'Omeish and Mona Hourri; who helped in providing the scientific data, editing and reviewing the chapters and in executing required modifications.

In the end, we thank everyone who supported this Report and encouraged its continuation. Undoubtedly, we are always open to advice, suggestion or critique.

The Editor,

Dr. Mohsen Saleh

Chapter One

*The Internal Palestinian Scene:
The Inevitability of Change and the
Blockade*

The Internal Palestinian Scene: The Inevitability of Change and the Blockade

Introduction

The year 2006 opened with a dramatic development in Palestine, namely the spectacular victory of Hamas (The Islamic Resistance Movement) in the parliamentary elections. It won the majority of the seats of the Palestinian Legislative Council (PLC), which gave the resistance an additional legitimacy, the legitimacy of the ballot box. By the end of the year, the relationship between the institutions of the presidency and the premiership as well as that between Hamas and certain wings in Fatah (The Palestinian National Liberation Movement) reached to the edge of total explosion. As always, the domestic Palestinian affairs were closely connected with the dynamics in the Arab world, the region and the world at large. This was the year of the monumental American failure in Iraq, the American-Israeli continuous disregard to the peace process and the complete failure of Israel in Lebanon and the acceleration of the crisis in Lebanon. The year had also witnessed an increasing western pressure on Syria, and American threats to Iran because of its nuclear program. Meanwhile, the Russian economy continued to prosper, and the Russian diplomacy regained confidence.

Since late 1960s, Fatah had led the Palestinian national movement, constituted the pillar of the Palestinian Liberation Organization (PLO) and dominated the Palestinian political scene. Though facing some political challenges from within Palestine and unable to deter Arab regimes from meddling in the Palestinian affairs, the leadership of Fatah continued to be in the limelight for over 30 years. But the mid 1970s seems to have been decisive on the issue of Fatah leadership of the national movement. However, admittedly, the opponents of 'Arafat and Fatah did not have an alternative project to the one of an independent Palestinian state that 'Arafat had initiated and insisted on with the blessing of Egypt and the Soviet Union, notwithstanding the formidable Arab and Palestinian opposition. No doubt, this project had negative repercussions on the totality of the Palestinian issue, but it had obviously favorably responded to the wishes of some Arab regimes to gradually disassociate themselves from any responsibility towards the Palestinian issue.

In the name of the PLO, Fatah concluded in 1993 the Oslo Agreement that was based on the successes of the Palestinian *Intifadah*, the accelerating changes in the post-cold war world, and an increasing desire within Fatah leadership to achieve whatever can be achieved of the national agenda, irrespective of the broad Arab demands. Immediately after the signature of this agreement, an opinion emerged that both Fatah and the Israeli leadership had rushed to conclude it to be a preemptive step to check the rising political Islam in the West Bank (WB) and Gaza Strip (GS). The rise of Hamas and the Islamic Jihad Movement in Palestine (*Harakat al-Jihad al-Islami fi Filastin*), in the first *Intifadah* (1987-1993), may have obsessed both parties, but the Palestinian national leadership, as well as the leadership of the Hebrew state, had obviously believed that the establishment of the Palestinian Authority (PA) would suffice to contain the Islamic phenomenon. But the developments that took place between the establishment of the PA and the outbreak of the second *Intifadah* had given the Islamic trend additional grounds to flourish and prosper.

Rather than catering for the Palestinian concerns and ambitions, the new authority had, in effect, become a huge security apparatus, and its institutions as well as ministries rapidly became breeding ground for wide spread corruption. The structural shortcomings of Oslo were gradually revealed, which slowed down the peace process that was not, anyhow, anticipated to reach to its expected end even in the eyes of those who negotiated and signed the agreement. The outbreak of the second *Intifadah*, by the end of September 2000, was presumably an indicator of the correct position taken by those who opposed Oslo, of whom the Islamic trend was the most prominent. During the years of the second *Intifadah*, the Islamic trend gained momentum and Hamas emerged as a leading Palestinian force, a development that the late President 'Arafat understood and took on board. 'Arafat himself had changed after the abortive Camp David 2 negotiations, and the emergence of an alternative strategy to negotiations that was patronized by the *Intifadah* and the resistance.

The dynamics of the internal Palestinian politics during the year 2005 had expressed themselves in the outcome of the municipal elections (See: *The Palestinian Strategic Report, 2005*), but by their very nature these elections could not provide a decisive indicator. Hence, it was necessary to await the legislative elections, as fixed by Oslo Agreement, and the restructuring of the PLO. However,

by the victory of Hamas in these elections, the domestic political setting in Palestine entered a transitional stage; as Fatah was still an effective force in the PA apparatus, resistance and at the popular level. Besides, the Palestinian affairs were by their very nature exposed to regional and international interference.

First: From the Elections to the Government

The Palestinian President Mahmud ‘Abbas (Abu Mazin) and his advisers were not in favor of holding the elections in its scheduled date, on 25 January. In view of the consistently rising political influence of Hamas, ‘Abbas was not confident enough of Fatah’s victory, and he had, in fact, hinted several weeks before the elections that they may be postponed. Another indication that ‘Abbas may have harbored plans to delay the elections was his insistence that they take place only if the population of Jerusalem (*al-Quds*) were allowed to choose their representatives, though some have argued that he intended by this move to exert pressure on Israel to allow them to do so, and to exhibit his strong commitment to the Palestinian rights.¹ However, to support its declared program of democratization in the Middle East, superficially at least, the American administration seemed to have been keen to allow the Palestinian elections to go ahead. Besides, some Palestinian research institutes (either pro-Fatah or financially supported by western countries) had forecasted in its polls the likelihood of the victory of Fatah.² Hence, under the pressure of America, the Hebrew state allowed the population of Jerusalem to vote, and the elections were held on time.

**Table 1/1: A Sample of an Opinion Poll on the Popularity of
Fatah and Hamas**

Date	16-18/11/2005 ³	24-25/12/2005 ⁴	5-6/1/2006 ⁵	20-21/1/2006 ⁶
Hamas (%)	19.3	25	25.1	23.4
Fatah (%)	37.1	38.5	38.2	39

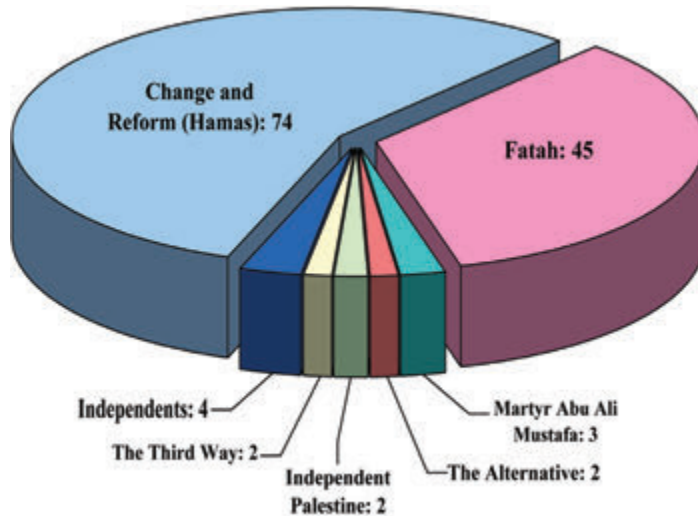
The Palestinian legislative elections were conducted on the basis of a joint system that accepted both individual constituencies and proportionate lists. Hamas won a comfortable majority, 74 seats, while its opponent, Fatah, got 45 only, and the rest of the seats were distributed as follows: four for Independents, three for

the Popular Front for the Liberation of Palestine (PFLP) (*al-Jabha al-Sha'biyah li Tahrir Filastin*) and two for each of the Alternative (*al-Badil*), Independent Palestine (*Filastin al-Mustaqillah*) and the Third Way's (*al-Tariq al-Thalith*) lists.⁷ These results profoundly shocked the Palestinian leadership, many Arab countries, member-states of the European Union (EU) and the American administration. They also confirmed the overall rising influence of the Islamic trend in the Arabic and Islamic realms, along the last decade, and the end of Fatah's monopoly of the national Palestinian affairs. But President 'Abbas wisely declared that he will never hesitate to call upon Hamas to form the Palestinian government, and within a short period Hamas' internal and diasporic leadership choose in meetings in Cairo Isma'il Haniyah, the Movement's most prominent and popular leader in GS, for the premiership. Hence, on 21 February President 'Abbas officially authorized Haniyah to form the new Palestinian government.

Table 2/1: Results of the Palestinian Legislative Elections in the WB and GS 2006⁸

Electoral list	No. of seats
Change and Reform (Hamas)	74
Fatah Movement	45
Martyr Abu Ali Mustafa (PFLP)	3
The Alternative (the Democratic Front for the Liberation of Palestine (<i>al-Jabha al-Dimuqratiyah li Tahrir Filastin</i>), People's Party, Fida and Independents)	2
Independent Palestine	2
The Third Way	2
Independents (supported by Hamas)	4
Total	132

Results of the Palestinian Legislative Elections in the WB and GS 2006



Hamas' first priority was a national unity government that includes Fatah and other Palestinian organizations and lists. But the American stubborn opposition to a Hamas led government, and Hamas' position towards the PLO indicated that the new government will be short lived. Besides, since the announcement of the results, Fatah leadership was inclined not to participate in a national government led by Hamas, and Fatah leader Muhammad Dahlan had even openly declared that shame would be inflicted on Fatah if it participated in such a government.⁹ Salim al-Za'nun, a member of the Central Committee of Fatah and the chairman of the Palestinian National Council (PNC), declared that certain Arab and foreign quarters incited Fatah against Hamas.¹⁰ As for the Popular Front, two opinions emerged on the issue, the first, represented by the diasporic leadership, suggested participation, and the second, patronized by the internal leadership, opposed their Front's involvement in such a government. However, the Front had finally rejected participation because Hamas declined to recognize the absolute supremacy of the PLO, and refused to commit itself to its political program. Other small parliamentary groups hesitated, even conditioned their participation on the realization of some impossible demands. Hence, no option was left for Hamas except to finally form the government all alone, though the Palestinian public opinion strongly favored the option of national government.¹¹ However, in the light of the developments that took place in the Palestinian arena during the coming months of the year 2006, we may safely argue that the Palestinian parties that participated in the failure of the

option of a national government bear a heavy historical responsibility. For such a national consensus was utmostly needed in that difficult and sensitive transitional phase in which the national issue was confronted by major responsibilities and many challenges.

In his address before the PLC on 18 February, the Palestinian president called upon the forthcoming government to commit itself to the program and the treaties concluded by the PLO and the PA. It was obvious that the position towards the PLO and consequently the international treaties, including Oslo, would be a bone of contention and a source of increasing conflict between Hamas and Fatah. Haniyah, the elected premier, pinpointed, in his response before the PLC the position of his government by expressing his appreciation to the PLO, as the umbrella of the national Palestinian movement over decades, but he called for its restructuring in a way to be more effective and representative of all the Palestinian forces and trends. However, despite the criticism of the Fatah and the Executive Committee of the PLO, the government won the confidence of the PLC on 28 February.¹² Hence, a new stage in the course of the PA started, in which Hamas formed a government whose security organs and flabby bureaucratic apparatus were effectively under Fatah control.

Before we go any further, we should highlight two facts. First, the fairness of the elections and the neutrality of the election organs, thanks to President Mahmud ‘Abbas. Secondly, and most importantly, from a political point of view, the choice of Hamas by the Palestinian people in the WB and GS gave the resistance and its political plan of action an added impetus through the ballot box, which constituted a serious setback to the American-Israeli policy, even the European one, that dismissed the resistance as mere terrorism, and all the Palestinian resistance organizations, particularly Hamas, as nothing but “terrorist groups.”

Second: The Siege

The stubborn Israeli and western opposition to the new government was glaringly visible to everybody. However, to contain a probable boycott and economic pressure to his government and to satisfy the Palestinian public opinion that had been overburdened by the extravagance and corruption of the previous governments, Premier Isma‘il Haniyah undertook to pursue ascetic policies. But

he did not seem to have been aware of the great extent in which the Palestinian economy and finance were at the mercy of Israeli policies and western aid, and of the blockade that his government was bound to face. The siege started by Israeli decisions to suspend the delivery of the funds accumulated from the taxes and dues that were collected by the Hebrew state on behalf of the PA, and to impose restrictions on Palestinians working in Israel.¹³ Subsequently, an Israeli-American extensive effort started to impose an international blockade on the Palestinian government that stops all western aid, and hopefully lead to the downfall of Hamas government and the holding of new elections. Hence, the American administration (with the support of the Congress) and the countries of the EU suspended diplomatic contacts and stopped financial aid to the government under the guise of its rejection of what has become known as the conditions of the Quartet (i.e., the international committee, composed of the EU, the USA, Russia and the United Nations (UN), that was entrusted with the Palestinian question) that include recognition of Israel, discard of violence, surrender of the resistance's arms and commitment to the treaties concluded between the Palestinian and the Israeli sides.¹⁴

The first major challenge to the international blockade was represented by the Russian initiative of 9 February through which a Hamas delegation was invited to visit Moscow, a move that was supported by France alone, but resisted by the Israeli government, the American administration and the British government that doubted the ability of Moscow to influence Hamas. Nevertheless, Russia insisted, and a Hamas delegation, led by Khalid Mish'al, the head of the Political Bureau of Hamas, visited the Russian capital in the first week of March.¹⁵ However, in spite of the warm reception that the delegation received, and the Russian promises of help, the Russian initiative did not effectively break the blockade, and Russia stuck to its declared position and advised Hamas to accept the Quartet's conditions. But the political implications of the visit had greatly preceded its direct results, as, for many years, this was the first time in which Russia took a stand on the Palestinian issue that was basically different from that of Europe and America. It, moreover, indicated that Russia have begun to regain political will on Middle Eastern affairs, and the capacity to address the American strategic threat to its security in Eastern Europe.

The Arab attitude was not practically dissimilar from the Euro-American one. Admittedly, a number of Arab countries welcomed the government of Hamas, but the major Arab states that were directly connected with the Palestinian issue

could not dare to confront the American policy. Both the Egyptian premier and the Jordanian King demanded that Hamas commit itself to Oslo Agreement and its aftermath.¹⁶ Though Cairo had maintained security channels with the Palestinian government, the Egyptian minister of foreign affairs declined to receive his Palestinian counterpart, Mahmud al-Zahhar, during his Arab tour in April. Meanwhile, a noisy crisis erupted between the Jordanian government and Hamas over the former's arrest of a Hamas group that was allegedly planning to undertake military strikes against Jordanian targets.¹⁷ Hence, as expected, a scheduled visit of the Palestinian foreign minister to Amman was cancelled. The position of the Saudi government towards the Palestinian government was also reserved and cool. But Syria, who hosted the diasporic leadership of Hamas and that of other Palestinian organizations, warmly welcomed the outcome of the elections and Hamas assumption of power. It took the victory of the Palestinian resistance to be a success of its own policy, and a glaring indication that Syria is a major power in the region that cannot be overlooked or disregarded. Both Qatar and the Sudan received in their capitals big Hamas delegations, and promised to extent quick aid to the Palestinian government.¹⁸ (See chapter four of this book)

The pertinent problem that faced Hamas government was to avail funds to cover the salaries of the 140 thousand military and government officials. This was a formidable task as the government had been, even before Hamas assumption of power, practically bankrupt and indebted by a sum of about \$1.77 billion.¹⁹ During a visit that Khalid Mish'al paid to the Iranian Islamic Republic in February at the head of a big Hamas delegation, the Iranian Consultative Assembly issued a decree that ordered the formation of a committee to support Palestine, and the Iranian government offered an aid of \$250 million to cover the deficit of the Palestinian budget resulting from the suspension of European and American funds.²⁰ Meanwhile, an extensive popular campaign was initiated in the Arab world to collect contributions to Palestine. This widespread popular sympathy with the Palestinian government, coupled with the generous Iranian aid, embarrassed Arab regimes, and triggered an Arab summit in Khartoum that decided to extend urgent aid to the Palestinians.²¹ A number of Arab states, including Algeria, Saudi Arabia, Egypt, Qatar and Kuwait, paid their allocation to the special Palestinian fund ordered by the summit. But the Arab banks refused to transfer these funds to the Palestinian government lest they be exposed to American sanctions, which constituted a major predicament to the efforts to break to blockade.²² The cash

brought to the Palestinian treasury by Hamas ministers and officials via the passage between GS and Egypt was too modest to cover the huge deficit, particularly so as this effort was often interrupted by the European supervision of the gateway.

Being embarrassed by its illogical position towards a democratically elected government, and by the serious repercussions of the blockade on the Palestinian people, the European group seems to have been reluctant of the collapse of the PA, particularly so as Hamas government had exhibited surprising resilience to resist foreign pressure. Hence, a number of European states allocated a special fund under the supervision of the World Bank to extend aid to the Palestinians on condition that it does not pass via the Palestinian government, and be assigned to support the health and other major service sectors. The Quartet endorsed this European mechanism,²³ which participated in covering the cost of the basic Palestinian needs.

In any case, the Palestinian government managed to cover a reasonable percentage of the salaries' arrears, the acting minister of finance, Samir Abu 'Eisha, reported that out of the total sum of about \$1.18 billion, the government paid by the end of 2006 the sum of \$658 million, which covered 69% of the arrears of government officials in the educational sector, 74% of those in the health service and 60% of the military personal.²⁴

The intensity of the internal pressure resulting from the blockade was, however, reduced during the last months of the year either because of the significant payments given to the officials or due to the capacity of the Palestinians to adapt themselves to the new situation. But, the political tension persisted. Hamas accused the institution of the presidency and some of the ilks of President 'Abbas with collusion with the blockade. In a stormy meeting between the president and the prime minister, the former rejected the suggestion of Haniyah to use the funds of the Palestinian Investment Fund, which was under 'Abbas's authority, to reduce the damaging impact of the siege.²⁵ Besides, Sa'ib 'Urayqat, the presidents' appointee to coordinate the functions of the passages, connived with the European supervisors to obstruct the influx of money brought by some of Hamas leaders and ministers to GS.²⁶ By the end of the day, the blockade had significantly contributed in accelerating internal tension, and fueling the propaganda campaigns against Hamas. But the blockade imposed on the Palestinian government could not have alone generated this crisis as the Palestinian had previously managed to sail

through during the years of the first *Intifadah* without external aid, and could have done so this time. The siege was thus one of a number of interrelated factors that expressed an acute internal conflict around authority and on the whole orientation of the Palestinian national struggle.

Third: The Conflict of Authorities

The struggle around authority between the president and Hamas government had started even before the latter's official assumption of power. During the last session of the previous Fatah dominated PLC, held after the elections, several decisions and constitutional amendments were passed, which were designed to strengthen the presidency at the expense of the government and the newly-elected council. For, they gave the president absolute power to form the Constitutional Court and the Civil Service Bureau.²⁷ Besides, the previous PLC sanctioned the appointment of an outsider to be the secretary-general of the new council.²⁸ Since the occupant of this position should strictly be from among the elected members of the council, Hamas considered this move a "white coup" on the constitution.²⁹ Immediately after the first session of the new council, in which 'Aziz Dweik was elected to preside the council, a conflict erupted between him and President 'Abbas over the legitimacy of the decrees issued during the last session of the previous council. The issue was taken up to the Constitutional Court, but this was a bad omen for the relationship between the president and his new government.

The president issued a decree that placed all the public media institutions under his direct supervision. Similarly, another presidential decree formed a special corporation to administer the frontier passage under Sa'ib 'Urayqat, a former minister and Fatah member of the PLC (Rafah Passage was placed under the president's security organ). A third decree tightened the presidents's grip over all the security organs that were entrusted to some of his close aides. Rashid Abu Shbak (the ex-commander of the Preventive Security Apparatus) was appointed in charge of the internal, civil defense, preventive and police security organs, that were all previously under the authority of the government, while Sulayman Hillis became the director of the National Security Organ.³⁰ Incidentally, this was exactly what the late President 'Arafat did, and to which 'Abbas, then the premier, had strongly objected. President 'Abbas had also sidelined all the ministers, including

the minister of foreign affairs, from his foreign visits, contacts and negotiations with Arab and international envoys, irrespective of their attitude towards Hamas government.

However, this struggle between the president and his government reached its zenith when the minister of interior, Sa'id Siyam, formed a security force, named the Executive Force,³¹ under his direct authority, which was composed of personnel from al-Qassam Brigades (*Kata'ib al-Qassam*) of Hamas and other pro-resistance forces. Though the primary motive behind the formation of this force was the deteriorating security conditions in GS and the loss of the interior minister of his presumed authority over the PA security organs, President 'Abbas issued a decree that cancelled the minister's decision, and refused to incorporate the members of this force in the cadre of the Ministry of Interior. Furthermore, all other government appointees remained temporary and were not legally included in the civil service.

Meanwhile the Palestine News Agency (WAFA), reported a presidential communiqué of an agreement between President 'Abbas and Premier Haniyah on some legal and financial steps to be taken to incorporate this force in the security organs of the Ministry of Interior.³² The spokesman of the Ministry of Interior had, on the other hand, reported that the president had sanctioned a financial fund for the Executive Force, and ordered the finance minister to enact administrative and financial measures to employ the first batch of this force that was composed of 3,422 individuals.³³

However, a few days later, the president declared the formation of a new security force under the name of the Presidential Guard,³⁴ which indicated a tendency to accelerate the military tension between the security organs of the president and those of the government. The Israeli newspaper *Haaretz* reported a few weeks later a plan to increase this force and an Israeli decision to arm it,³⁵ while other reports claimed that this armament will be provided by Jordan and Egypt.³⁶ Coupled with these reports of a substantial increase in the numbers of the Presidential Guard and their armament, which had already intensified the internal crisis, Hamas government was not allowed throughout the year 2006 to assume control over government institutions, particularly the security forces and the Civil Service Bureau (i.e., the major body of the PA). Meanwhile, the Israeli forces inflicted painful strikes (particularly from the end of June to early August) on the government and the PLC, especially an extensive arrest campaign that detained

64 of Hamas ministers and members of the PLC in the WB, including the president of the PLC Dr. 'Aziz Dweik.³⁷ This measure reflected the frustration, despair and impatience of the Hebrew state that could not tolerate a Hamas government for any and at any time.

Fourth: Security Tension

The internal Palestinian crisis was undoubtedly essentially political in nature. This was reflected in the Israeli-American rejection of the democratic transformation that the Palestinian arena had experienced, and in the insistence of the previous Palestinian leadership to click to power and control the decision process of the new Hamas government. Besides, is the difference in the political outlook of Hamas and Fatah with regard to the conditions of the Quartet, the political program and the handling of the conflict. Meanwhile, the international blockade imposed on the government and the Palestinian people had gone through the roof. But what had particularly frustrated the Palestinian people was the security hazards and chaos represented by the frequent bloody clashes between Hamas forces on one side and those that supported the president or some factions within Fatah. Since the establishment of the PA in the mid 1990s, all the Palestinian political forces were verbatimly committed to the policy of "sanctity of the Palestinian blood" particularly so during the 1996 assault of the authority on Hamas and the Islamic Jihad in which many of their leaders were arrested and tortured. Nonetheless, none of the two organizations had retaliated militarily, but they tolerated this inexcusable persecution until it vanished away. But the crisis of 2006 was in a way unique as it was around fundamental issues, namely governance and decision making.

The PA areas in GS and the WB witnessed a series of serious demonstrations in which both parties, the government and the opposition, tried to exhibit their muscles and popular support, and to establish their positions on the credibility of the outcome of the elections, i.e., a true reflection of the balance of power in the Palestinian street. But the most worrying developments were the participation of some units of the security forces in these riots, the slogans raised by some of the demonstrators to topple the government and the call of some professional sectors, particularly in the WB, for a general strike.³⁸ The prime pretext of these demonstrators and strikes was the payment of the salaries which the government failed to honor because of

the blockade and the boycott. Rather than forming a united front of all the national forces to break this impasse, the issue of the salaries has become a vehicle to oppose and topple the government. Behind this scenario of demonstrations and counter demonstrations, the aggravating conflict between the government and the president and a widespread press campaign against the government was apparently a discreet plan to provoke Fatah's organizational fanaticism and to indulge some of its military wings into a struggle against Hamas and the government. Gradually, this political incitement turned into military confrontation between Hamas and Fatah, the executive force and the preventive security, and even within the security organs themselves. On 31 March, 'Abd al-Karim al-Quqa, the secretary-general of the Popular Resistance Committees that was affiliated to Hamas, was assassinated. These committees claimed that they have sufficient evidence to incriminate the strong Fatah leader in GS, Muhammad Dahlan, and the Israelis in this crime.³⁹ Since the end of the first week of May, interrupted clashes erupted between some of Hamas and Fatah forces that culminated in the assassination of Muhammad al-Titir, a leader of Hamas' military wing al-Qassam Brigades, on 16 May at the hands of an armed group.⁴⁰ In the mid of a shocked popular feeling, the National Follow-up Committee (constitute of all Palestinian organizations), concluded that both parties are responsible.⁴¹

Yasir al-Ghallban, another member of al-Qassam, and Dr. Husain Abu 'Ajwa one of Hamas political leaders, were also assassinated on 4 June and 6 July respectively. Moreover, following the formation of the Executive Force, armed conflicts were renewed, this time between members of this government force, and members of the preventive security organ that were loyal to Muhammad Dahlan, of which the most serious was the early October clashes in which eight were killed and 100 wounded.⁴²

Meanwhile, efforts by two Palestinian movements, the Islamic Jihad and the Popular Front, and the Egyptian security delegation, stationed in GS,⁴³ succeeded in halting the clashes, and in forming a coordination committee to organize the relations between the two conflicting parties. But this was just a temporary arrangement, and the fighting was bound to resume because of the political stalemate that developed into an almost total rift between President 'Abbas and Premier Haniyah. By December, a state of almost total chaos prevailed. Assassination attempts against the minister of interior, Sa'id Siyam, and the

minister of the detainees, Wasfi Qabha, took place on 10/12/2006 and 13/12/2006 respectively. On the latter date, Bassam al-Farra, a leader of al-Qassam Brigades in Khan Yunis, was also assassinated. The Presidential Guard fired on 15/12/2006 at a Hamas rally in Ramallah in which 35 were wounded. Mahmud al-Zahhar, the minister of foreign affairs, was fired on 17/12/2006, the presidential residence in Gaza was bombarded, and some armed men forcibly entered the headquarters of the Ministries of Agriculture and Transport.⁴⁴

According to statistics prepared by the Palestinian Independent Commission for Citizens' Rights (PICCR), this chaotic situation led to the death of 322 Palestinians during the period 1/1-30/11/2006, of whom 236 were from GS and 86 from the WB, compared to 176 killed during 2005 (97 in GS and 79 in the WB). The same statistics reported 41 killed for political reasons (40 in GS and one in the WB), 88 because of family feuds, and 83 as a result of security chaos and misuse of weapons. The report also recorded aggression against 12 academicians, 16 against municipalities and their personnel, 12 against PA judges, 22 against journalists and 93 cases of individual and collective kidnapping in which Palestinian and foreign visitors were the victims.⁴⁵ Al Mezan Center for Human Rights gave the following table for security violations in GS during the period 2002-2006.⁴⁶

**Table 3/1: The Total Number of the Victims of Security Unrest in GS
2002-2006**

Year	Cases	Injured		Killed		Kidnapped	
		Total	Children	Total	Children	Foreigners	Palestinians
2002	3	2	0	2	0	0	0
2003	39	111	9	18	3	0	0
2004	121	178	6	57	6	6	10
2005	394	895	151	101	23	16	23
2006	869	1,239	170	260	27	19	104

The following table displays incidents of the state of security unrest and internal violence in GS during 2006.

**Table 4/1: Incidents of the State of Insecurity and Internal Violence
in GS 2006⁴⁷**

Type of incident	No. of incidents
Family feud	152
Conflict between political factions	59
Conflict inside the PA apparatuses	14
Clashes between political factions and security apparatuses	22
Clashes between families and security apparatuses	26
Clashes between families and political factions	16
Firing in ceremonies	14
Firing in marches	6
Misuse of weapons	82
Assassination of traitors	1
Kidnapping	97
Killing	66
Assault against employees, public characters and foreigners	74
Closure of road	42
Assault against institution	121
Explosion	57
Other	53

This rapid security deterioration and the suspension of dialogue between the camps of the president and the prime minister led to further chaos during late 2006 and early 2007. A civil war was on the gate which triggered Arab-Saudi intervention that called the two parties to the decisive reconciliation in a meeting in Mecca.

Fifth: The Resistance

The differences over the political program and the conflict over authority were not the only sources for internal dissension, as they were coupled by an old-new conflict around the right to resist the occupation and confront the frequent Israeli attacks. During the national dialogue convened in March 2005 in Cairo, the Palestinian resistance forces accepted President ‘Abbas plea to silence the guns (appropriately called “*al-tahdi’ah*” in Arabic) until the end of the year. But neither ‘Abbas nor the Egyptian side were able to secure a reciprocal step from Israel, and the Israeli forces continued the assassination operations during 2005 against the resistance activists, and the armed infiltrations in different districts in the WB in particular. Hence, early in 2006, the major resistance factions, al-Qassam Brigades, al-Quds Brigades (*Saraya al-Quds*) and al-Aqsa Martyrs Brigades (*Kata’ib Shuhada’ al-Aqsa*), declared the end of the truce, and warned of a massive reprisal to each Israeli attack.⁴⁸ But, in the following few days, President ‘Abbas repeatedly called the resistance forces to continue *al-tahdi’ah*, while some of his ilks despised the launching of missiles from GS against Israeli targets, a means that has become a major vehicle of responding to the Israeli attacks.

During the first three months of the year, the Israeli forces assassinated six leaders of al-Quds Brigades of the Islamic Jihad in the WB and GS, while an Israeli spokesman vowed that the outcome of the elections and the assumption of Hamas to the governance will not change the Israeli policy of targeting Hamas leaders.

To avoid embarrassing the government and the president, al-Qassam Brigades did not participate in the resistance’s retaliatory operations, mainly launching of missiles, against the Israeli acts of aggression. The increasing Israeli assassination of the leaders of al-Quds Brigades impelled the organization to undertake a major “self-immolation”⁴⁹ operation, on 17 April, in which eight Israelis were killed and 65 wounded. While President ‘Abbas dismissed this operation as “vile,”⁵⁰ both Fatah and the government saw in the repeated Israeli attacks on the Palestinians the reason behind these operations. However, it was evident that the Israeli side was not concerned by the *tahdi’ah*, which it viewed as an exclusive Palestinian concern, not a means of regularizing their relations with the Palestinian resistance.

The summer months witnessed the total collapse of the truce, wherein al-Qassam Brigades, the Popular Resistance Committees and the Army of Islam (*Jaysh al-Islam*) undertook on 25 June the joint operation “Fading Illusion” (*al-Wahm al-Mutabaddid*) which had largely changed the rules of the game.

After this operation, the Israeli intensified their effort to topple Hamas government, but they were soon bogged in a 33 days war (12 July-14 August) against Lebanon and Hizbullah, that ended in their failure to defeat the forces of Hizbullah in Southern Lebanon, and cost their army dearly. In the midst of the war, President ‘Abbas declared that Israel offered a truce in GS in return for the stoppage of the missiles.⁵¹ He conveyed during the following weeks several meetings with representatives of the Palestinian organizations in GS in an attempt to strike a truce, or a new *tahdi’ah*. By the end of these meetings, President ‘Abbas declared the renewal of the *tahdi’ah*, but the Palestinian factions denied that an agreement was concluded on this issue.⁵² However, since his election for the presidency, ‘Abbas was keen to stop the fighting efforts of the resistance irrespective of the Israeli position, while the resistance factions insisted on a reciprocal truce in both the WB and GS, not the Strip alone. Thus, irrespective of whatever had been concluded between ‘Abbas and the factions, things remained substantially the same on the ground.

In November, the Israeli force invaded Northern GS under the pretext of silencing the missiles. On his part, President ‘Abbas dismissed the launching of these missiles as an irresponsible and futile act.⁵³ But the factions condemned the presidents’ attitude which they viewed as an attempt on his part to cover up the Israeli aggression. In any case, the events of the year 2006, both on the level of the Israeli invasions and attacks and the reactionary operation of the resistance, proved that the reasons behind the conflict in Palestine are intertwined, and that it is extremely difficult, if not virtually impossible, to separate them from each other. Thus, the best, in fact the only, way is to deal with them jointly and as one unit (for more details on the Israeli aggression, the Palestinian resistance and the issue of the detainees.

Sixth: Fatah and the PLO

Since the sessions of the national dialogue and the consensus that the Palestinian factions reached to in Cairo in March 2005, the reactivation and restructuring of the PLO has been one of the priorities of the Palestinian national drive. However, despite the efforts of the president of the PNC, Salim al-Za'nun, and his meetings with the leaders of the Palestinian factions in Damascus, President Mahmud 'Abbas, the president of the Executive Committee of the PLO, did not take a single decision to initiate the restructuring process.

No wonder, for since the establishment of the PA in 1994, its leadership had practically and implicitly strove to marginalize and neglect the PLO. This policy was presumably initiated and pursued by the leaders of the authority to prepare the Palestinian public opinion for a final settlement of the Palestinian issue that some circles in the PA leadership were almost ready to exclude the right of return for the Palestinian refugees. The PLO was a body that represented all the Palestinians, within the Palestinian territories or in the diaspora, and an umbrella for all the Palestinian factions (except Hamas and the Islamic Jihad), of which a number were in the diaspora and in opposition to the Oslo Accords. Hence, the marginalization of the PLO was in essence an attempt to get rid of the complex issue of the diaspora Palestinians, refugees as well as factions. But the victory of Hamas in the elections, and its consequential formation of the new government had cornered President 'Abbas to such an extent that he reverted once more to the legitimacy of the PLO. He emphasized that the conduct of the negotiations is under its prerogative, it signed Oslo and should be in charge of the negotiations process. Moreover, 'Abbas insisted that the PLO is the legal reference for PA and its government, irrespective of the political force that may lead this government. By this move, the president wanted, on one side, to sideline Hamas' government from the negotiations process, and, on the other side, to impose the political program of the PLO on the new government. But in reality, he, presumably unintentionally, strengthened the Palestinian call for the restructuring of the PLO and the reactivation of its institutions. This has become an urgent demand for many Palestinian factions and groups, not Hamas alone.⁵⁴

In late February, the president of the PNC, Salim al-Za'nun, declared that the Central Council of the PLO will meet in Cairo in May 2006, implying that this gathering would signal the beginning of the restructuring process. But Taysir

Qubba'ah, a member of the Executive Committee of the PLO, dismissed these declarations as wreckless.⁵⁵ However, in the presence of Faruq al-Qaddumi, the secretary-general of Fatah Central Committee, the secretary-generals of the Palestinian organizations convened in late March a meeting in Damascus that agreed to form a top level committee to look into the restructuring of the PLO.⁵⁶ Subsequently, this committee had reportedly reached to a draft agreement that put in place a mechanism for the restructuring process. Moreover, other meetings were held during the coming months in Damascus, again with the presence of al-Qaddumi, which focused on the same issue.⁵⁷

But what was at stake was the capacity of al-Qaddumi to represent Fatah, and his ability to exercise significant political and moral pressure on 'Abbas and the Executive Committee of the PLO. For the differences between al-Qaddumi and 'Abbas, had accelerated since the latter's handing over the functions of the Political Bureau to Nasir al-Qudwah, the minister of foreign affairs, and the relationship between the two men continued to be tense on and off throughout the year 2006, which reflected one aspect of the crisis within Fatah ranks. Mahmud 'Abbas was, in fact, not the most popular personality among Fatah leaders, and the division of authority, after the demise of President 'Arafat, between him and al-Qaddumi, the former for the presidency of the PLO and the latter for the presidency of Fatah's Central Committee, was meant to deprive 'Abbas from monopolizing the Palestinian national affairs. But 'Abbas remained dominant, because his leadership of the PA enabled him to keep under his personal control the executive and financial powers. Moreover, after the establishment of the PA, Fatah's predominant influence remained in the WB and GS, not in the diaspora. Thus, al-Qaddumi, who was himself in the diaspora, remained in the wilderness with little or no authority over both Fatah and the already largely marginalized PLO. 'Abbas surrounded himself with personalities who shared his vision on the future of the peace process, and were known for their close relations with the USA. Some of these leaders did not originally belong to Fatah and others were from its second and third generations, a development that infuriated al-Qaddumi and most members of Fatah Central Committee. Expressing the frustration of a number of the traditional leaders, Hani al-Hassan, a member of Fatah Central Committee, warned against what he called "American attempts to control Fatah."⁵⁸

By the end of May, 'Abbas and al-Qaddumi met in Amman, and it was then rumored that a deal had been struck between the two leaders.⁵⁹ But this proved

to be wishful thinking, and soon tension and competition prevailed. Amidst the controversy over the national government, Fatah Central Committee failed to convene in October a scheduled meeting in Amman to discuss the issue because of the acute differences between ‘Abbas and al-Qaddumi. A month later, Fatah Revolutionary Council met in Ramallah to elect ‘Abbas for a newly created position, the general commander of the Palestinian forces, a development that provoked the mockery of al-Qaddumi.⁶⁰ By the end of the year, ‘Abbas issued two resolutions, namely the appointment of his close associate Yasir ‘Abd Rabbuh as secretary-general of the Executive Committee of the PLO, and the closure of the office of the Political Bureau of the PLO in Amman, which had practically stripped al-Qaddumi of all his executive powers except the insignificant supervision of the PLO headquarters in Tunis.⁶¹

These conflicts within Fatah were not confined to those between ‘Abbas and al-Qaddumi but had extended to almost all Fatah organizations in the cities of the WB and the GS. Hence, a consensus over the restructuring of the PLO had become much more problematic and difficult. However, though the Palestinian organizations had earlier reached to an agreement in Damascus on the means and mechanism for the restructuring of the PLO, the issue was not an exclusively Palestinian concern. For the PLO itself was established by an Arab resolution and continued to function under Arab patronage, and most of its institutions and populace are in the Arab world. Hence, the issue of the reconstruction of the PLO and the political balance of power within its ranks was also, perhaps to a greater extent, an Arab concern. But until the end of the year, there was no sign of an Arab green light to this reconstruction. However, the first nod to the process appeared in the so-called Egyptian plan for national Palestinian reconciliation, which included a clear text on the reconstruction of the PLO. Then come Mecca Agreement, which had effectively kicked off the process.

Seventh: The National Dialogue and the Formation of a National Unity Government

Since the marginalization of the PLO and the consequential reluctance of its leaders to include in its ranks other forces, there had been no official umbrella under which the various factions and independent public figures may meet to deliberate

on the Palestinian concerns. But the second *Intifadah* had triggered the birth of such a body, namely the National Follow-up Committee in GS that coordinated the relationships and efforts of the active political forces of the *Intifadah*, while Damascus remained the venue for the meetings of the leaders of the diasporic factions. The sessions of the national dialogue in Cairo in March 2005 constituted the most important drive in the quest for a Palestinian political umbrella where the drawbacks of the PLO could be discussed and overcome. In fact, following the aggravating political tension, most of the controversial issues were put in the negotiation table of the national dialogue.

What had further emphasized the notion of a national dialogue was a greatly controversial memorandum known as “the Prisoners Document.” Marwan al-Barghuthi, a detained Fatah leader, who plays varying roles in the organization, including its relationship with other Palestinian organizations, was the one who initiated in April the efforts to negotiate and finalize this document. Through the good offices of Muhammad Dahlan, the Israelis facilitated the transfer of a number of detained leaders, representing all Palestinian factions, to the Israeli Prison Hadarim where the dialogue around the document took place.⁶² Al-Barghuthi, who knew the impact of the prisoners in Israeli jails on the Palestinian public opinion, seemed to have assumed that his effort and that of his fellow detained leaders would ultimately lead to a national consensus that end the accelerating differences between the government and the president, as well as the controversy on and around a national government. He does not seem to have greatly cared for the abnormality of this move, where a group of detainees, who are themselves experiencing the hardship of prison and looking forward for freedom, would determine the political program of a people fighting one of the most complicated movements of national liberation.

The document, named “National Conciliation Document,” was published under the signature of detained leaders representing most of the Palestinian factions, including Hamas and the Islamic Jihad.⁶³ It found spontaneous welcome from President ‘Abbas and the Executive Committee of the PLO, but was coolly and reservedly received by Premier Isma‘il Haniyah, who protested that more time was needed to thoroughly study the text. The full support of the president and the courteous response of the prime minister were certainly due to the fact that the document endorsed the demands that both the Quartet and the president asked the

government to accept, i.e., recognition of the Jewish state and the acceptance of Oslo and subsequent treaties. But, from Hamas' perspective, the most problematic text was article 18 of the document, which stipulated that the national understanding and the national government should be based on the Palestinian national consensus program, Arab legitimacy and the decision of the international community that are fair to the Palestinian people, who are represented by the PLO, the PA, composed of both the presidency and the government, and the national and Islamic factions. The document, thus, disregarded the fact that Hamas and the Islamic Jihad were not represented in the PLO, and that they had consistently refused any concessions to Israel that are related to recognition, before the characteristics of a final settlement become visible, and clearly show what the Palestinian people will get in return.

President 'Abbas adhered to the Prisoners' Document, and threatened to call a referendum (plebiscite) on it. Meanwhile, the national dialogue was resumed in the town of Ramallah and Gaza, which was attended by representatives of the active Palestinian factions in the WB and GS as well as some distinguished independent personalities. The conferees were, however, placed in a difficult position. While realizing on the one hand the moral weight of the detainees, they, on the other hand, were rather surprised that a group of prisoners, who had no organizational functions, determines a working program for the national movement and all the national forces. The next objective had, thus, become a new text for national conciliation. President 'Abbas gave the conferees 10 days grace period to reach to an agreement, but, at the same time, implied that a referendum may be called, though such a step is not legally grounded in the Palestinian constitution.⁶⁴ However, 'Abbas seemed to have felt that the outcome of such a referendum will be in favor of his vision because of the popular emotional support to the detainees, the lengthy size and ambiguity of the document, whose most articles were, anyhow, generally accepted, and the tremendous economic hardship caused by the blockade. Conversely, the opponents of the document and the referendum argued that the latter is unconstitutional, and that no people could ever be asked to go to the polls on the viability of their national interests. In any case, they added, if a referendum is to be held let it be open to all the sons of Palestine, both in the interior and in the diaspora, because the issues at stake concern them all.

The president ignored the opponents, and on 26 July issued a decree that ordered a referendum on the document. However, the conference of national

dialogue excluded the option of the referendum, and continued its discussion for a new text.⁶⁵ Finally, the conference reached to an agreement on the document that was signed in a meeting between the president and the prime minister.⁶⁶ A number of the document's clauses were amended, but the most notable alteration was in the controversial article 18, which then read as follows:

To enact a Palestinian plan for comprehensive political action, which unifies the Palestinian political discourse on the basis of the Palestinian national interests, as mentioned in this document and the decision of the Arab and international legitimacies that are fair to our peoples, and maintain their rights and fundamentals, to be executed by the PLO and the Palestinian National Authority, that is the president, the government and the national and Islamic factions...

With this revised National Conciliation Document, the quest for a national government was resumed, which, in the eyes of every body, was the only exist from this impasse, and the best way to confront foreign pressure and the blockade. But, contrary to the expectations of some quarters and individuals, this document did not resolve the difficulties, and it was soon realized that the differences over the national government, be it on its program, names of ministers and distribution of ministries, was even more complicated than that over the text of the document. In fact, the issue of the national government was not an internal Palestinian concern merely related to a conflict between those who won the elections and a group of politicians who refused to surrender the privileges of authority and governance, but rather an area for American, European, Israeli and Arab pressure.

The tension and acute differences between the Palestinians had subsidized during the weeks of the Israeli war on Lebanon, and everybody was impatiently awaiting the outcome of this war, which had, however, revealed an Arab sharp division, wherein President 'Abbas supported the American camp. Once the war was over, the Palestinian differences reappeared, even more acutely, particularly as Hamas and the resistance forces viewed the victory of the Lebanese resistance as a success to them. During the last week of August and the early weeks of September, various ideas were voiced on the nature of the new government, from a government of technocrats to a government of the factions. But what leaked from a meeting that President 'Abbas had with the foreign ministers of Israel and the USA, respectively Tzipi Livni and Condoleezza Rice, claimed that 'Abbas was not supportive of any of these options.⁶⁷ The deteriorating security and political conditions had impelled

in October the first non-Egyptian Arab attempt for conciliation. This was from Qatar, represented in the person of its minister of foreign affairs, who came to Ramallah.⁶⁸ But the Qatari mediation failed to resolve the stubborn differences between the president and the prime minister.

A few days after his meeting with the American foreign secretary, 'Abbas informed his government that the American administration rejected the national agreement on the new version of the Prisoners' Document.⁶⁹ This negative American attitude may have been behind President 'Abbas' disregard to the document, and his all out new demand that Hamas government commits itself to the Arab Peace Initiative (the initiative of Prince (King) 'Abdullah, known as the initiative of Beirut Arab Summit). Haniyah emphasized that this Initiative constitutes a formidable predicament for the formation of a government of national unity.⁷⁰ Meanwhile, the president refrained from seeing the prime minister, which had further aggravated the conflict. However, since late October, the Palestinian member of the PLC and former candidate for the presidency, Mustafa al-Barghuthi, started another round of mediation between the president and the government. He even declared that an agreement had been reached on 80% of the issues, including the distribution of most of the ministerial posts and a preliminary draft of the political program.⁷¹ Meanwhile, Hamas had reportedly exhibited during these deliberations its readiness to accept nine out of the 14 ministerial posts (proportionate to its representation in the PLC), to give up the premiership and not to nominate any of its top leaders to a ministerial position.

But these reports were either exaggerated, or circulated by some interested foreign quarters that were pushing to abort all efforts for national reconciliation. Meanwhile, Washington had once more emphasized that the only acceptable Palestinian government is the one that accepts the condition of the Quartet, and the premier traveled in an Arab tour. Moreover, after his meeting with the American foreign secretary, President 'Abbas bluntly declared a deadlock,⁷² which, in the circumstances, created an impression that he was succumbing to fresh American pressure towards a decisive military solution on the ground. What confirmed this impression was the president's bombastic declaration before the PLC on 16/12/2006 of an early presidential and legislative elections, however, without fixing a particular date.⁷³ This move accelerated the political tensions in both the WB and GS. While the political associates of the president forcefully defended

his decision, Hamas spokesperson insisted that the president has no constitutional right to dissolve the PLC before completing its legal duration, and that his act is nothing but bypassing the results of a democratic and transparent elections.

During the third week of November, Khalid Mish'al visited Cairo to discuss two issues: the swapping of detainees, including the Israeli soldier Gilad Shalit, captured by Hamas, and the Palestinian differences over the national government.⁷⁴ News leaked during this visit that the Egyptian side endorsed Hamas position on the national government, and expressed its desire to freshly crystallize a domestic Palestinian agreement. It appeared that President 'Abbas' declaration of an early election did not only surprise the Palestinians but also the concerned Arab states. In particular, Egypt, the chief Arab partner of the Palestinian issue, coolly received 'Abbas' move and refrained from supporting it. Meanwhile, by the end of the year, the aggravated tension and the frequent armed clashes triggered Jordan to invite 'Abbas and Haniyah for a meeting in Amman.⁷⁵ But this gathering did not materialize as both Hamas and 'Abbas exhibited reservations on the idea. Hamas, on her side, did not consider Jordan to be a neutral mediator, and was critical of its inability to contain the repercussions of the political-security crisis that it provoked with Hamas several months back. As for President 'Abbas, he did not like the Jordanian behavior of treating him on equal basis with Haniyah. Moreover, the rapid sequence of events had overtaken the Jordanian invitation and made it irrelevant.

With this political deadlock, security deterioration and increased casualties of the military clashes in Gaza and other towns of the Strip, it appeared that the Palestinian political mind was incapable to contain the crisis and supersede foreign intervention. Some reports spoke of a plan designed by Muhammad Dahlan, with the support of the American administration and some Arab countries, to wage a widespread and crushing military operation against the military wing of Hamas and the government's executive force. But this conspiracy failed, just like the other series of failures of the Bush administration in the region. There was no alternative but a quick Arab intervention that places Palestinian and Arab interests over and above the American considerations. This had subsequently crystallized in the invitation of the Saudi King 'Abdullah to both Hamas and Fatah for a meeting in Mecca, which had ultimately led to Mecca Agreement that marked a new stage in the Palestinian national struggle.

Conclusion

The tangible participation of Hamas in the legislative elections led to a heated and wide controversy. While some argued that Hamas had gone into this experience because it realized that the vehicle of resistance had come to its logical end, others maintained that the organization wanted to have a fair share of the cake in terms of authority and governance, which shall be proportionate to its political influence and popular support. Though it is not advisable to categorily dismiss this rational, particularly in the case of some Hamas leaders in the WB and GS, subsequent events during the course of the year 2006 showed that there was another pressing factor that impelled Hamas to pursue the route of elections, namely its genuine fear of a widespread military strike and earnest desire to protect and legitimize the resistance's political program. But, after its resounding victory in the elections, the leadership of Hamas had not seemingly realized that the Palestinian scenario is experiencing a delicate transitionary stage that nobody could possibly forecast its duration, though the political map as determined by the elections was expected to prevail for a long time. However, some argue that Hamas should have exerted more and ongoing effort towards the formation of a national government, even after the vote of confidence that its government won in the PLC. Others maintained that Hamas government lost the capacity of initiation when facing the serious riots that demanded the immediate payment of salaries. Nonetheless, the steadfastness of Hamas vis à vis the blockade and foreign pressure should be appreciated, as without it the Mecca meeting would not have been achieved.

The 2006 crisis should, on the other hand, be a wake up call for the other Palestinian forces, including Fatah, that had obstructed the formation of the national government. They should know that their very existence is dependent on their giving priority to the national call over the narrow sectarian interests. Their choice to leave Hamas government to face the music alone was a serious error of judgment that had neither taken on board the interest of the Palestinian nation and peoples, nor understood the resilience of Hamas and its determination to bear the responsibility that the peoples had bestowed upon its shoulders in the elections. Moreover, the outcome of these elections had confirmed the significant transformation, begun since the 1980s, in the Palestinian arena and, indeed, in the

entire Arab-Muslim world, namely the progressive rise of the Islamic trend. The national cause cannot progress if the other Palestinian forces continued to ignore, implicitly or explicitly, the rise of political Islam, or tried to arrest its progress.

The Palestinian crisis, as well as the Israeli-American stubbornness, had generated a series of differences and conflicts between Hamas government and the president's camp over policies, functions, authority and rule. Though Mecca Agreement provided a great chance to restore the Palestinian consensus and form a national government, Hamas victory and its leading role in the PA require the realization of some important merits that go beyond the formation of a national government. Of these is the restructuring of the PA on a national basis that ends the sectarian nature of the security forces and the bureaucracy that have effectively made the institutions of the PA offshoots of Fatah, even certain wings of the organization. However, it is necessary to emphasize that it will be very dangerous for the PA to be dependent on American-European aid, as this would in effect subject it to the Israeli will, and consequently substantially threatens the path of the entire Palestinian national struggle. Hence, the liberation of the Palestinian will from this risky dependency, and the return to the former practice of official and popular Arab-Islamic funding should be the major concern of the Palestinian government during the forthcoming phase.

Moreover, the PLO should be restructured and activated in such a way that it becomes the true representative of all Palestinian political trends and the Palestinian people at large. Hence, there would be no deviation from the national goals, namely the destruction of the Separation Wall, the uprooting of the occupation, the dismantling of the settlements and the rescue of Jerusalem, *al-Aqsa* Mosque and all the Islamic and Christian sanctuaries.

Endnotes

- ¹ See media coverage of this issue in *Asharq Alawsat*, *al-Hayat* and *al-Quds al-Arabi* newspapers, London, 1/1/2006; and *al-Hayat al-Jadidah* newspaper, Ramallah, 4/1/2006.
- ² See for example *al-Hayat*, 22/1/2006.
- ³ Opinion Polls and Survey Studies Center, An-Najah National University, <http://www.najah.edu/ARABIC/Centers/poll/poll16.htm>
- ⁴ Opinion Polls and Survey Studies Center, An-Najah National University, <http://www.najah.edu/ARABIC/Centers/poll/poll17.htm>
- ⁵ Opinion Polls and Survey Studies Center, An-Najah National University, <http://www.najah.edu/ARABIC/Centers/poll/poll18.htm>
- ⁶ Opinion Polls and Survey Studies Center, An-Najah National University, <http://www.najah.edu/ARABIC/Centers/poll/poll19.htm>
- ⁷ See media coverage on the results in *Asharq Alawsat*, *al-Hayat* and *al-Quds al-Arabi*, 27-30/1/2006.
- ⁸ The Palestinian National Information Centre (PNIC), <http://www.pnic.gov.ps/arabic/gover/elections/result.html>
- ⁹ For example, see Sa'ib 'Urayqat and Dahlan's statements in *al-Hayat*, 27/1/2006; and *Okaz* newspaper, Jeddah, 28/1/2006.
- ¹⁰ *Al-Khaleej* newspaper, United Arab Emirates (UAE), 13/2/2006.
- ¹¹ *Al-Ayyam* newspaper, Ramallah, 13/2/2006.
- ¹² *Al-Hayat*, 23/2/2006.
- ¹³ *Al-Hayat*, 20/2/2006.
- ¹⁴ For a comprehensive understanding of the various aspects of the international blockade of the Palestinian government, see Wael Ahmad Sa'ad, *al-Hisar* (The Siege) (Beirut: al-Zaytouna Centre for Studies and Consultations, 2006).
- ¹⁵ *Al-Hayat* and *Asharq Alawsat*, 5-7/3/2006.
- ¹⁶ *Al-Qabas* newspaper, Kuwait, 30/1/2006; and *al-Hayat*, 2/2/2006.
- ¹⁷ *Addustour* newspaper, Amman, 19/4/2006.
- ¹⁸ *Al-Hayat*, 14-15, 20/2/2006.
- ¹⁹ *Alghad* newspaper, Amman, 31/8/2006.
- ²⁰ *Al-Hayat*, 21, 28/2/2006.
- ²¹ *Al-Hayat* and *al-Seyassah* newspaper, Kuwait, 27/3/2006.
- ²² *Al-Quds al-Arabi*, 23/8/2006.
- ²³ *Al-Hayat*, 17/5/2006; and *al-Quds al-Arabi*, 21/6/2006.
- ²⁴ About employees salary payments, see Palestine News Network (PNN), http://arabic.pnn.ps/index.php?option=com_content&task=view&id=7813&Itemid=36
- ²⁵ *Asharq Alawsat*, 25/5/2006.
- ²⁶ The Palestinian Information Center (PIC), 23/12/2006, <http://www.palestine-info.info/ar/default.aspx>
- ²⁷ *Al-Hayat*, 14/2/2006.
- ²⁸ *al-Hayat al-Jadidah*, 14/2/2006.
- ²⁹ *Assafir* newspaper, Beirut, 15/2/2006.
- ³⁰ *Assafir* and *al-Hayat*, 15, 22-23/2/2006; and *al-Quds al-Arabi*, 10/4/2006.
- ³¹ *Al-Ayyam*, Ramallah and *al-Hayat*, 21/4/2006.
- ³² Palestine News Agency (WAFA), 14/6/2006, <http://www.wafa.ps/body.asp?id=90728>
- ³³ *Annahar* newspaper, Beirut, 15/6/2006.
- ³⁴ *Al-Hayat*, 27/4/2006.
- ³⁵ *Haaretz* newspaper, 28/5/2006.
- ³⁶ *Al-Quds al-Arabi*, 29/4/2006; and see Sa'ad, *op. cit.*, pp. 48-50.

- ³⁷ *Addustour* and *al-Hayat*, 29/6/2006; *Asharq Alawsat*, 7/8/2006; and *al-Quds al-Arabi*, 9/8/2006.
- ³⁸ See for example *al-Hayat*, 2/6/2006-5/9/2006; and *Annahar*, 22/9/2006.
- ³⁹ Site of IslamOnline, 31/3/2006, <http://www.islam-online.net/Arabic/news/2006-03/31/article02.shtml>
- ⁴⁰ PIC, 17/5/2006.
- ⁴¹ *Al-Hayat* and *al-Ayyam*, Ramallah, 9, 12/5/2006; and *Assafir*, 22/5/2006.
- ⁴² *Assafir*, 2/10/2006.
- ⁴³ *Assafir*, 20/10/2006; and *al-Hayat*, 29/10/2006.
- ⁴⁴ *Asharq Alawsat*, 11, 18/12/2006; PIC, 13-14/12/2006; and site of Arabs 48, 15/12/2006, <http://www.arabs48.com>
- ⁴⁵ See The Palestinian Independent Commission for Citizens' Rights (PICCR), The Outcome of Security Unrest till the End of November 2006, <http://www.piccr.org/dmddocuments/press%20releases/NUMBER%20OF%20KILLED%20PPL-%20SECURITY%20CHAOS%202006.pdf>
- ⁴⁶ Al Mezan Center for Human Rights, http://www.mezan.org/site_en/insecurity/insecurity_statistics.php
- ⁴⁷ Ibid.
- ⁴⁸ *Addustour* and *al-Khaleej*, 1/1/2006.
- ⁴⁹ The overwhelming majority of Palestinians, Arabs and Muslims are considering these operations as "martyrdom operations" while most Israelis and western writers and media are considering them as "suicide operations." We used the word "self-immolation" in this report to be as neutral as possible. However, such terms may need more discussions.
- ⁵⁰ *Al-Hayat* and *Alghad*, 18/4/2006.
- ⁵¹ *Al-Hayat*, 24/7/2006.
- ⁵² *Al-Hayat*, 18/8/2006.
- ⁵³ *Assafir*, 9/11/2006.
- ⁵⁴ See for example, the statement of Khalid Mish'al in *Almushahid Assiyasi* magazine, 5/2/2006, <http://www.almushahidassiyasi.com/ar/4/336/>
- ⁵⁵ *Al-Ayyam*, Ramallah, 26/2/2006; and *Alghad*, 5/3/2006.
- ⁵⁶ *Al-Hayat*, 29/3/2006.
- ⁵⁷ See for example *Alquds* newspaper, Palestine, 18/4/2006; and *al-Hayat*, 9/7/2006.
- ⁵⁸ *Al-Quds al-Arabi*, 27/5/2006.
- ⁵⁹ *Al-Quds al-Arabi*, 1/6/2006.
- ⁶⁰ *Al-Quds al-Arabi*, 17/11/2006.
- ⁶¹ *Al-Hayat*, 11/11/2006; and *Asharq Alawsat*, 22/12/2006.
- ⁶² For information about the early version of the document, see *al-Quds al-Arabi*, 11/5/2006.
- ⁶³ On the various reactions to the document, see *al-Hayat* and *Assafir*, 12/5/2006. For full text see *Assafir*, 27/5/2006.
- ⁶⁴ *Al-Hayat*, 26/5/2006.
- ⁶⁵ *Al-Hayat*, 11-12, 19/6/2006.
- ⁶⁶ *Al-Quds al-Arabi*, 19/6/2006; and *al-Hayat*, 28/6/2006.
- ⁶⁷ *Al-Hayat*, 21/9/2006.
- ⁶⁸ *Al-Hayat* and *Assafir*, 3-5, 10-11/10/2006.
- ⁶⁹ *Albayan* newspaper, UAE, 1/10/2006.
- ⁷⁰ *Al-Hayat*, 21/9/2006.
- ⁷¹ *Al-Hayat*, 31/10/2006 and 8, 15/11/2006.
- ⁷² *Al-Quds al-Arabi*, *Assafir* and *al-Hayat*, 29/10/2006 and 1/12/2006.
- ⁷³ *Addustour* and *al-Hayat*, 10, 12/12/2006.
- ⁷⁴ *Al-Hayat*, 26/11/2006.
- ⁷⁵ *Addustour* and *al-Hayat*, 26/12/2006.

Chapter Two

*The Israeli-Palestinian Scene:
The Year of Confusion*

The Israeli-Palestinian Scene: The Year of Confusion

Introduction

The year 2006 was truly a year of “hesitation” and “confusion” for the Israelis. By the beginning of the year, they had great trust in their capacity to impose on the Palestinians their version of a peaceful settlement, and to implement the project of unilateral withdrawal. This optimism was further strengthened by Ariel Sharon’s solid political drive and popularity, and by his new Party Kadima. Besides, the Israelis enjoyed military might, prosperous economy and the relatively favorable local, regional and international environment. Moreover, the scaling down of the *Intifadah* and the engagement of the Palestinians in putting their house in order was presumed to lead by the end of the day to the disarmament of the resistance and the formation of a weak and helpless PA. But subsequent developments proved that these expectations were, at best, wishful thinking. Soon Sharon entered in a comma, Hamas won the elections and the Israeli army drastically failed in its war against Lebanon and Hizbullah. Hence, the Israeli became confused and perplexed, and their weak and unpopular leadership lost initiative and direction. This was reflected in its decision to suspend the plan of unilateral withdrawal, and to revise its options and priorities.

To penalize the Palestinians for their democratic choice that was contrary to the whims of the occupier, irrespective of the fairness and transparency of the elections, the Israelis imposed a brutal blockade on the Palestinian people that aimed at discrediting and toppling their government. But the customary steadfastness of the Palestinian people and the continuation of Hamas government aborted the Israeli plan and attempts.

The year 2006 witnessed political “defocalization” in both Israel and Palestine. The general optimistic feeling at the beginning of the year, that a peaceful settlement was on the gate, or could be imposed, was totally reversed by the end of the year. It was then realized that the situation has become more difficult and complicated, and that both parties has a long way to go.

First: The Internal Political Scene

The Israeli internal political scene had experienced during the course of the year 2006 a number of changes of which the most important were the following:

1. The restructuring of the Israeli partisan political map.
2. The deep coma of General Ariel Sharon, and the consequential vanish of a strong will to implement the program of unilateral withdrawal. Besides, was the fading away of the generals' role in formulating the Israeli political decision, and the glaring absence of the historical leaders at the head of the Zionist project and the Jewish state.
3. The inclination of the Israeli political parties towards the middle, but on its right track, particularly in so far as the relations with the Palestinians are concerned.
4. Current strong security, military and economic conditions, but accompanied by a tense concern of substantial futuristic dangers.
5. Progressive increase of corruption within the political circles, and retraction of trust in government institutions and in the army.
6. A state of disillusion and confusion following Hamas' victory in the PLC, the failure to topple its government and the drastic failure of the Israeli aggression on Lebanon.

By the beginning of the year 2006, the Israeli national security officers kept claiming that their country was in the best strategic, security and political status throughout its history. In Herzliya Conference, Israeli experts, specialists and politicians came to the conclusion that Israel has the capacity to effectively deal with security hazards, but there will be growing dangers in the short and long run. They also maintained that the general moral of the people is quite high, but observed a decline in the peoples' trust in government institutions and in the democratic system, coupled with a weakness in the national sentiment and in the social fabric. Hence, these experts recommended improvements in the arenas of leadership, education and the rule of law, and warned of future confrontation with the "enemies of Israel."¹ But the failure of the Israeli government in dealing with the Palestinian and Lebanese crises throughout the year 2006 had considerably weakened the people's trust in the government, the Knesset, the media and the army.²

Before his terminal illness on 4/1/2006, Sharon had pushed Israel into a state of political confusion that prepared the way for a change in the partisan map. Sharon's newly-formed party, Kadima, have become, since its inception, the most popular party in Israel, wherein many supporters and leader of the Likud, Labor and Shinui Parties joined its ranks. Opinion polls conducted during January and February 2006 gave Kadima 39-43 seats in the Knesset, though this popularity had slightly declined just before the elections.

With the absence of Sharon, Ehud Olmert assumed the leadership of Kadima presumably because of his absolute loyalty to Sharon. Olmert followed the footsteps of his predecessor, but he lacked Sharon's charisma, experience and leadership qualities. Moreover, being a civilian, he did not have the security-military status and prestige of Sharon. Additionally, Sharon, being the architect of the settlement drive, enjoyed high credibility among the settlers, which qualified him to speak and act authoritatively on the issue of evacuating the settlements in implementation of the notion of unilateral withdrawal. However, Olmert gained part of his popularity because of the comparative weakness of his competitors in the Labor and Likud Parties.

Olmert was born in 1945, earned a B.A. in Psychology, a diploma in Philosophy and studied Law. He participated in the military service through the Golani Brigade. He joined the Likud Party at an early date, occupied the presidency of Jerusalem Municipality for 10 years, and became the minister of industry in Sharon's cabinet. But, according to some Israeli personalities, he is artificial, full of himself, crude and corrupt. However, this brutal criticism does not negate his wide political experience.

With the incapacitation of Sharon, Kadima lost its glamour, though the driving force of Sharon was instrumental in the party's victory in the parliamentary elections. However, Kadima's slogan of a "strong leadership for peace" lost momentum and became virtually meaningless after Sharon's disappearance from the political scene, the regression of the peace process from the Israeli point of view, and the victory and prominence of Hamas.

As for the Likud Party, the dissention of its historical leader, Sharon, and his formation of Kadima constituted a serious blow to the party, as this was accompanied by the departure of more than half of its leaders and electorates. What remained within the party's ranks was the extremist faction under the leadership of Benjamin

Netanyahu, who did not appeal to the Israeli electorates largely because of his austere policies, as a minister of finance in Sharon's government, which infuriated the poor social sectors. Moreover, Netanyahu's candidates for the elections were neither strong nor well-known, that a prominent Israeli journalist, Sever Plocker, dismissed them, in article in *Yedioth Ahronoth*, by sarcastically describing them as "gray nominees" who had no qualifications except poor curriculum vitae. However, Netanyahu's motto for the election "let us be strong against Hamas"³ was compatible with the party's philosophy and outlook to provoke the apprehensions of the Israelis and secure dominance of the political process.

Meanwhile, Amir Peretz had surprisingly become the leader of the Labor, which was the first time in which a Sephardim (oriental Jew) assumes the leadership of a major Israeli party. Peretz, who was born in Morocco to a working family, tried to concentrate on the economic and local social issues. Some had seen in him a new blood and a young leadership that may come up with new ideas.⁴ But the victory of Hamas soon dragged him to focus, like the other leaders, on political and security matters, and to give statements close to the traditional plan of unilateral disengagement. On the other hand, Peretz had inherited a party that was gradually fading away, particularly after the devastating transfer of some of its leading cadre to Kadima. Those included Shimon Peres, Haim Ramon and Dalia Itzik, as well as many presidents of the municipalities and leaders of the Labor's Party branches. Moreover, Peretz was exposed to a smearing campaign because of his poor background and Sephardic origin.⁵ Since the Labor Party had traditionally been supported by the middle and upper middle classes of the Ashkenaz, Peretz found himself in a difficult position vis a vis his probable electorates.⁶ Hence, if he manages to maintain the party's parliamentary seats, this would be an achievement by itself.

For his electoral propaganda campaign, Peretz choose to affix to his photo the following expression "because it's time." But this triggered mockery and accusation of narcissism and "ego" which impelled him to change the slogan to we "fight terror, beat poverty." Furthermore, to appease the electorates, Peretz had "whittled down the Stalin mustache that scared away Russian voters, and he has even been seen wearing a tie. The screech in his voice has gone down a notch."⁷ However, what is important for our purposes here is that this new leadership had been instrumental in a gradual change of the party's traditional Ashkenazic image,

particularly so after many thousands from other backgrounds (Arab, Sephardim, etc.), joined its ranks.

The political programs of the major Israeli parties, including Kadima, the Labor and the Likud, were in agreement on most of the sensitive issues that relate to the question of settlement:

1. Rejection of the return of the Palestinians to the territories occupied in 1948, i.e., Israel.
2. Unified Jerusalem as the eternal capital of Israel.
3. Rejection of complete withdrawal from the lands occupied in 1967.
4. The maintenance of the Jewish settlements in the WB under Israeli control.
5. The completion of the Separation Wall.
6. Rejection of negotiation with the PA as long as led by Hamas.

However, the Israeli parties had their differences around some of the details of the future Palestinian entity, its form, function, boundaries, etc., and their visions vary from self-rule to a state with incomplete territories and deficient sovereignty. They also differ on the form of negotiations, and on the timing of unilateral actions.

Kadima's vision advocates the imposition of unilateral solutions and initiation of unilateral withdrawal, coupled with the existence of two states based on the prevailing demographic reality but provided that Israel's security and Jewish nature be guaranteed and never compromised. On the left of Kadima, comes the Labor Party that accepts the principle of two states for two peoples, allows more space and functions to the expected Palestinian state, calls for a final solution and refrains from undertaken measures unless and until the route of negotiation reaches to a stalemate. As for the Likud, it simply insists that the Jordan River is the political and security boundaries of the state of Israel, and does not offer the Palestinians anything more than self-rule under Israeli tight security control.

However, the "best" offer given by the Israeli parties comes from the leftist Party Meretz. Its program calls for the end of the occupation of the WB, the establishment of a Palestinian state with East Jerusalem as its capital (excluding Jewish quarters), and the conduct of peace negotiations with any leadership that the Palestinian people may choose irrespective of its identity.⁸ However, the party does not exclude the undertaking of unilateral measures if a political solution is not attained.⁹

On the extreme right, there are a number of parties, of which the most prominent is Yisrael Beitenu that is obsessed with the Jewish nature of the state and loyalty to it. The party call for the settlement of the conflict through reciprocal surrender of territories, wherein Israel gives up the densely Arab populated territories within its frontiers, including the Arab Triangle (*al-Muthallath al-‘Arabi*), in return for the areas of the Jewish settlements in the WB.

While the visions of the religious parties, like Mafdal and Shas, were near to those of the Likud, the Arab parties were all alone in the call for an independent and fully sovereign Palestinian state in the WB and GS.

The economic and social programs vary from one Israeli party to another. The Labor Party stands by a socialist-liberal approach based on the Scandinavian model, the Likud calls for a radical-liberal economy that swims with the tide of globalization, and Kadima advocates a middle of the road position, namely a free economy that does not succumb to poverty and unemployment. While the leftist Meretz concentrates on social justice, the rightist group Yisrael Beitenu is near to the position of the Likud that advocates *laissez faire* economy. As for the religious parties, they focus on the interest of their supporters, particularly security funds for their schools, programs and social services.

The third aspect of these electoral programs concerns the relationship between religion and the state, wherein the religious parties, like Shas, the Mafdal and Yahadut Hatorah, ask for a bigger role for religion in political life, and the secular parties advocate varying approaches to the issue. However, the big parties are essentially opportunist and pragmatic on this and other matters in the sense that they opted, whenever necessary, for alliances with the religious parties in lieu of ministerial posts and financial and other concessions. They include Kadima, the Labor and the Likud Parties, while the conduct of the Yisrael Beitenu, Meretz and Shinui Parties is secular-oriented and more assertive on the question of separation between religion and the state.

The Outcome of the Israeli Elections

The number of the eligible electorates for the 17th Knesset elections, held on 28/3/2006, totaled about 5.01 million persons, of whom 620 thousand were Arabs. But those who had actually participated in the elections were about 3.19 million individuals, a percentage of 63.5%. In these elections 31 lists contested, but those

who survived the condition of 2% of the total vote, which, incidentally, was 1.5% only in the previous elections, were 12 lists only.

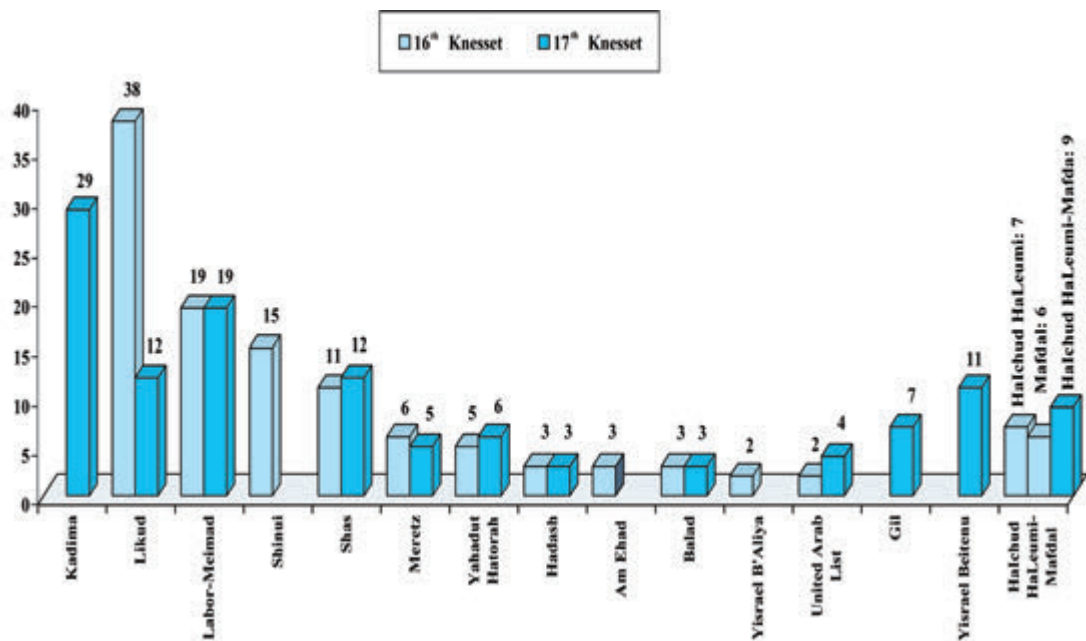
The below table compares between the election results of the 16th and 17th Knessets.

Table 1/2: A Comparison between the Election Results of the 16th and 17th Knesset¹⁰

List name	16 th Knesset 28/1/2003		17 th Knesset 28/3/2006	
	No. of valid votes	No. of seats	No. of valid votes	No. of seats
Kadima	-	-	690,901	29
Likud	925,279	38	281,996	12
Labor-Meimad	455,183	19	472,366	19
Shinui	386,535	15	4,675	-
Shas	258,879	11	299,054	12
Meretz	164,122	6	118,302	5
Yahadut Hatorah	135,087	5	147,091	6
Democratic Front for Peace and Equality (Hadash)	93,819	3	86,092	3
Am Ehad (One Nation)	86,808	3	-	-
National Democratic Assembly (Balad)	71,299	3	72,066	3
Yisrael B'Aliya	67,719	2	-	-
United Arab List	65,551	2	94,786	4
Pensioners Party (Gil)	-	-	185,759	7
Yisrael Beitenu	-	-	281,880	11
HaIchud HaLeumi*	173,973	7	224,083	9
Mafdal*	132,370	6		
Number of eligible voters	4,720,075		5,014,622	
Total ballots	3,200,773		3,186,739	
Valid ballots	3,148,364		3,137,064	

* HaIchud HaLeumi Party and the Mafdal Party contested the 17th Knesset elections under one list.



A Comparison between the Election Results of the 16th and 17th Knesset

The 2006 Knesset elections were the ninth in the history of Israel that were held before the scheduled time, a phenomena that had increasingly prevailed during the latest rounds of elections (i.e., 2, 5, 10, 11, 13, 14, 15, 16 and 17). This tendency reflects, in one way or another, increasing internal instability, political differences around the major challenges, and a state of dissension and reformulation within the Israeli political parties.

A close look at the top 10 nominees in the lists of the three major parties shows a reduction in the representation of the generals and the oriental Jews. While no general was among the first 10 of the Likud nominees, two were in the Labor list, Ami Ayalon and Binyamin Ben-Eliezer, and three in that of Kadima, Shaul Mofaz, Avraham (Avi) Dichter and Gideon Ezra. Amongst the top 10 nominees, the oriental Jews were represented by two in each of the list of the Labor and Likud and three in that of Kadima, though their percentage is as high as 45% of the Israeli population.¹¹

The results of the 17th Knesset elections had restructured the Israeli partisan political map. As expected, Kadima advanced, the Likud suffered a crushing defeat,

the Labor experienced internal focalization, and the Shinui Party vanished, while the Pensioners Party voted on sectarian and social basis. The major observations on this election may be summarized in the following:

1. For the first time in the history of Israel, a budding party of six months only gained victory through candidates who do not belong to the two traditional Parties, the Labor and Likud. Though the opinion polls estimated that Kadima will get one third of the electorates (40 seats), the 29 seats that the party had actually won (almost one fourth of the electorates) constituted a reasonable achievement. It signaled dissolution among the Israeli electorates with the two historical, but internally weak and feuding Parties, and their desire for change. The sizable vote that Kadima got was, furthermore, an expression of the support of the Israeli street for the notion of unilateral withdrawal.
2. The Likud Party lost 70% of its electorate and seats in the Knesset, as it maintained 12 seats only out of the 38 that it previously had. This expressed the disarray and virtual collapse of the party after it had been deserted by Sharon and his followers to be monopolized by rightists and hyper extremist groups. The crushing defeat of the Likud had, furthermore, revealed an internal crisis within its ranks over the vision and approach towards the Palestinian issue. However, these catastrophic developments provide a useful lesson on the extent of the damage that may result from internal feuds and rivalries within the leadership of a party or a political group.
3. The Labor Party maintained its previous seats, which was a kind of achievement for Peretz and the party that had suffered a major blow by the departure of thousands of its leader and cadre to Kadima. It also indicated that the party had succeeded to compensate this loss by new forces, particularly from the oriental Jews and the Arabs, which will certainly tilt the balance within its ranks with regard to the dominance of the Ashkenaz and the party's class structure.
4. The Shinui Party, which formerly had 15 Knesset members supported by 387 thousand electorates, totally collapsed. Most of its members joined Kadima, and those who remained split into two insignificant parties, Shinui and Hetz, that had both failed to get in the general elections the 2% required vote for survival, the former got as low as 4,675 votes and the latter 10,113 only. This humiliating defeat was due to the acquisition by Kadima of the

party's traditional middle voter, the transfer of the party's founder himself, Uriel Reichman, to Kadima, and the opportunism and failure of the party to honor its principles and election promises. On 25/1/2006, the president of Shinui, Yosef Lapid, announced that he resigned from the party's presidency and relinquished politics. He added that with its present structure, Shinui does not deserve the confidence of the public.¹²

5. The percentage of the voters in this election was the least in the history of Israel, 63.5% of the eligible voters, which was less by 4.3% than the previous elections. Elections in the past were usually very popular, with a percentage of 82-87% during the period 1949-1969, and 77-79% during the period 1973-1999. This sliding phenomenon may be attributed to a decline in the popular trust towards political parties and the political process, and to a general apathy, particularly among the youth. Moreover, the Israelis seem to have broadly felt that "business was as usual," and assumed that the economic and security conditions are so good that there are no dangers in the horizon.¹³
6. There are indicators of a decline in the influence and popularity of the ideologically oriented parties like the Likud, Meretz and the National Union-National Religious Party, probably because of a growing inclination among the Israeli voters towards pragmatism, which made them less receptive to ideologically committed parties. Other indicators indicate an increasing tendency towards voting on sectarian (Sephardim and Ashkenaz) and ethnic (Russian, Oriental, etc.) basis.¹⁴
7. The Pensioners Party achieved a surprising victory of seven seats, though it had not been previously represented in the Knesset, and its leader was obscure and apolitical. Here is an example of voting on social grounds to achieve personal gains, and not for national or political considerations. The pattern in which the Pensioners had voted may also be a wide protest against all political parties and governing institutions.¹⁵ It could also be an indicator of the increasing importance of the socio-economic element in the decision of the Israeli voters, compared with the security factor. The Israeli "peace indicator" pointed to a rise, in November 2005 to 53%, in the importance of the socio-economic factor, compared to 35% to the security factor. But the victory of Hamas reversed this tendency to be 47% to the latter and 37%

to the former. We should have in mind that the chances for security and/ or peace in 1969 reached to 98% among the Likud voters and to 80% among those of the Labor Party.¹⁶

8. Many viewed the outcome of the elections as an indicator of a substantial decline of the Israeli right, and a considerable shift towards the middle, particularly after the serious blow to the Likud Party. But a careful reading triggers us to view this hypothesis with a degree of reservation. The rightist and religious parties had admittedly officially won 50 seats only, but we have to remember that there are rightists in Kadima, like the settler Otniel Schneller, Deputy Minister Ruhama Avraham, Minister Tzachi Hanegbi and others, which raises the actual number of the rightists in the Knesset to 60 or more. Besides, is the substantial rise of the extremist rightist party Yisrael Beitenu, which won 11 seats.¹⁷
9. **The participation of Arabs in the elections:** The Arab eligible electors totaled 620 thousand, but the participants were 347 thousand, a percentage of 56%. The Arab lists won 257,374 voters, a percentage of 74.2% of the Arab voters. The United Arab list (an alliance of the southern branch of the Islamic Movement, the Arab Democratic Party and the Arab Movement for Change) won four seats, each of the Democratic Front for Peace and Equality and the National Democratic Assembly got three seats. The three parties had achieved substantial success in Arab towns and cities, while the Israeli parties maintained a strong position in the Druze villages and among the Bedouin groups in the North. In Arab cities and towns, (Nazareth, Umm al-Fahim, Shafa 'Amr, al-Taybah and other), the three Arab list won 81.2% of a total of 132,481 votes, while all the Israeli parties earned 14.9% of the votes. Among the Bedouin groups in the Negev (*al-Naqab*), the Arab parties got 78.1% and the Israeli parties got 15.2% of a total of 10,506 votes. Among the Bedouin groups in the North, where the participants totaled 9,528 voters, the Arab parties got 39.3% and the Israeli parties 52.2%. In the 12 Druze villages, the Arab parties got 20% only, while the Israeli parties got 75.9% of the total participant voters, 35,067 (see table 2/2).

Table 2/2: The Results of the Elections of the 17th Knesset in the Arab Quarters¹⁸

	No. of electors	Participants		Arab parties		Israeli parties	
		No.	%	No. of votes	%	No. of votes	%
Arab cities and towns	224,503	132,481	59	107,556	81.2	19,800	14.9
Bedouin groups in the North	21,781	9,528	43.7	3,746	39.3	4,977	52.2
Arab Druze villages	58,901	35,067	59.5	7,002	20	26,623	75.9
Bedouin groups in Negev	28,283	10,506	37.1	8,208	78.1	1,592	15.2

The most important observations on the participation of the Palestinian in these elections may be enumerated in the following:

1. A wide and influential sector of the Arabs, principally the Islamic Movement under the leadership of al-Sheikh Ra'id Salah had persistently boycotted the Knesset elections. The popularity of this Movement is clearly seen in their usual outstanding victory in the municipal elections.
2. The number of the Arab seats in the Knesset, 12 out of 120, is not proportionate to the actual numbers of the Arab population, who represent almost 17% of the total population. Thus, the Arab Knesset seats should have presumably been 21.
3. The overwhelming majority of the Arabs tend to vote on national and Islamic bases, particularly in major towns and cities and in Negev. However, the performance of the Arab parties in the Druze quarters was extremely weak in comparison with that of the Israeli parties. A number of explanations are readily given for this phenomenon, amongst which is the special status given by the Israeli to the Druze, notably their mandatory recruitment in the army. But this phenomenon needs to be extensively and thoroughly studied. This is, also, applicable on Bedouin groups in the North. However, whatever explanation may be, the national and Islamic forces must do their utmost best to overcome the Israeli influence in these regions.

The Israeli Government

Ehud Olmert formed the 31st Israeli government, which won the Knesset's confidence on 4/5/2006, by a majority of 65 to 49 votes. It was a coalition cabinet of four parties, Kadima, the Labor, Shas and the Pensioners Party. Of its 25 ministerial posts, Kadima had 12, including the Premiership and the Ministries of Foreign Affairs and Finance, the Labor seven of which the most important was the Defense portfolio, Shas four, and the Pensioners two. 12 of the ministers were ethnically Ashkenaz and 12 Sephardim, while one minister was born to an Iraqi father and a Polish mother.

On its formation, the new government did not have a comfortable majority in the Knesset and none of its senior posts was allocated to a general, while civilians were in charge of the Premiership and the all-important Ministries of Foreign Affairs and Defense. Amir Peretz, the minister of defense, had, however, found himself in a tricky position as he comes from labor unions environment (Histadrut), and was largely concerned with socio-economic issues. However, the cabinet had some generals like Shaul Mofaz for the portfolio of Transportation and Binyamin Ben-Eliezer for the Ministry of Infrastructure.

However, a cabinet reshuffle soon took place by the resignation on 22/8/2006 of the minister of justice, Haim Ramon, because of corruption charge, and the appointment on 30/10/2006 of Avigdor Liberman, the president of Yisrael Beitenu Party, a deputy premier and minister of strategic affairs. On the same day, Ophir Pines-Paz, the labor minister of the portfolio of science culture and sport resigned, and Yuli Tamir, the minister of education, took his position as an acting minister.¹⁹

The program of the new government strove to crystallize the permanent borders of Israel as a Jewish democratic state, and, in the absence of negotiations with the Palestinians, to fix them. Besides, it spelled out the governments' determination to complete the construction of the Separation Wall. The program had also promised, *inter alia*, a rise of the minimum wages, the reduction of the numbers of foreign workers, including Palestinians, and concentration on Jewish education to strengthen the Jewish identity of the state... etc.²⁰

However, Olmert's government soon experienced a number of political and military failures that exposed it to increasing and bitter criticism, and reduced its popularity to the benefit of the rightist trends. Prominent among those drawbacks



was its failure to topple Hamas' government and to crush Hizbullah in Southern Lebanon. Besides, were the charges of corruption, ethical scandals of some ministers, and the inability of the government to honor its election promise to initiate unilateral withdrawal that was associated with its political settlement plan. An opinion poll conducted by *Yedioth Ahronoth* and Dahaf Institute indicated that 27% of the Israeli populace considered Netanyahu the most suitable candidate for the premiership, followed by Liberman, the president of Yisrael Beitenu, who got 15%, while Olmert got 7% only.²¹ Other political polls, conducted in the first half of October 2006, suggested that if election were held by that time, the Likud will secure 22 seats, Yisrael Beitenu 20, and each of Kadima and the Labor 15 seats.²² This forecast impelled Olmert to include Yisrael Beitenu in his cabinet, which made it more rightist and extremist, and thus weakened its capacity for political maneuver.

Second: Significant Population, Economic and Military Indicators

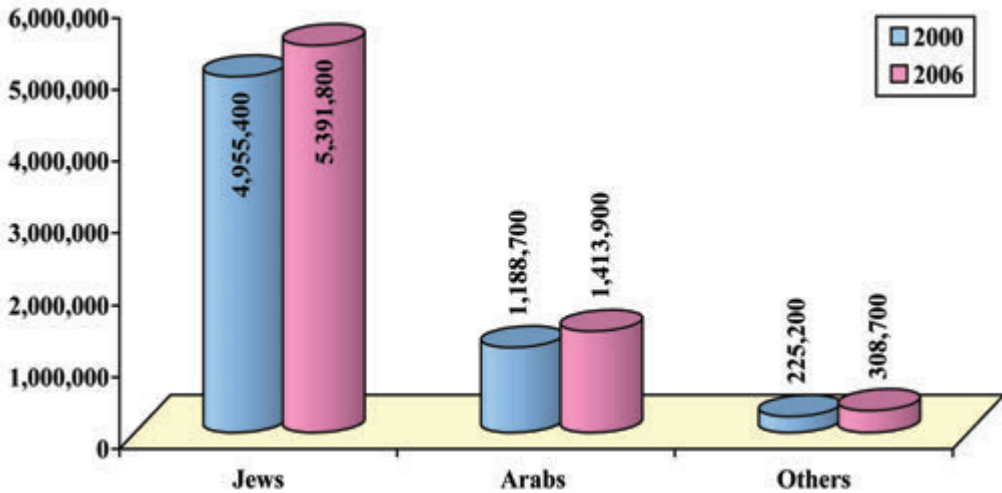
1. The Population Indicators

According to official statistics, the population of Israel by the end of 2006 totaled about 7.11 million, amongst whom 5.39 million are Jews, a percentage of 75.8% of the total population, while 309 thousand persons (4.3%) did not declare their religions. The latter are largely immigrants from Russia and East Europe whose Jewish identity have not been yet ascertained. The Arab population, including the 240 thousand Arabs living in East Jerusalem and the Golan Heights that were occupied by Israel in 1967, totaled about 1.41 million, a percentage of 19.9% of the total Israeli population. Thus, those who are known as the 1948 Palestinians total about 1.17 million, a percentage of 16.5% of the total population. 465 thousand Jewish settler stay in the WB, including East Jerusalem, and 20 thousand others stay in the Golan Heights (see table 3/2).

Table 3/2: Population of Israel 2000-2006
(Population estimates do not include foreign labor)²³

Year	Gross population number	Jews	Arabs (including the population of East Jerusalem and in the Golan Heights)	Others
2000	6,369,300	4,955,400	1,188,700	225,200
2001	6,508,800	5,025,000	1,227,500	256,300
2002	6,631,100	5,094,200	1,263,900	273,000
2003	6,748,400	5,165,400	1,301,600	281,400
2004	6,869,500	5,237,600	1,340,200	291,700
2005	6,990,700	5,313,800	1,377,100	299,800
2006	7,114,400	5,391,800	1,413,900	308,700

Population of Israel during 2000 and 2006



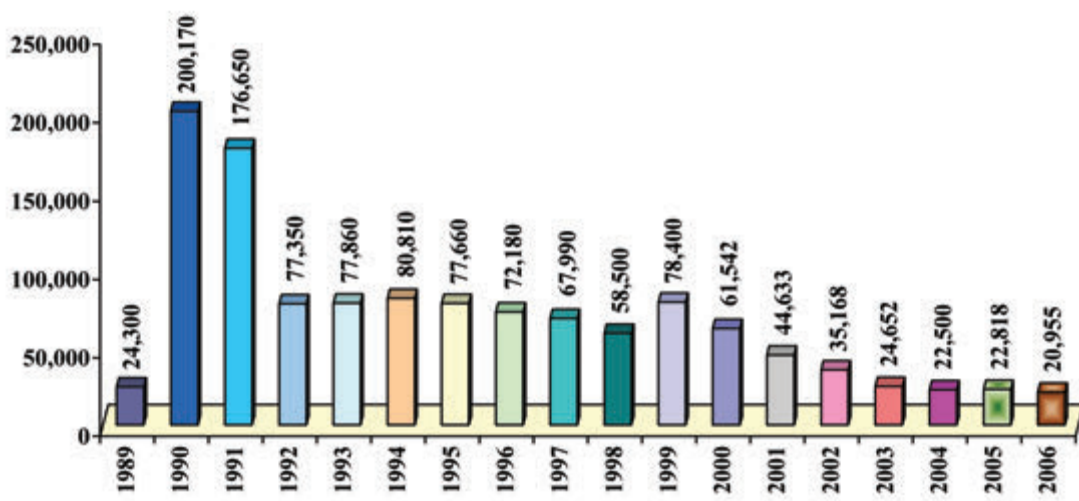
During the year 2006, the number of Jewish immigrants to Israel was 20,955, while the immigrants of 2005 were 22,818. The Jewish immigration to Israel during the five years 2001-2005 had generally been on the decline compared with the previous 12 years (see table 4/2).

Table 4/2: Number of Jewish Immigrants to Israel 1989-2006²⁴

Year	1989	1990	1991	1992	1993	1994	1995	1996	1997	1998
No. of immigrants	24,300	200,170	176,650	77,350	77,860	80,810	77,660	72,180	67,990	58,500

Year	1999	2000	2001	2002	2003	2004	2005	2006	Total
No. of immigrants	78,400	61,542	44,633	35,168	24,652	22,500	22,818	20,955	1,224,138

Number of Jewish Immigrants to Israel 1989-2006



The 1948 Palestinians have been suffering from negligence and racial discrimination, and the extreme rightist Jewish forces persistently and openly call for their expulsion, the so-called population swap. An opinion poll conducted by GeoCartographia Research Institute showed that 40% of the Jews in Israel prefer that their government encourage the Arabs to depart, 68% are not prepared to live with them, 46% do not want to establish friendship with the Arabs, 63% consider them a security and demographic hazard and 50% will be hateful and disgusted when they hear any talk in Arabic.²⁵

The Israeli annual report issued by the Jewish People Policy Planning Institute (JPPPI), indicates that the Jewish population in Israel in 2006 had become, for the first time since two millenniums, the largest concentration of Jews in the world, with a percentage of 41% of their total numbers, which is just more than that of the Jews in the USA.²⁶ The decrease of the numbers of the American Jews may be due to their low fertility compared with their counterpart in Israel, their assimilation

in the American society and the rejection by many of them to reveal their Jewish identity.

On the other hand, it is estimated that some 700-750 thousand Israeli live outside Israel, of which 60% are living in North America and 25% in Europe,²⁷ largely in search for stability, better life and secured jobs. Some of them are originally citizens of these countries who had migrated to Israel in fulfillment of a presumed national and religious duty, or for a variety of economic and social reasons. They had then simply returned to their homeland, though they retained the Israeli nationality as well. The figures of the Israeli Embassy in Moscow indicate that 50 thousand of the Russian immigrants to Israel during the last decade of the 20th century had actually returned to Russia, of whom 28 thousand had already got once more permanent residence permits and the Russian citizenship.²⁸

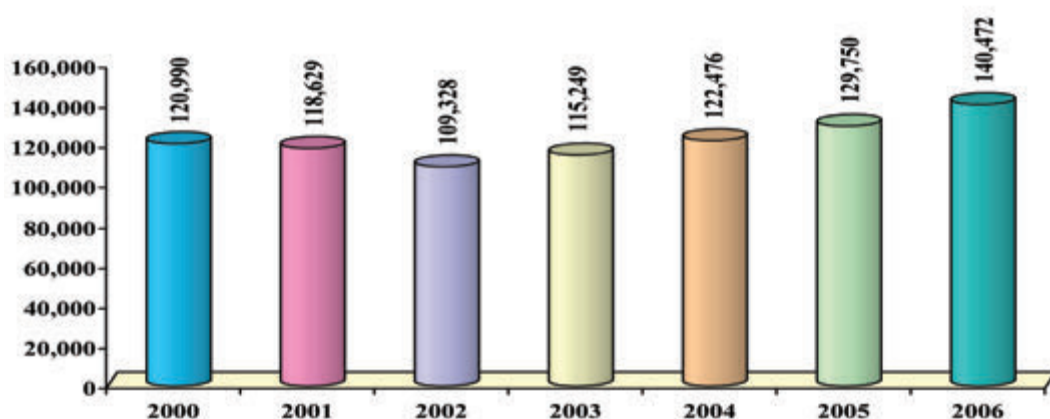
2. The Economic Indicators

The official Israeli statistics indicate that the Israeli economy grew in 2006 by 5%, compared to 5.2% in 2005. Moreover, the Gross Domestic Product (GDP) rose in 2006 to 626.01 billion shekel (about \$140.47 billion), compared to 582.29 billion shekel (about \$129.75 billion) in 2005, (see table 5/2). According to the Bank of Israel Annual Report-2006, the GDP per capita in Israel was \$19,900.²⁹

Table 5/2: Israeli Gross Domestic Product and Gross National Income (GNI)
2000-2006³⁰

Year	GDP		Less: Net income paid abroad		GNI		Shekel exchange rate (according to Bank of Israel)
	Million shekels	\$ Million	Million shekels	\$ Million	Million shekels	\$ Million	
2000	493,311	120,990	28,568	7,007	464,743	113,983	4.0773
2001	498,908	118,629	19,744	4,695	479,164	113,935	4.2056
2002	517,975	109,328	19,071	4,025	498,904	105,303	4.7378
2003	524,187	115,249	17,819	3,918	506,368	111,331	4.5483
2004	548,936	122,476	16,038	3,578	532,898	118,897	4.482
2005	582,291	129,750	11,719	2,611	570,572	127,138	4.4878
2006	626,015	140,472	6,574	1,475	619,441	138,997	4.4565

Israeli Gross Domestic Product 2000-2006 (\$ million)



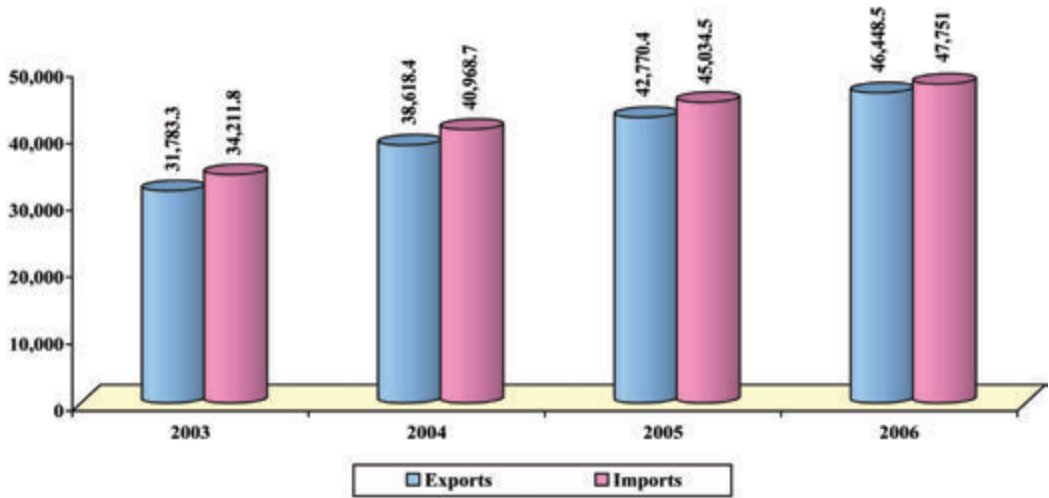
The budget of the Israeli government for the year 2006 expected an expenditure of 271.4 billion shekel (\$60.9 billion), while the actual expenditure will be 231.8 billion shekel (about \$52.01 billion). The rest will be the debt service of 39.6 billion shekel (about \$8.89 billion). The budget expected a deficit of 17.2 billion shekel (about \$3.86 billion).³¹ Israel's gross external debt increased in the year 2006 by \$8.2 billion, and its overall amount reached by the end of the year \$85 billion.³²

The Israeli exports for the year 2006 totaled \$46.45 billion, compared with about \$42.77 billion in 2005, i.e., an increase of 8.6%. As for the imports, they reached in 2006 to about \$47.75 billion compared with approximately \$45.03 billion in 2005, i.e., an increase of 6% (see table 6/2).

Table 6/2: Total Israeli Exports and Imports 2003-2006 (\$ million)³³

Year	2003	2004	2005	2006
Exports	31,783.3	38,618.4	42,770.4	46,448.5
Imports	34,211.8	40,968.7	45,034.5	47,751

Total Israeli Exports and Imports 2003-2006 (\$ million)



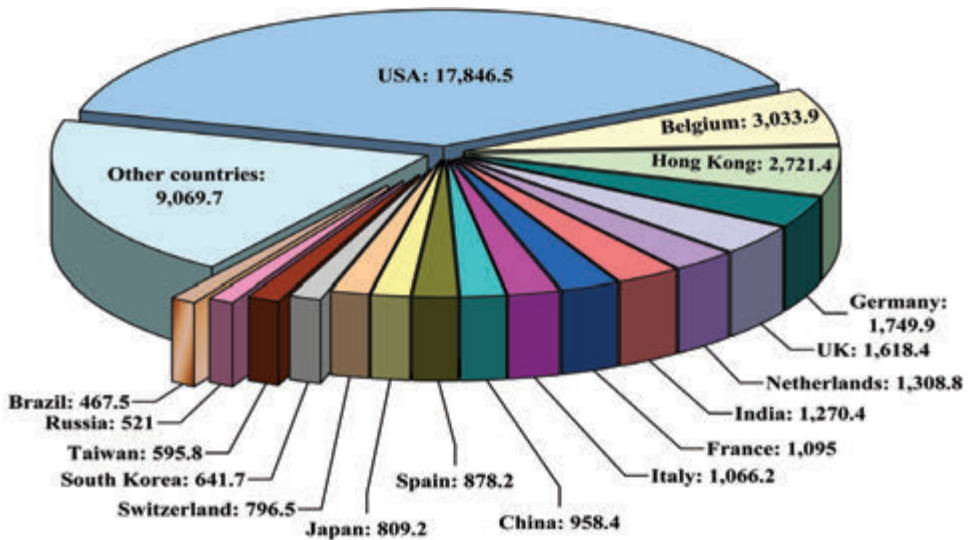
The USA is Israel's first trading partner. The Israeli exports to the USA during the year 2006 totaled approximately \$17.85 billion, compared with \$15.5 billion in 2005. On the other hand, the Israeli imports from the USA in the year 2006 totaled about \$5.92 billion, compared to \$6.04 billion in 2005 (see table 7/2).

Besides the USA, the most prominent importing countries of Israeli products are in a descending order: Belgium (about \$3.03 billion), Hong Kong (about \$2.72 billion), Germany (about \$1.75 billion), United Kingdom (UK) (about \$1.62 billion), Netherlands (about \$1.31 billion), and India (about \$1.27 billion). On the other hand, the most important exporting countries to Israel are in a descending order: Belgium (about \$3.92 billion), Germany (about \$3.2 billion), Switzerland (about \$2.8 billion), UK (about \$2.46 billion), China (about \$2.43 billion), and Italy (about \$1.84 billion). It is, thus, clear from the above statistics that Belgium is the second biggest trading partner of Israel, apparently because of the trade in diamond between the two countries.

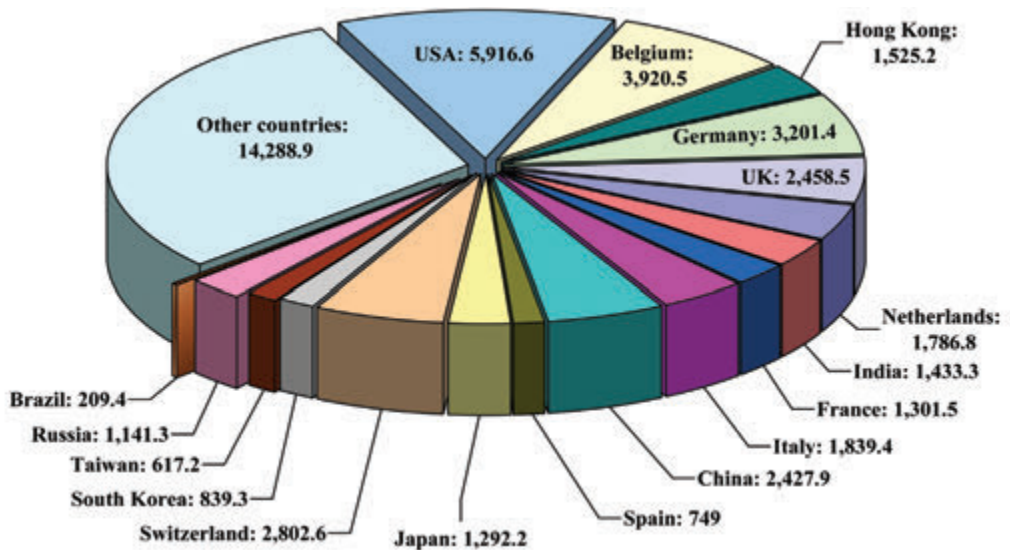
Table 7/2: Israeli Exports and Imports with Selected Countries
2003-2006 (\$ million)³⁴

Countries	Israeli exports to:				Israeli imports from:			
	2006	2005	2004	2003	2006	2005	2004	2003
USA	17,846.5	15,500.1	14,175.1	12,088.5	5,916.6	6,042.1	6,099.1	5,330.8
Belgium	3,033.9	3,679.5	2,898.1	2,320.9	3,920.5	4,557.7	4,130.8	3,179.9
Hong Kong	2,721.4	2,373.6	1,907.7	1,495.4	1,525.2	1,277.7	1,178.3	892.7
Germany	1,749.9	1,345.9	1,361	1,123.3	3,201.4	2,986	3,090.2	2,731.1
UK	1,618.4	1,649.9	1,447.8	1,224.5	2,458.5	2,552.1	2,482.8	2,283.4
Netherlands	1,308.8	1,259.7	1,232.8	1,085.1	1,786.8	1,626.7	1,483.8	1,196.5
India	1,270.4	1,222.8	1,037.9	717.8	1,433.3	1,276.2	1,107.7	888.8
France	1,095	882.6	764	684.6	1,301.5	1,203.8	1,248.9	1,182.6
Italy	1,066.2	897.8	810	772.5	1,839.4	1,733.7	1,565.7	1,398.2
China	958.4	747.9	786.9	612.6	2,427.9	1,888.3	1,418.4	1,008.1
Spain	878.2	687.8	616.2	525.4	749	613.7	652.3	624.6
Japan	809.2	799.1	782.3	626	1,292.2	1,238.1	1,197	843.7
Switzerland	796.5	900.3	782.3	504.9	2,802.6	2,464.7	2,682.1	2,062
South Korea	641.7	449.8	417.7	286.9	839.3	852.7	759.9	579.8
Taiwan	595.8	602.3	587.6	298	617.2	553.4	498.6	385.5
Russia	521	417.6	319.1	220.5	1,141.3	1,055.7	688	618.2
Brazil	467.5	467.3	488	364.1	209.4	166.5	207	127.8
Other countries	9,069.7	8,886.4	8,203.9	6,832.3	14,288.9	12,945.4	10,478.1	8,878.1
Total	46,448.5	42,770.4	38,618.4	31,783.3	47,751	45,034.5	40,968.7	34,211.8

Israeli Exports to Selected Countries 2006 (\$ million)



Israeli Imports from Selected Countries 2006 (\$ million)



According to official Israeli figures, the income from exported Israeli electronics and machinery reached in 2006 to about \$9.74 billion, from diamond exports \$9 billion, from chemical industries \$8.29 billion, and from fruits and vegetables \$1.05 billion.³⁵

The following two tables give a resume of the external trade of Israel:

Table 8/2: Israeli Exports by Commodity Group 2005-2006 (\$ million)³⁶

Year	Agricultural	Manufacturing	Diamonds		Others	Total
			Polished	Rough		
2005	1,027.1	25,274.4	6,658.4	3,492.2	158.7	36,610.8
2006	1,029.3	29,055.1	6,367	2,624.1	284.1	39,359.6

Table 9/2: Israeli Imports by Commodity Group 2005-2006 (\$ million)³⁷

Year	Consumer goods	Raw materials	Investment goods	Fuels	Diamonds rough and polished net	Others	Total
2005	5,329.5	16,818.5	6,192.8	6,764.2	9,179.8	171.9	44,456.7
2006	5,898.9	18,516.9	6,573.8	7,454.4	8,625.7	158.5	47,228.2

In 2006, Israel received official American aid support to the value of \$2.63 billion, of which \$2.28 billion was a military grant. This amount of military aid was equal to the one allocated by the USA to Israel in 2005. During the years from 1949 to the end of 2006, the official American aid to Israel totaled \$96.77 billion.³⁸

The Israeli war on Lebanon during the summer of 2006 had negative impact on the Israeli economy. For the direct loss from this war was \$2.7 billion, coupled with an indirect loss of \$2.4 billion.³⁹ Nonetheless, the performance of the Israeli economy during 2006 was relatively good, as the percentage of growth that it achieved, 5%, was, in the circumstances, impressive. This is partly due to the decline in the intensity of the *Intifadah* and to the progressive increase in the size of foreign investment in Israel that reached during the first 10 months of the year 2006 the sum of \$17.1 billion, an increase of 72% over the total investment in 2005.⁴⁰

3. The Military Indicators

The Israeli society is considered a military society, particularly so as it was formed and consolidated by groups of immigrant settlers, who, through military force, replaced the Palestinian people. The latter currently live either under the grip of the Israeli occupation or as refugees in the diaspora. However, since the conflict has not yet been resolved and the ingredients of the crisis and instability are ongoing, the Israeli mentally is predominantly obsessed with military might

and security. Hence, the strategy of Israel is based on having a striking military force that would defeat at all times the combined forces of all Arab armies, and to have a strong alliance with the USA to guarantee victory. Additionally, Israel wants to be ready at all times for offensive wars that adopt the tactics of quick and surprising movements and pre-emptive strikes.

Nonetheless, during 2006, the Israeli military institutions faced some predicaments and shocks that may be summarized in the following:

- a. The humiliation that the army had suffered by the arrest of an Israeli soldier in GS and two others in Southern Lebanon, and by its incapacity to liberate them.
- b. The drastic failure of the Israeli army in its war against Hizbullah and Lebanon, and the subsequent revelation of serious shortcomings in the structure of the leadership, the usage of the armament, and during the military confrontation on the ground. Besides, was the resignation of a number of officers and military commanders.
- c. The assumption of a civilian, Amir Peretz, to the Ministry of Defense, a rare occurrence in the history of Israel, and the decline of the ministerial role of the generals and in the Knesset.
- d. The reputation of the Merkava tanks, that had once been viewed as a mobile land bastion and a source of boastfulness for the Israeli army, was totally devastated in the war against Hizbullah and Lebanon. Israeli reports claim that 48 of these tanks were destroyed during the war, but other information gives a higher number, 118, with 46 others seriously damaged.⁴¹ Thus, according to the Israeli economic newspaper *Globes*, this scandal impelled the leadership of the Israeli army to order the suspension of the production of these tanks for the next four years.⁴²

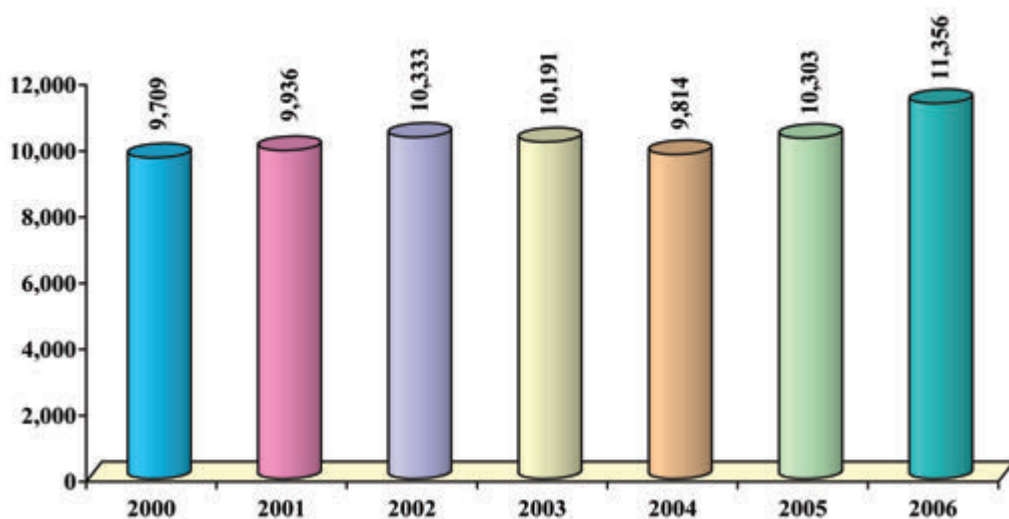
According to the Israeli Central Bureau of Statistics (CBS), the military expenditure for the year 2006 totaled 50.61 billion shekels (about \$11.36 billion).⁴³ But the Israeli authorities tend to conceal the real figures of their presumed country's military expenditure, as they usually include the revenue from the sale of armaments directly in the budget of the army without being recorded in the government budget. Moreover, the above figure is given by the Israeli on the net expenditure after they undertake a clearance with the revenue from the sales

that reach \$263 million. This means that the real military expenditure is almost \$11.62 billion.⁴⁴ However, this figure is doubtful as the revenue from the sale of the Israeli arms alone for the year 2006 totaled \$4.4 billion.⁴⁵

Table 10/2: Official Israeli Military Expenditure 2000-2006⁴⁶

Year	Million shekels	\$ Million
2000	39,587	9,709
2001	41,788	9,936
2002	48,957	10,333
2003	46,350	10,191
2004	43,988	9,814
2005	46,239	10,303
2006	50,609	11,356

Official Israeli Military Expenditure 2000-2006 (\$ million)



There is not a noticeable difference in the size of the Israeli military forces for the years 2005 and 2006. The official statistics give the numbers of the regular personnel armed forces as 176,500 individuals (the ground forces 133 thousand, the air forces 34 thousand and the naval forces 9,500). As for the reserve forces, they total 445 thousand persons (the ground forces 380 thousand, the air forces 55 thousand and the naval forces 10 thousand). Besides, is the border forces of 7,650 subjects. The ground forces are organized in 16 squads and 76 brigades.⁴⁷

In the year 2006, the Israeli army had *inter alia* 3,890 tanks (of which 3,510 were on service), 845 fighting airplane (of which 494 were on service), 291 helicopters (of which 183 were on service), three torpedoes, and 15 warships... etc. The Israeli army is still employing the fourth generation of the Merkava MKIV tanks, and it received the first batch of F-16I (Sufa) planes and will receive the second during the period 2006-2008. The air force received a batch of the Apache, Longbow (Saraf) AH-64D, helicopter planes, while the navy will receive two German (Dolphin) torpedoes that can be equipped with nuclear weapons. The German government will cover third of its total cost that amount \$1.17 billion.⁴⁸

According to some authentic sources, Israel posses 200 nuclear heads which make it the sixth biggest nuclear force in the world. Israel can fire these nuclear heads from the air through F-16S and F-15ES planes, or from the land through medium range ballistic missiles like JerichoII, or from the sea through the American missile model Harpoon that can be fired from warships or torpedoes. Israel also possess' at least 100 bunker-busting bombs, known as mini-nukes, that can be guided by the laser, and could penetrate undergraduate fortifications like nuclear laboratories and stores of weapons of mass destruction.⁴⁹

In its strive to develop its fighting capabilities, the Israeli naval force is reportedly engaged in studying the construction of an undetectable crewless submarine torpedo that will be difficult to locate and can be used to attack warships.⁵⁰ Moreover, there are news of Israeli-manufactured driverless tanks and bulldozers that Israel employed along the frontiers with the GS.⁵¹ Israel had also concluded a joint deal with India to manufacture for the naval forces of the two countries the interceptive missile Thunder 2, with a preliminary cost of \$350 million.⁵²

Israel increased during the course of the year 2006 its military sales to reach \$4.4 billion, as mentioned by Yossi Ben Hanan, the chairman of the department of military industries in the Ministry of Defense. India and the USA are the biggest customers for Israeli armaments, as the purchase of each of them in 2006 was more than one billion dollars. Israeli armament sales had increased from \$3.27 billion in 2003 to \$3.74 billion in 2004, but they decreased to \$3.5 billion in 2005 to sizeably increase again in 2006.⁵³

Israel concluded an important armament treaty with Nigeria to the value \$250 million. By this deal, it will supply Nigeria with drone systems planes and 15 warplanes, and train its pilots.⁵⁴

The year 2006 will be remembered as the year of drastic failure for the Israeli intelligence and military operations in the war against Hizbullah and Lebanon. This situation led to the voluntary or mandatory resignation of some leading generals in the Israeli army, including Udi Adam, the commander-in general of the Northern region, and Dan Halutz, the Chief of Staff.⁵⁵

Third: The Position of Israel towards the Victory of Hamas and its Attempts to Topple its Government

1. The Position of Israel towards the Victory of Hamas

Being disturbed by Hamas' good performance in the municipal elections of 2005, Israel refused the organization's participation in the legislative elections except after its disarmament and submission to the Israeli-American conditions. Hamas is, in fact, unwanted not only by Israel, but also by America, Europe and some Arab countries, in addition to some Palestinian leading figures in the PA. Nonetheless, Hamas managed to dictate its presence at these great odds through determination and increasing popularity among the Palestinian masses, who admired its insistence and persistence on the struggle against the Israeli aggression. It has become crystal clear that no sensible force could afford to disregard Hamas or supersede it. Any attempt to put the Palestinian house in order or to engage in reform or a truce cannot materialize without Hamas's agreement, participation, or, at least, implicit blessing. Any attempt to sideline or ignore the organization may lead to "double danger," namely the continuation of the resistance and/or the obstruction of the peace negotiations. If, on the other hand, accommodated in the political process, Hamas was likely to win the election and gain political and popular legitimacy, which will complicate the situation as the organization may dominate or, at least, become a partner in the leadership of the Palestinian people, particularly so as it had not been a member of the PLO, and does not recognize the peace treaties, and, of course, Israel. Such a scenario will be totally against the American-Israeli rules of the game that insisted on an always nodding PA.

However, the American project of democracy in the region may have persuaded the Bush administration to accept, though reluctantly, the participation of Hamas in the legislative elections, particularly as it was generally expected (by the polls)

to secure around 20-30% of the vote. Being in the minority that should respect the decision of the majority, Hamas may then be too embarrassed not to observe the rules of the democratic game. This would strengthen the legitimacy of 'Abbas, and encourage him to go ahead with the disarmament of the resistance organizations, including Hamas, and even assimilate them in the Palestinian political system. However, right from the beginning there seems to have been a strong tendency to disregard the results of these elections if they were contrary to what was expected. In April 2005, Netanyahu, then minister of finance, declared that Washington and Tel Aviv do not want to see Hamas in power even through the legislative elections.⁵⁶ Moreover, Shimon Peres, the deputy premier, declared that Israel will support Mahmud 'Abbas as the victory of Hamas will mark the end of the peace process.⁵⁷ While Olmert said just before the elections that Israel will not accept Hamas to be part of the political game, and added, "No difference whether Hamas be part of the PLC or the Palestinian government. We will continue our pressure to prevent such a development."⁵⁸

On 19/1/2006, Livni explained the Israeli efforts to convince the western leaders of the dangers inherent in the conduct of elections, before dismantling the military organizations. But, she added, Abu Mazin convinced them of the necessity of the elections for his campaign against "terrorism" and chaos, and that he "undertook to start this campaign immediately after the end of the elections and the foundation of the government." According to Livni, the leaders of the western powers assured Israel that they will stop supporting the PA and sever all relations with it if 'Abbas did not honor his promise. They, furthermore, undertook to support all the steps that Israel may take in the new circumstances.⁵⁹

As reported by the broadcasting station of the Israeli army, policy makers in Israel were confused, hesitant and unable to take a decisive position towards Hamas. While some felt that its involvement in the political process would moderate its policies, others argued that it would become more extreme and dogmatic.⁶⁰

In any case, the victory of Hamas gave Israel a stunning shock, as reflected in the following comment by the broadcasting station of the Israeli army:

Israel has been profoundly shocked. It is in a state of confusion and hesitation because it is not prepared as it should, and has no crystal clear future steps... The hurried manner in which Olmert called the ministers of defense and foreign affairs, the directors of the security organs and the commanders of the army for consultation reflects this perplexity caused

by the expulsion of the bomb or the earthquake, as a result of the victory of Hamas. Thus, this government has no clear cut policies, neither at the tactical, nor at the strategic level. It does not know what it should do now... The results has not only shocked Israel, but are a blow to the USA who assumed that the desired democracy would impel President 'Abbas to dismantle Hamas' infrastructure, but the reverse had apparently happened, Hamas is the one that is dismantling the authority of 'Abbas.⁶¹

Yuval Steinitz, the chairman of the Knesset Foreign Affairs and Defense Committee, considered the outcome of the Palestinian elections a political earthquake, which reveals the serious blunder that Israel had committed by allowing Hamas to participate in the elections.⁶² Netanyahu, the leader of the Likud, mentioned that he had warned against the establishment of a "Hamastan" state, and that the PA would effectively be, after a Hamas victory, an extremist regime like that of Iran and the Taliban.⁶³ The ultra-rightist member of the Knesset, Effie Eitam, called the Shabak (Israel Security Agency (ISA)-Shin Bet) to liquidate all Hamas' members of the PLC.⁶⁴ Meanwhile, the failure of the security organs to forecast Hamas' victory led to accusations and counter accusations between the Shabak and the Department of Military Intelligence.⁶⁵

The executive summary of the Herzliya Conference of 2006 admitted that the ascendancy of Hamas constitutes a strategic challenge, as the organization had captured power without changing its policies. The summary claimed that this is, in effect, a failure for the whole world because it did not require Hamas' prior recognition of Israel as a condition for its participation in the elections, and added "Paradoxically, the reforms and democratization process that the U.S. has been leading in the Palestinian Authority since June 2002, which were intended to cleanse the PA of terror, have now brought the terrorist leaders to power." It also indicated that Hamas will neither moderate its policies nor surrender its weapon or stop "terrorism" unless and until the major political Palestinian forces demand that it do so. It, furthermore, pointed out that Hamas' assumption of power had made the establishment of a Palestinian state with temporary boundaries extremely difficult.⁶⁶

However, the victory of Hamas had not seemingly weakened Kadima Party, but strengthened its claim of the lack of a Palestinian partner, and thus go ahead with its policy of unilateral withdrawal that had, in fact, constituted the core of the party's political program.⁶⁷

2. The Attempts of Israel to Topple Hamas' Government

Israel decided to boycott the government that Hamas was about to form unless and until it recognizes Israel, discard violence and “terrorism,” disarm the “terrorist” organizations, and accept all the agreements concluded by Israel on one side and the PLO and the PA on the other side.⁶⁸ These were almost the same conditions that the Quartet (the USA, EU, Russia and the UN) stipulated for dealing with the new Palestinian government.

Israel also decided to impose a tight economic embargo on the Palestinian people in the WB and GS, simply because they dared to opt for a choice that happened to be repugnant to Israel. It stopped paying the Palestinian treasury the monthly over \$60 million tax fund that it collected on behalf of the PA by virtue of the Paris Agreement, and ordered the Israeli Banks to suspend all bank transactions with their Palestinian counterparts. In corporation with the Americans, Israel prevented the transfer of foreign funds to the Palestinian government, and used its military might to close the Palestinian land, sea and air borders, as well as the movement of cargo across them without its prior approval and under its supervision.

Israel decided to inflict on the Palestinian people and government what some Israeli quarters sarcastically called a “dietary regime” that would starve them into submission to the Israeli conditions. The Jewish press reported that Dov Weissglas, the advisor and director of the prime minister’s office had provoked a meeting of the leadership of Kadima Party into laughter by saying that the Israeli hunger campaign would seriously weaken the bodies of the Palestinians but without killing them.⁶⁹ When informed that the Palestinians of Gaza cannot buy sugar, Ruhama Avraham, the deputy minister of interior, sarcastically said, “If they do not find sugar, let them manufacture jam”!!⁷⁰ In the words of Nehemia Shtrasler in *Haaretz* newspaper on 21/2/2006, the Israelis need to “make sure the Palestinian people understand that in order to receive food they have to return to Fatah, which has suddenly become a Lover of Zion”!!.⁷¹

This humiliating and inhuman treatment that does not respect the free democratic choice of the Palestinian people is by all means scandalous not only to the occupation but to all forces that participated, committed themselves or even turned a blind eye to the blockade, particularly so if they belong to the Arab-Islamic world. Rather than submitting to the Israeli-American whims of imposing an unfair siege on an oppressed and occupied people, civilized countries of the 21st century should besiege and penalize the invading occupiers.

During the first 10 months of the year 2006, the Israeli army broke into the buildings of 70 Palestinian charitable organizations in the WB and frozen or stolen their funds.⁷² It also attacked several bureaus of exchange under the guise that they were engaged in financial activities that fund operations against Israeli targets.⁷³

The Israeli oppressive measures included the continuation of the assassination policy, prohibition of contact between the WB and GS,⁷⁴ stoppage of joint security operations⁷⁵ and coordination with the Palestinian liaison offices.⁷⁶ In a meeting on 30/3/2006, the Israeli army adopted a new plan, called “the Southern Arrow,” which intensified air, land and sea attacks on the districts of GS.⁷⁷

Meanwhile, Israel maintained minimum contacts with Mahmud ‘Abbas through which it allowed his freedom of movement, but encouraged and/ or pressed him to overthrow Hamas government and hold new elections. Moreover, it triggered chaos, insecurity and Palestinian-Palestinian disputes.

In its issue of 14/2/2006, *The New York Times* newspaper revealed an American-Israeli plan that aimed at isolating the PA, and to intensify the economic hardships of the Palestinian people to such an extent that they would topple Hamas government and return authority to Fatah.⁷⁸ Amongst the Israeli secret scenarios was a move on the part of Abu Mazin to cancel the results of the elections and to hold fresh elections within six months. However, according to Israeli sources, the ilks of ‘Abbas preferred to give Hamas the opportunity to form the government, rather than canceling the results of the elections; but, at the same time, strive to effect its failure, and thus call for new elections.⁷⁹ Israel had also seriously considered the arrest of Hamas ministers as well as undertaken disproportionate reprisals against military operations within the Green Line (the 1949 Armistice Line). It also conducted a meticulous study to find an opportune time for waging a military strike that would overthrow Hamas government, and pave the way for a new generation from within Fatah to capture authority with regional and international blessing and support, as mentioned in an Israeli report.⁸⁰

Olmert sympathized with ‘Abbas, whom he described as “genuine, sincere,”⁸¹ “honest and serious,”⁸² but weak and incapable.⁸³ He urged him to take “courageous steps,” and to exert all his effort and ability to force Hamas to accept the international demands,⁸⁴ or else to dismiss its government. Olmert also expressed hope that the USA and moderate Arab countries would “support moderate Palestinian forces under the leadership of Abu Mazin to restore power and create conducive

environment for launching meaningful negotiations with Israel.”⁸⁵ On the margin of al-Batra Conference in Jordan, Olmert had on 22/6/2006 a reportedly cordial meeting with ‘Abbas in which they hugged each other,⁸⁶ a development that had been criticized by many Palestinian forces as it took place only days after the Israeli massacre of the family of Huda Ghalia on the shores of Gaza.

On 20/5/2006, the Israeli foreign minister, Livni, called upon ‘Abbas to replace Hamas government through new elections or a referendum.⁸⁷ Five days later, ‘Abbas called the Palestinian factions to reach within 10 days to an agreement on the “Prisoners’ Document,” otherwise he will order a referendum on the document within 40 days.⁸⁸ Several Israeli officials welcomed ‘Abbas’ move, amongst whom was General Ami Ayalon, a leader of the Labor Party, who praised ‘Abbas’ address as a very important ultimatum to the Palestinian factions, and a signal of cooperation with Olmert.⁸⁹ A day later, the latter and Peretz allowed a supply of limited amount of arms to the Palestinian Presidential Guard. Commenting on this report, Amos Gilad said, “The transfer of arms should be allowed in order to implement ‘Abbas’ courageous decision and to confront Hamas.”⁹⁰ Subsequently, *Yedioth Ahronoth* reported that Olmert told a British parliamentary delegation that he “recently allowed the supply of arms to protect ‘Abbas from Hamas.”⁹¹

Indeed, all this is part of a consistent Israeli policy to fish in troubled waters, incite disputes among the Palestinians and destroy the social fabric of their society. The Israelis are not concerned with supporting this or that side, but are engaged in a tactical maneuver that would ultimately serve their prime interest of weakening Fatah, Hamas and all other effective Palestinian forces.

Within this context, Binyamin Ben-Eliezer, the minister of infrastructure, told the Israeli television (Channel 10), on 3/10/2006, that he prays for Fatah victory in these conflicts, and that the confrontations between Fatah and Hamas provide an opportunity to bypass the negative impact of the elections’ results. He furthermore, urged his government to support and extend help to Abu Mazin and Fatah. By the end of October 2006, the minister of defense, Peretz, allowed the entrance of five thousand guns from Egypt and Jordan to the security organs under the direct guidance of ‘Abbas.⁹² Ten days later, Olmert expressed his readiness to allow forthwith the entry from Egypt of Badr Brigade and thousands of guns to GS to support pro-‘Abbas forces,⁹³ while Efraim Sneh, the deputy minister of defense, called for a joint strategy with the presidential authority to weaken Hamas.⁹⁴

Various news agencies reported American plans to supply the Presidential Guard with armaments and training,⁹⁵ and Reuters spoke of a \$42 million American aid to ‘Abbas to, *inter alia*, find alternatives to Hamas, fund the restructuring of Fatah and support some anti-Hamas secular politicians and parties.⁹⁶ But Fatah denied receiving such American aid.

However, the most important lesson that may be derived from these bloody confrontations between Fatah and Hamas, during 2006, is the urgency of a strong Palestinian internal front that would guard against any meddling in Palestinian internal affairs and in the country’s national project.

In its strive to topple Hamas government, and after four days of the operation “Fading Illusion,” Israel arrested 28 ministers and members of parliament, whose numbers shortly reached 40. The detainees included ‘Aziz Dweik, the president of the PLC, Nasir al-Din al-Sha‘ir, the deputy premier and minister of education and others.

Though the dominant trend in Israel refuses to deal with Hamas and insists on its total destruction, few pragmatic voices appeared during the course of the year 2006 that argued otherwise. They maintained the inevitability of dealing, talking and concluding agreements with this rising and most effective organization on the ground, which had, furthermore, gained legitimacy, and, unlike Fatah, is well organized and have the capacity to implement its commitments. Yossi Beilin advised both Olmert and Bush to negotiate with Hamas, and added “probably at the end of the day you will run after it to accept talking to you.”⁹⁷ Similarly, Shlomo Ben-Ami, a former minister of foreign affairs, felt that Olmert will not be able to implement the disengagement plan without a Palestinian partner, and that the only viable alternative is Hamas government. Agreements with Hamas, he added, are expected to last longer than those concluded with the PLO.⁹⁸

The subjugation of Hamas was by no means an easy job. The Americans and the Israelis, as well the anti-Hamas Palestinian forces, needed to be cautious and calculative, otherwise the policies of the blockade and the boycott might backlash. Hamas had the considerable advantages of legitimacy through the ballot box, a strong and highly organized system and widespread popular support that had hardly been affected by the negative impact of the chaos and confrontations that some quarters tried to foment in the Palestinian arena.

If the outcome of the elections is not honored and their organization is bypassed or cornered, Hamas threatened to end the PA once and for all, and pursue the military struggle and the resistance with no heed to any truce or commitments. Even if it does not have enough popularity and power to abolish the PA, Hamas is certainly capable of paralyzing any peaceful settlement and creating a state of instability in the whole region. Moreover, no Palestinian leadership could have full legitimacy if Hamas and its allies boycotted it.

Palestinian circles will continue for sometime to debate the issues of the PA and the continuation of the resistance. The true nature of the Israeli-Palestinian relationship as one between an occupying power and an oppressed people, and the moral responsibility of Israel to look after the well-being of the Palestinian people, rather than to starve and blockade them, will also be subjects of controversy. The debate will be particularly fueled and aggravated when the Palestinians fully realize the futility of the PA, and that their rights and interests are still being squeezed and confiscated; while in the same time, the Palestinians continued to be blamed for all the hardships and the predicaments.

Fourth: The Israeli Aggression and the Palestinian Resistance

In connection with the Israeli aggression and the Palestinian resistance, the year 2006 was characterized by the following:

1. The Israeli operations of assassination and infiltrations had substantially increased, particularly in GS, and the numbers of the Palestinians killed and wounded multiplied compared to previous years.
2. The toppling of Hamas government and the abortion of its experiment had become part and parcel of the Israeli military agenda.
3. Though the Palestinian factions declared on 31/12/2005 the end of the truce, Hamas was inclined to observe it for the sake of providing a reasonably conducive environment for its government. But the organization terminated the truce on 9/6/2006, after the assassination of Jamal Abu Samhadaneh and the Israeli bloody massacre along the shores of Gaza.
4. The Palestinian resistance was mainly defensive in the sense that it was essentially a reaction to the enemy's penetrations and aggressions.

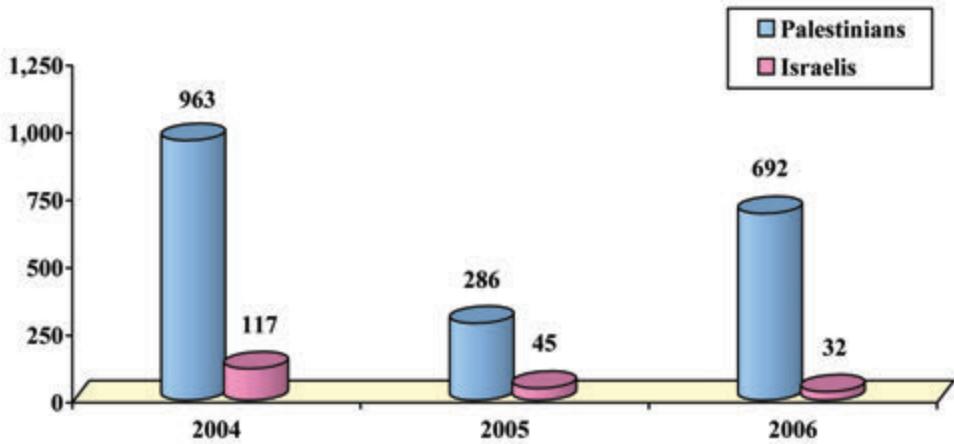
5. Increasing reliance on the launching of rockets, particularly from GS. The number of fired rockets against Israeli targets totaled 1,700 in the year 2006 which killed two Israelis and wounded 163 others, compared to 400 in 2005 which killed five Israelis and wounded 51 others.⁹⁹
6. Most of the power and capabilities of the Palestinian resistance movements had been exhausted in internal conflicts, in particular between Fatah and Hamas. This regrettable intra-fighting killed some men, weakened the resistance, damaged its image and caused great disillusion among the Palestinians and in the Arab and Muslim worlds at large. However, increasing calls and appeals were voiced to end this sedition and stop shedding the Palestinians blood.

Though the year 2006 was not a year of *Intifadah* per se, the Israeli program of assassination was intensified, and this accelerated military drive was mixed up with calls to free the Israeli captured soldier, Gilad Shalit, to topple Hamas government and to silence the Palestinians rockets launched from GS. During the year 2006, the total of 692 Palestinians were killed, of whom 556 from GS. Israel conducted 85 assassination operations in which 189 Palestinians killed of whom 134 were targeted and 55 happened to be in the theatre of these operations.¹⁰⁰ The statistics given by the Islamic Jihad, in the year 2006, reported that 79 of its members were killed,¹⁰¹ while Hamas recorded the killing of 70 of its members.¹⁰² Fatah did not provide statistics, but many of its members were reported to have been killed in this year, in addition to others from the other Palestinian factions. As for the year 2005, the total number of the Palestinians killed was 286 amongst whom 68 were children and 56 were victims of assassination operations. The dead among the Israelis in 2006, excluding those of the war on Lebanon, were 32 of whom one was a child, compared to 45 in 2005. The number of the wounded Palestinian during the course of 2006 totaled 3,126 of whom 452 were children, compared to 1,700 in the year 2005. As for the Israeli side, 332 were wounded compared to 406 in 2005. The Israelis admitted that they were subjected during the year 2006 to 2,135 attacks half of which were launched from GS, compared to 2,365 in 2005.¹⁰³

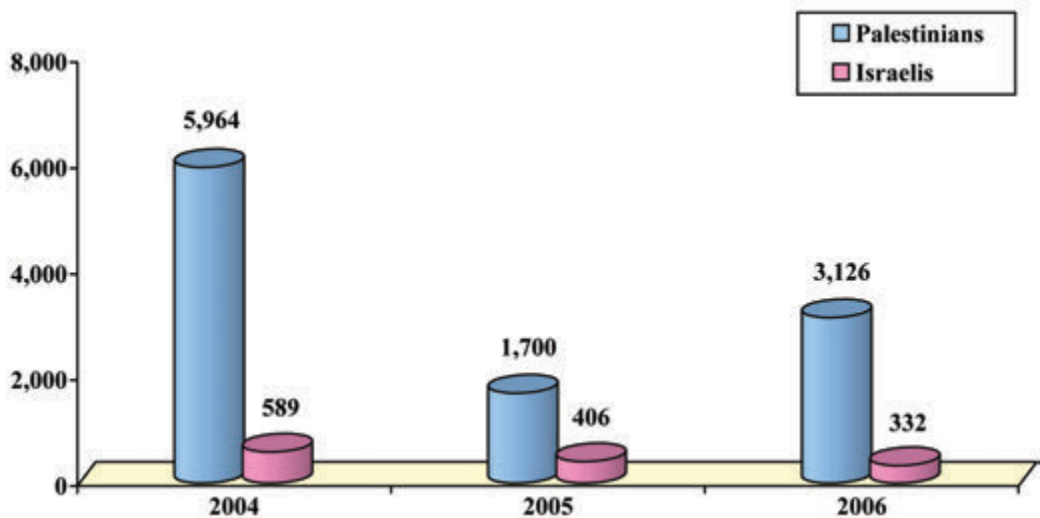
**Table 11/2: The Killed and Wounded among the Palestinians and the Israelis
2004-2006**

Year	Killed		Wounded	
	Palestinians	Israelis	Palestinians	Israelis
2004	963	117	5,964	589
2005	286	45	1,700	406
2006	692	32	3,126	332

The Killed among the Palestinians and the Israelis 2004-2006



The Wounded among the Palestinians and the Israelis 2004-2006



The Palestinian resistance waged four “self-immolation” operations only during the year 2006. On 19/1/2006, a member of the Islamic Jihad blew himself in the central bus station in Tel Aviv killing two Israelis and wounding 22 others. The PA officially condemned this operation, and Mahmud ‘Abbas dismissed its masterminds as outcasts.¹⁰⁴ The Islamic Jihad responded to the increased Israeli assassination attempts of its members by a second “self-immolation” operation on 17/4/2006 in Tel Aviv, in which the casualties were eight dead and 65 wounded.¹⁰⁵ Once more ‘Abbas condemned this, in his words as “despised” operation and that it ran counter to Palestinian interests.¹⁰⁶ Nonetheless, Mirvat Mas‘ud of the Islamic Jihad executed on 6/11/2006 another “self-immolation” operation that targeted a number of soldiers in the district of Beit Hanun of whom one was wounded.¹⁰⁷ The fourth operation was undertaken near Jabaliya camp on 23/11/2006, by a 57 years old, mother and grandmother of 20 siblings, Fatima al-Najjar, from Hamas, where four Israeli soldiers were wounded.¹⁰⁸

The Israel Security Agency, the Shabak, admitted that it arrested during the year 2006 about 279 persons under the guise of being potential members of the cadre of “self-immolation” operations compared with 154 arrested under the same pretext in 2005. Among those are 126 from Fatah, 96 from Islamic Jihad and 30 from Hamas. The Shabak also claimed that it aborted 71 “self-immolation” operations of which 45 were about to be executed as the resistant members had already put the explosive belts around their bodies. Most of these operations were undertaken by cells of the Islamic Jihad and Fatah of Jenin and Nablus. The Israeli security forces also claimed that it arrested in 2006 the sum of 6,968 Palestinians, compared to 4,532 in 2005, of whom 39% were loyalists of Hamas, and most of the rest belonged to the Islamic Jihad and Fatah.¹⁰⁹

The Israeli authorities had deliberately pursued a policy of brinkmanship, particularly after the formation of Hamas government in 31/3/2006. During the first 45 days of this government, the Israeli forces fired 5,100 artillery bombs at GS, an average of 110 bombs per day.¹¹⁰ According to similar statistics, prepared by the United Nations Office for the Coordination of Humanitarian Affairs (OCHA) and published in the Palestinian newspaper *al-Ayyam* on 22/6/2006, the rockets that the Palestinians launched at Israeli targets during the last three months, totaled 479, i.e., an average of five rockets per day, while the Israelis had fired on GS during the same period 7,599 artillery bombs, an average of 84 bombs per day.

The Palestinian killed from 2/1-2/4/2006 reached 71 compared to 125 during the period 3/4-3/7/2006.¹¹¹

On 8/6/2006, Israel assassinated Jamal Abu Samhadaneh, the commander in chief of the Popular Resistance Committees and the under secretary of the Ministry of Interior, and three of his fellows. On 9/6/2006 and 13/6/2006, Israel committed two massacres, 14 Palestinians were killed in the former, of whom seven belonged to single family,¹¹² and 11 perished in the latter.¹¹³ Obviously, Israel was pushing towards explosion in order to get rid of Hamas government, which was confirmed by a senior Israeli security officer who admitted that Israel forced Hamas to end a 16 months truce and resume firing of rockets.¹¹⁴

On 25/6/2006, Hamas undertook, in cooperation with *al-Nasir Salah al-Din* Brigades (*Alwiyyat al-Nasir Salah al-Din*) and the Army of Islam, a quality operation, coded "Fading Illusion," in which two Israeli soldiers were killed, a third, Gilad Shalit, arrested and four wounded, while two of the attackers killed.¹¹⁵ This operation led to a great and spectacular elation among the Palestinians coupled with a measure of fear from the Israeli reprisals. In return for the release of the Israeli soldier, the architects of this attack demanded the release from Israeli prisons of all women and children plus other one thousand detainees, especially leaders of the Palestinian organizations and those sent for long terms of imprisonment.¹¹⁶ The issue of this Israeli prisoner and a proposed deal for exchange of prisoners remained till the end of the year 2006 a subject of intense negotiations and maneuvers, but with no conclusive outcome in the horizon.

Israel exploited the operation "Fading Illusion" and the kidnapping of the Israeli soldier to launch an extensive military operation, called "Summer Rains," in GS. However, reports published in the Israeli newspapers *Yedioth Ahronoth* and *Haaretz*, at that time, showed that this plan, as well as that of arresting Palestinian ministers and members of the PLC, was already on the shelf before these incidents.¹¹⁷ The Israeli continuous attacks during the period 26/6-31/10/2006 led to the killing of 400 Palestinians while other 1,852 were wounded. In early November 2006, Israeli forces launched another three weeks operation, named the "Autumn Clouds," that concentrated on northern GS, especially Beit Hanun, in which 105 Palestinians were killed and 353 others were wounded. In the morning of 8/11/2006, Israel committed another massacre in which six houses collapsed on the heads of their sleeping owners, and the casualties were 20 killed and 40 wounded.¹¹⁸

The Prisoners and the Detainees

According to official Palestinian statistics, the numbers of Palestinian prisoners in Israeli jails at the beginning of the year 2006 were 9,200, but they increased to 11 thousand by the end of the year. 5,671 Palestinians were arrested during the course of the year 2006, 5,425 from the WB and 246 from GS, of whom 2,500 remained in prison.¹¹⁹

The Israeli occupation customarily uses the policy of detention to confront the resistance and its organizations, and to demoralize the Palestinian people, and as a bargaining weapon in negotiations.

Geographically, the Palestinian detainees of the year 2006 were distributed as follows: 9,928 from the WB (including 540 from Jerusalem), 867 from GS, 150 of the 1948 Palestinians and 55 from Arab countries. 5,290 of the arrested were tried and sentenced before Israeli courts, 890 were administratively tried but without specific charges and 4,820 are awaiting trials. The numbers of the detainees before the outbreak of *al-Aqsa Intifadah* (on 29/9/2000) were 553, while those who remained in detention prior to the establishment of the PA on 4/5/1994 were 367 detainees.¹²⁰ By the end of 2006, there were 368 children and 120 women in Israeli prisons.

Table 12/2: The Prisoners and the Detainees in the Israeli Jails 2006

No. of detainees on 1/1/2006	No. of detainees on 31/12/2006	Detainees during 2006		No. of women by the end of 2006	No. of children by the end of 2006
		WB	GS		
9,200	11,000	5,425	246	120	368

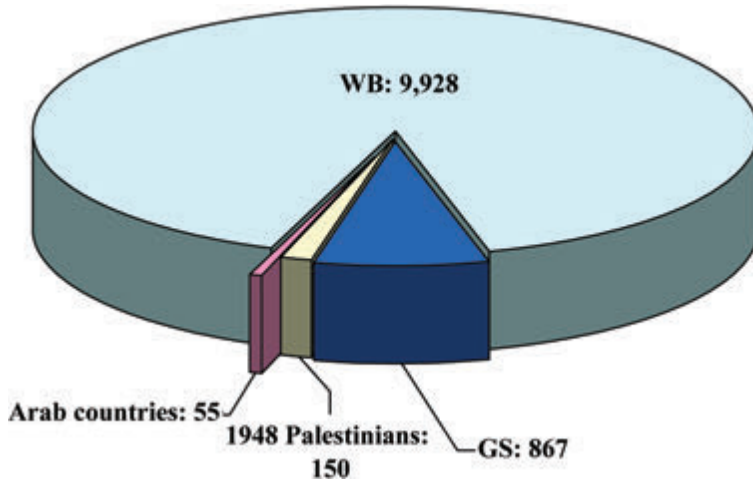
Table 13/2: The Prisoners and the Detainees in the Israeli Jails according to Geographic Locations by the End of 2006

WB	GS	1948 Palestinians	Arab countries	Total
9,928	867	150	55	11,000

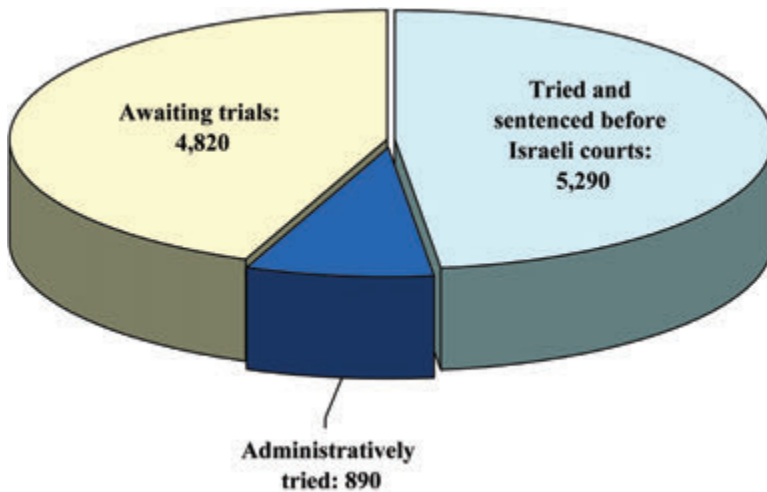
Table 14/2: The Prisoners and the Detainees in the Israeli Jails according to their Legal Status by the End of 2006

Tried and sentenced before Israeli courts	Administratively tried	Awaiting trials	Total
5,290	890	4,820	11,000

The Prisoners and the Detainees in the Israeli Jails according to Geographic Locations by the End of 2006



The Prisoners and the Detainees in the Israeli Jails according to their Legal Status by the End of 2006



On 14/3/2006, the Israeli forces attacked Jericho Prison (*Sijin Ariha*) and kidnapped Ahmad Sa'dat, the secretary-general of the Popular Front, and four of his comrades, who were all accused of killing the Israeli minister of tourism, Rehavam Zeevi. Major-General Fu'ad al-Shubaki, a member of Fatah Revolutionary Council was also kidnapped. During this attack, three other Palestinians killed and 35 were wounded, while 200 of the prison's detainees and security officers were

temporarily arrested. Since Jericho Prison (a PA prison) was under the guard of American-British forces, it is most likely that the two powers collaborated with the Israeli invading force.¹²¹

Since 26/6/2006 (after the kidnapping of the Israeli soldier Gilad Shalit) and until the end of the year, the Israeli forces arrested 3,500 Palestinians as well as 10 of the ministers of Palestinian government, of whom four remained in detention until the end of 2006: ‘Umar ‘Abd al-Raziq, ‘Isa al-Ja‘bari, Khalid Abu ‘Arafa and Nayef al-Rajoub. By the end of the year 2006, 34 members of the PLC, including the council’s president and secretary, respectively ‘Aziz al-Dweik and Mahmud al-Ramhi. Out of those 34 members of the PLC, 24 were considered as representative of Hamas and had been arrested after the kidnapping of Gilad Shalit. Of the remaining who were arrested before the elections, six were from Hamas, three from Fatah and the tenth is Ahmad Sa‘dat.¹²²

The issue of the prisoners and the detainees is one of the major concerns of the Palestinians society. But, for the Israelis, it will continue to be a means of blackmailing and suppression as long as the occupation exists, and until real pressure will be exerted on Israel to respect the rights of the Palestinian people.

Fifth: The Peace Process and the Unilateral Withdrawal

Since the beginning of 2006, Israel has been increasingly convinced of the necessity to bypass the project of the “Road Map,” and to impose a unilateral solution. The idea of unilateral withdrawal is not a monopoly of the Kadima Party per se, but other Israeli trends, from the left, middle and right, has in one way or another supported the notion.

The Israeli strategists had come in Herzliya Conference of 2006 to the conclusion that the insistence on the so-called “land of Israel” (*Eretz Yisrael*) is the stumbling block that hampers the reconciliation between the two alternatives of a democratic Jewish state with a comfortable Jewish majority, and the protection of the Jewish existence. For the former means to surrender parts of this land to establish a Palestinian state to resolve the burden of the Palestinian population, while the latter requires support to the Jewish projects of settlements and expansion, and the continuation of the occupation of the lands of the promised “Palestinian state” with all of its security hazards.¹²³

These strategists admit that this major predicament affects all proposed peace projects, and questions the wisdom of a speedy settlement to the Palestinian issue through negotiations, or by unilateral solutions. They also alerted that time is not in favor of achieving both the Israeli goals of a democratic Jewish state and the two states' project. The overwhelming Jewish majority cannot possibly be achieved as long as Israel continues to rule the WB. For the Palestinian population in historical Palestine (the 1948 occupied lands, the WB and GS), is expected to supersede by 2010 that of the Jews. Such a "dangerous" course may persuade the Palestinian to stop calling for the two-states solution and insist on a single state that protect their civil and political rights. Ultimately, this would lead to a Palestinian drive to end the Israeli apartheid system following the model of the black nationalists in South Africa, which would open the way for the end of the Jewish nature of the state along basis acceptable to the international community.¹²⁴

The crux of the Israeli difficulties is that what they offer to the Palestinians does not meet the latter's minimum consensus. In particular, the Palestinian refugees' right to return to their lands from which they had been expelled in 1948, the future of Jerusalem, particularly *al-Aqsa* Mosque, the future of Jewish settlements, and the extent of the sovereignty of the Palestinian state, including the formation of the army and the state's control over the borders and the sources of water.

The victory of Hamas and its formation of the government had strengthened the notion of a lack of a Palestinian partner, and hence added to the excuses of a unilateral solution. But, on the other hand, an evacuation from sizeable territories of the WB would be viewed as such a great victory to Hamas that the Israeli government could not sell to its own people, particularly so as the possibility of establishing a Palestinian state with secured borders with Israel has become very remote after Hamas' ascendancy to power.

Thus, the rise of Hamas, the increasing Palestinian population in mandatory Palestine, the Iranian nuclear threat and the increasing strength of political Islam in the Middle East coupled with the strong Iraqi, Lebanese and Afghani resistance and the spread of the so-called "terrorism," that is squarely against America and Israel, has all constituted a complicated strategic challenge to Israel. The Israelis seem to bet on their present military strength, their alliance with America and on the time factor that may provide a conducive Palestinian-Arab environment for an Israeli version of a settlement. But the dangers inherent in this time factor is that

the Israeli casualties and loss may be so heavy that the Israelis would be compelled in future to offer such lucrative concessions that they could not have dared to put on the table before. However, such concessions that may be accepted now by some Palestinian factions and trends may then be rejected by most Palestinians as being too little too late.

However, the Israeli rush to solve their problem, but not the Palestinian issue, and the lack of a Palestinian partner that accepts their “meager concessions” had triggered the Israelis towards an imposed unilateral solution. But the ascendancy of Hamas and the Israeli war against Hizbullah and Lebanon had placed them in a dilemma, and returned them during the course of the year 2006 to square one of “impossible,” or “extremely difficult” alternatives.

On his assumption of the premiership, Sharon, who was accustomed to military solutions, decided to impose the settlement that he wanted. He considered Oslo Accords as dead and obsolete, refused and ridiculed the Arab Initiative and made the project of the Road Map meaningless by his 14 reservations. By all this, he wanted to establish that the Israelis could move forward without negotiating the Palestinians. Hence, he continued building the Separation Wall, extended the settlements and hampered ‘Abbas’ attempts to consolidate his authority. When the Palestinian resistance attacks, the Israeli’s “response often seemed calculated not to punish the guilty but to infuriate the innocent,” as mentioned by Gideon Lichfield. Sharon’s unilateralism gave the impression that he was a tactician rather than a strategist. Tactically, the weakness of ‘Arafat and ‘Abbas, the unilateral withdrawal, the building of the wall and the conduct of the affairs on a day-to-day agenda seemed to have been acceptable. Meanwhile, the Palestinian population problem triggered Israel to undertake a withdrawal that would maintain its Jewish identity, but the possibility of an eventual by product Palestinian state was not a central goal of this unilateral project.¹²⁵

This unilateralism of Sharon and his Kadima Party was in essence a basic departure from the previous philosophy of a win-win situation through bilateral negotiations to a win-lose approach in which the Israelis will be solely responsible for the implementation of the project. Such a strategy may have a minimal impact in the short run, but it will be disastrous in the long run.¹²⁶

Two days before Sharon went into coma, an article, written jointly by the senior editor and the chief correspondent of *Ma'ariv* newspaper, spelled out what the writers called the real political plan that was prepared during the last few months in preparation for Sharon's (or Kadima's Party) next term of office. The plan was meant to be an alternative to the Road Map, and its chief ideas were as follow:

- The PA will not be able to dismantle the infrastructure of "terrorism," which means that the initial stage of the Road Map would not materialize.
- The Road Map will be a mere piece of paper "Fig Leaf" used by the Israeli leadership in any manner that they want.
- Israel and the USA will initial secret negotiations to fix the eastern borders of Israel, in which America will play the role of the guardian of the "incapacitated Palestinians." Hence, negotiations between the Palestinians and the Israelis were ruled out as nothing tangible would presumably come out of them.
- The discrepancy between Tel Aviv and Washington on the areas in the WB to be incorporated in Israel will be minimal, around not more than 8% to 12% of the territories that Israel wanted to annex.
- America will recognize and guarantee Israel's sovereignty over all old Jerusalem, though the Arab quarters there will be under Palestinian sovereignty, and assure Israel of its total rejection to the Palestinian right of return to the land from which they were expelled in 1948.
- Completion of the Separation Wall, and a gradual evacuation of the settlements, though the major six settlements will be maintained.
- The USA will extend a generous financial aid to Israel.
- The agreement will be posed as a historical American achievement, and the USA will be presented as the only power who forced Israel to evacuate from most of the WB, and to accept the establishment of a Palestinian state that extends geographically to the WB.

Hence, the essence of this project is unilateral withdrawal in the absence of a Palestinian partner, and according to prior arrangement with the USA and with its official recognition of the new boundaries of Israel. Efforts will also be made to rally international support to this agreement.

Ma'ariv newspaper indicated that the American administration had not yet agreed to this plan, but its senior officials expressed their interest, and listened attentively to the details of the plan. Amongst the early supporters of this plan was the godfather of American foreign policy, Henry Kissinger, who advised that the confidentiality of the Israeli-American negotiations should be strictly maintained, and the whole project be finally introduced as an American plan imposed on Israel.¹²⁷

The plan was thus designed for implementation in the absence of negotiations with the Palestinians, and irrespective whether Fatah or Hamas win the elections. The expressions of sympathy with Abu Mazin, and the claim of the Palestinians' predicament to the Road Map were just a piece of eyewash to prepare for the project of unilateral withdrawal. Israeli declarations and leaks on and around this project continued throughout the first half of the year 2006, which had all emphasized Israel's determination to draw its frontiers by itself, and to impose a settlement on the Palestinians.¹²⁸ Olmert had publicly declared that Israel will emerge in a new shape after four years, it will have new frontiers that will be effectively supported by the powerful and important states in the world, though they may not be officially recognized. Olmert added that the Israeli leadership will decide, will move and will lead. It will fix its agenda, their agenda and the time table.¹²⁹

Olmert explained that in the "convergence plan" settlements outside the security wall will eventually be removed and their residents will be converged into the settlements that will remain under the Israeli control. The rest of the territories will not have any Israeli presence, either for security reasons, or to allow territorial continuity for a future Palestinian state. He added that if the Israelis agree upon the fact that Palestinians are not ready for real negotiations, he will try to reach an understanding with the American administration about the steps that Israel should undertake, regarding the issue of the borders.¹³⁰ In another statement, Olmert said that Israel is in hurry to implement the disengagement with the Palestinians, and that it cannot wait for another 20 years "for Hamas to be mature"; and that in the absence of a Palestinian partner, "the Israelis will take unilateral initiatives, in coordination with the USA and the Europeans, and will try to reach a national and international consensus."¹³¹

The theorization for the "convergence" or the unilateral withdrawal was associated with the maintenance of the Jewish nature of Israel. Tzipi Livni,

the Israeli minister of justice (later minister of foreign affairs), argued that the acceptance of the international community to the existence of Israel as a Jewish state will gradually erode, and pressure will be intensified on Israel to transfer into a binational state in which the Palestinian and the Israelis share power. Thus, Livni maintained, “It is necessary for Israel to surrender some of its biblical lands, including the WB, to maintain a democratic and Jewish state.”¹³² Livni refused the definition that Israel is state for all its citizens, and insisted that it is a national home for the Jewish people, i.e., a Jewish state with a majority of Jewish population.¹³³

Haim Ramon, the Labor leader who joined Kadima to be the minister of justice, used strong expression to describe his concern about the future of Israel. He said that the Israelis live in the mouth of a volcano that they very well know the time of its eruption. He added, “We know that within 5-10 years Israel will end as a Jewish democratic state. Once the Palestinians constitute the majority in the territories that extend between the sea and the river..., they will collectively demand that this be one state. This is a monumental danger.” He added, “The control of the Palestinian regions is like a cancer,” and “The only danger that Israel could not overcome is the loss of democracy in the Jewish state.” Hence, the disengagement plan constituted, in his opinion, the only means to confront this development.¹³⁴ Olmert considered the withdrawal project a necessity “to rescue Zionism,” though he theoretically believed in the Zionist project of the land of greater Israel.¹³⁵

Some indicators pointed to the completion of drawing the final frontiers by the end of George Bush’s second term in office (early 2009),¹³⁶ or by early 2010.¹³⁷ Olmert considered this to be the prime concern of the next Knesset,¹³⁸ and emphasized the incorporation of six settlements under Israeli sovereignty, namely Ma‘ale Adummim, Gush Etzion, East and South Jerusalem, Ariel and Kedumim-Karnei Shomron and Shaked north of the WB and Kiryat Sefer east of Tel Aviv.¹³⁹

In its political program, the new Israeli government incorporated the drawing of the final borders of Israel as a Jewish state with a majority of Jewish population. If no agreement on the issue was concluded with the Palestinians, Israel will go ahead and fix its own frontiers.¹⁴⁰ In the first session of his government, Olmert declared that its central concern was to unilaterally draw the new frontiers of Israel, and the formation of a strong Jewish state that can be defended.¹⁴¹ In its issue of 8/5/2006, *Haaretz* newspaper revealed that Sharon had formed half a year ago a team of experts from various ministries to crystallize the plan of convergence or

collectivization, estimate budget for its execution, and suggest the legal means for its implementation and for the rally of international recognition for the frontiers from which Israel will withdraw.¹⁴²

After less than three weeks from his assumption of the premiership, Olmert traveled to Washington to sell himself, his ministry and his plan of convergence and collectivization to the Americans. He met the American President George Bush, and gave a speech before the Congress that was interrupted by clapping 38 times and by 18 standing ovations.¹⁴³ No wonder, Olmert was in his “own home” and among his “close relatives.” Incidentally, under the coaching of the Jewish republican strategist Frank Luntz, Olmert read the speech 30 times before its delivery, which seems to have been instrumental for his good performance.¹⁴⁴

Olmert managed to improve his relations with Bush, who expressed his admiration of the “courageous” Israeli plan, and added that it is impossible to wait forever. Bush had, furthermore, for the first time, described “Israel as a Jewish state,” which was enthusiastically welcomed in Israel. However, Bush did not promise to recognize the suggested boundaries as final boundaries, emphasized his vision of a Palestinian state capable of existence, and the necessity of conducting serious negotiations with Mahmud ‘Abbas, the real peace partner, and never to obstruct his mission or weaken him.¹⁴⁵

Since his election to the chairmanship of the PA and the PLO, Mahmud ‘Abbas exhibited the readiness of the Palestinian leadership to enter in negotiations and prove that it is a reasonable partner for concluding a final settlement. During the year 2005, ‘Abbas tried to bolster the image of the PA through several security and economic measures, and by holding the municipal elections. One of his major goals behind conducting the legislative elections was to accommodate Hamas in the Palestinian political system, to disarm it after the elections,¹⁴⁶ and to control its activities within those of the PA and the PLO, particularly as it was generally assumed that Fatah will win the elections. Furthermore, ‘Abbas had emphasized, about two months prior to the legislative elections, the possibility of striking a deal with Israel, and went to the extent of saying that a final settlement is feasible within six months if there is a serious Israeli negotiating partner.¹⁴⁷

But the Israeli leadership ignored ‘Abbas and went ahead with its policy of unilateral withdrawal from GS, and with its plan of convergence. It also continued

to press ‘Abbas to disarm Hamas and the rest of the Palestinian factions on the grounds that this was a condition of the initial stage of the Road Map, a development that infuriated ‘Abbas who accused Israel of triggering a civil war between the Palestinians.¹⁴⁸

‘Abbas insisted on the continuation of the negotiations notwithstanding the victory of Hamas and its formation of the government. But Israel accused him of weakness and inability to implement his commitments. Rather than been engaged in negotiations, Israel decided to concentrate on toppling Hamas government and to ensure the failure of its experiment. This development had its repercussions on the political scenario of the year 2006.

Despite the controversy around the Prisoners’ Document, it contained important ideas on any future peace project, particularly with regard to relations with Israel and the Palestinian rights. Moreover, the document exerted extensive political pressure on Hamas government to the extent that ‘Abbas vowed to hold a referendum on its content. Nonetheless, Israel did not consider this document as a basis for settlement and refused to deal with it. Olmert said, “It does not constitute a basis, not even a starting point, for negotiations with the Palestinians.”¹⁴⁹ Its final version, entitled “National Conciliation Document,” was officially and categorically rejected by the Israeli Ministry of Foreign Affairs.¹⁵⁰ While its primary importance lies in its attempt to formulate a consensus on a Palestinian national program, the document had its impact on the peace process in the sense that it tried to accommodate Hamas along the position taken by Fatah, the Arab countries and the international community.

By the second half of the year 2006, the plan of convergence and collectivization suffered serious setback,¹⁵¹ and was exposed for criticism and demands for amending its content. It was no longer a prime priority for the government. It lost its glamour and forcefulness for the following reasons:

1. Hamas’ winning of the elections and formation of the government, and the failure of the attempts to topple it spread the concern that a withdrawal may be viewed as a victory to the organization, and consolidate its authority on the ground.
2. The failure of the Israeli war in the summer of 2006 on Hizbullah and Lebanon coupled with the 2000 Israeli withdrawal from Southern Lebanon under the pressure of Hizbullah increased the fear that a similar scenario might be repeated in the WB.



3. The decrease in the popularity of Olmert, his party and government, and the rise in the popularity of the Israeli rightist force weakened Olmert and limited his ability of manipulation.
4. Rising tendency to support 'Abbas and the institution of the presidency, and to coordinate with them to confront Hamas and overthrow its government.
5. The preoccupation of the Israeli public with the corruption scandals and the investigation on the army's weak performance during the war on Hizbullah and Lebanon.
6. The emergence of practical security, economic and legal difficulties that deter the implementation of the plan on the ground. This was highlighted in a report issued in mid August 2006 by the "Convergence Committee" that was asked to study the proposal of unilateral withdrawal. Amongst the concerns of this committee were the inherent dangers of launching missiles from the WB, and the inability of Israel to secure international recognition of the end of the occupation as it intended to continue controlling parts of the WB.¹⁵²

The first sign of this retreat from the convergence plan came on 18/6/2006, through some declarations by a senior minister of Kadima ruling party to the effect that the implementation of the plan "is virtually impossible" because of the lack of international support, and that Israel will get nothing out of such course of action, which, anyhow, will not be supported by the government, the Knesset and, possibly, Kadima Party itself.¹⁵³

The aftermath of the Lebanese war was instrumental in obvious disintegration within the ranks of Kadima Party, and many of its ministers and members of the Knesset. opposed the convergence plan,¹⁵⁴ which had further weakened its driving force. A few days after the Lebanese war, Olmert told a number of his ministers that this plan was no more a priority to his government.¹⁵⁵ His deputy, Shimon Peres, was reported to have said to the Israeli newspaper *Yedioth Ahronoth* on 8/9/2006 that the notion of convergence and collectivization had "ended politically, psychologically and practically." He even warned that Kadima will vanish from the political scene if it does not polarize new political agenda.¹⁵⁶

Within this confused environment, the ruling coalition had apparently lost vision and direction. Some Israeli circles urged the government to coordinate the

withdrawal with Abu Mazin, and to hand some limited districts in the WB to his Presidential Guard.¹⁵⁷ In late September 2006, 68 prominent Israeli personalities (largely from Kadima and the middle parties) addressed a message to Olmert that asked him to respond favorably to the Arab Peace Initiative, and to officially negotiate with the governments of Syria and Lebanon as well as with Hamas government on a comprehensive peace settlement.¹⁵⁸ In the mid of November 2006, Tzipi Livni, the minister of foreign affairs, had reportedly advocated ideas similar to those presented in Camp David in the summer of 2000. She talked about a 90% withdrawal from the WB to be subsequently followed by other withdrawals and border amendments, as well as withdrawal from the Arab quarters in Jerusalem with the exception of *al-Aqsa* Mosque, which will be handed in the third stage. Livni suggested that the UN issues a resolution that talks about an independent Palestinian state within the 1967 borders that lives in peace and tranquility with its neighbors. The minister's plan do not reject the Palestinian right to return to their lands, but suggests that Israel will not allow them to return to their lands occupied in 1948 (officially annexed to Israel), but will allow them to return to the promised Palestinian state. By the end of the day, two fully sovereign states will be recognized. However, the plan mentions that what will be agreed upon should be implemented without connecting it to other issues.¹⁵⁹

If substantiated, Livni's idea represents a major change in the thought of Kadima Party and the Israeli leadership. This is reflected in their retreat from their previous position of a unilateral withdrawal, and acceptance, in principle, of a Palestinian state in most of the territories in the WB and GS without having an official proviso of a Palestinian surrender of the right of return, or associating the agreement with other issues as was the case in the past. The plan also indicated that the Israelis had become more inclined to deal with the Palestinian factions that do not recognize their state, like Hamas and the Islamic Jihad.

This change in attitude and policy is also reflected in a speech that Olmert gave on 27/11/2006 on the occasion of the 33 memorial of David Ben-Gurion's death. He maintained that he extends an olive branch to the Palestinians in general, and a sincere offer to 'Abbas to "conduct a genuine, honest and transparent dialogue." This implies that Kadima and the Israeli government gave up the convergence plan and the unilateral withdrawal in favor of the resumption of bilateral negotiations.¹⁶⁰

In December 2006, there were persistent reports of what had been known as Geneva Convention or the Document of Ahmad Yusuf, the political adviser of Premier Isma‘il Haniyah. It reportedly entailed a five years truce between Hamas government and Israel by which the latter stops all attacks on the Palestinians and withdraws to an agreed line in the WB, while the former undertakes to stop all attacks on Israeli targets in the WB, GS, Israel and the world at large. Israel also undertook to stop building settlements and constructing roads, allows freedom of movement within the WB and between the WB and Jerusalem and across a free passage to Egypt and Jordan, and to release all the prisoners without any exception. The draft also visualized after five years the establishment of a Palestinian state on all the 1967 occupied territories with East Jerusalem as its capital as well as a Palestinian demand of the right of return.¹⁶¹

This document led to a lot of confusion within the Palestinian arena. While Hamas was accused of negotiating behind the back of the PLO, the PA leadership and Fatah, and of offering concessions to Israel, Hamas officially denied any association with this document, refused to recognize it and ridiculed the insistence of its opponents to speak on its behalf.

By the conclusion of the year 2006, the peace process had thus lost dynamism and direction. Once more, the Israelis realized that they cannot subjugate the Palestinians and impose their will on them, and that all their peace projects entailed seeds of failure.

Conclusion

The year 2006 was a very difficult, perhaps disastrous, year for the Hebrew state. It was a year of “confusion,” strategic “hesitation” and inability to fix directions and priorities. It was a year in which Israel failed to assess the power of Hamas that imposed itself on the Palestinian scene, and to topple its government. Moreover, Israel failed to demoralize the Palestinians and suffered serious setback in its war against Hizbullah and Lebanon.

In the year 2006, the Israeli historical leaders lost their domination over the Israeli political scene, and the grip of the generals had relatively weakened. Besides, the Israeli parties’ affairs were messed up. While a new party of not more

than six months assumed political leadership, the historical parties, like the Likud, were devastatingly defeated.

However, Israel is still economically, politically and militarily powerful at a time when the conditions in Palestine as well as in the Arab and Muslim worlds are miserable. Nonetheless, Israel has become extremely concerned that time is not in its favor as the numbers of the Palestinians in historical Palestine have been progressively increasing. Besides, Israel failed to impose its solutions on the Palestinian side. In addition, the power of Hamas, Hizbullah and other Islamic movements is ascending and the Iranian nuclear threat is on the horizon.

Israel continued to talk to itself, but it is neither willing nor serious to negotiate with the Palestinians or the Arabs even on the basis of the international resolutions and legitimacy. The essence of a settlement to the Israelis is the one that resolves their problem not that of the Palestinians. Hence, their overwhelming majority is inclined towards unilateral withdrawal under the guise of the lack of a Palestinian partner, who, to them, will be absent forever as long as it does not swim with their tide and accept their dictates. The Israelis are not yet conscious that the Palestinians have a humanitarian right to return to their land to live in a free and dignified manner, nor do they deserve to have the right of self determination in a completely sovereign state.

The Israeli right, left and middle do not want to face reality. Rather than dealing with the crisis, they are beating behind the bush, which will ultimately backlash and aggravate the problem that would entail future real threats to the Zionist project.

With this pessimistic and gloomy situation at hand, the year 2007 is not likely to witness any breakthroughs or tangible achievements as long as the Israeli mindset remains as it is employing the same futile means and approaches.



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Chapter Three

*The Israeli War against Hizbullah
and Lebanon*

The Israeli War against Hizbullah and Lebanon

Introduction

On 12/7/2006, Israel launched a total war on Hizbullah, and through it on Lebanon. This war was different from all previous Israeli wars in many respects: its objectives, the nature of the adversary that it confronted, and the results and repercussions that has far reaching local, regional and international consequences. While facing in the past regular Arab armies with different numbers and military capabilities, Israel found itself this time in a comprehensive war with a “party” that constitutes an important part of a sectarian-based political system in a small Arab country with a weak army, hence its only option is to follow guerilla tactics to defend the country and its peoples. In its previous wars, particularly the ones in which it took the initiative, Israel achieved decisive and resounding victories that achieved more than it wanted and in a record time. But this time, it found itself dragged into a long war that it failed to successfully conclude or even to achieve any of its declared objectives.

Additionally, this war was conducted in different local, regional and international circumstances. Locally, this Lebanese “summer war” was the first comprehensive war that the Israeli army launched under the command of a civil minister of war, and in the absence of the founding and historical leaders of the state, as Sharon, the last of those figureheads, was incapacitated, in early January 2006, by a massive brain clot in an intensive care unit of an Israeli hospital. Regionally, there was a state of sharp polarization in the Arab world, where some Arab countries had openly, and for the first time in the history of Arab-Israeli wars, held an Arab side, not Israel, responsible for starting the war. On the international level, this was the first Israeli war instigated by the USA, and which Israel launched on behalf of others.

Since it is difficult to properly know what had happened in this war without addressing its roots, the major part of this chapter will be allocated to a diagnosis of the war’s surrounding conditions that distinguishes between its direct or declared reasons and its underlying and ulterior motives. This will be followed by a chronology of the phases of the war, and the attitude of regional and international

quarters towards it up till the time of the Security Council Resolution 1701. Finally, the discourse deals with the war's consequences and repercussions at the local, regional and international levels.

First: The Roots, Reasons and Motives¹

Few hours before the beginning of the “summer war,” Hizbullah launched a unique military operation in which eight Israeli soldiers were killed, 18 wounded and two captured. Subsequently, the party declared that the objective of this operation was to arrest as many Israeli soldiers as possible to swap them in an indirect negotiations with some Lebanese detainees in Israeli prisons. The party rationalized this attack by arguing that it is in a continuous state of war with Israel because of its occupation of some Lebanese territories and detaining a group of Lebanese nationals since the year 2000. The party added that this was not its first military operation after the liberation of the South, and that it had previously conducted successful negotiations with Israel to exchange prisoners. Hizbullah seems to have calculated that the Israeli reaction will not be basically and qualitatively different from previous ones in similar circumstances. But subsequent developments showed that this was gross misjudgment as Israel launched a comprehensive war against Hizbullah and Lebanon only few hours after this operation.²

Indeed, Israel was not in dire need for this massive response, and could have pursued other viable alternatives that ranged from a limited military operation to all known kinds of diplomatic, or even military, pressure that is compatible with the event. Since institutional states do not take such dangerous decisions for emotional and circumstantial reasons, and wars require long planning and preparations, the prompt decision of Israel to launch a total war on Lebanon had naturally raised eyebrows on the underlying motives that triggered it to act likewise. Hence, it is legitimate to seriously suspect the Israeli claims that Hizbullah operation was the real and only reason behind this war.

However, we have sufficient and reliable evidence from various western sources that the preparation for this war started many months before the operation. Moreover, many newspapers reports had ascertained this. Amongst them were two reports

published in *The New Yorker* by Seymour Hersh and Wayne Madsen, of which the Lebanese newspaper *Assafir* had published long excerpts that are seemingly based on information from informed sources. They record an Israeli-American coordination that started long before Hizbullah's operation to destroy the military infrastructure of this party as a prelude to a drastic change in the political rules of the game in the entire Middle East region, and not Lebanon alone. It is evident that the Iranian factor was the prime mover of this coordination, as both powers have common interest to destroy Iran's nuclear facilities if the diplomatic efforts failed to compel this country to stop its program of uranium enrichment. The success of such operation urgently required a pre-emptive strike against Hizbullah, who was expected to retaliate to the planned attack on Iran by bombarding Northern Israel. Besides, the air raids on the military bases of Hizbullah could be a model to be followed on the Iranian front. Hence, there were strong motives for this coordination between the USA and Israel, and the latter was bound to go to the "summer war" to liquidate Hizbullah whether it launched its military operation on 12 July or not.³

The above reports give concrete information of a meeting, held under the cover of a symposium organized by the American Enterprise Institute (AEI), in Beaver Creek, Colorado on 17-18/6/2006, and attended by the American Vice President Dick Cheney, the Israeli Premier Ehud Olmert, three former Israeli prime ministers: Benjamin Netanyahu, Ehud Barak and Shimon Peres, and the Knesset member Natan Sharansky, which finalized the plans for the "summer war." It is most likely that in this meeting, which may have been preceded and succeeded by other undisclosed ones, the role of each party was fixed. Since Israel had been asked to bear the military effort, it was given the right to choose the opportune time for launching the war in accordance with its internal conditions, while the massive American military capabilities were, of course, wide open for Israel at all times. Meanwhile, the USA was allocated the role of leading the diplomatic battle that would give Israel all the time that it needed to complete the mission successfully. The Israeli leadership seemed to have planned to launch the war by the end of the tourist period, but Hizbullah military operation hastened the decision.⁴

On launching its strike, Israel declared that it aspired to achieve the following objectives:

1. To destroy Hizbullah's military infrastructure and to push its fighters behind the Litani River.
2. To assist the Lebanese government to impose its authority on all Lebanese territories in such a way that enables the Lebanese army to spread its authority in the South, as well as evicting all armed groups whoever they are.
3. To enable the Lebanese government to implement Resolution 1559 that calls for the disarmament of Hizbullah and other military groups that are not subjected to the Jurisdiction of the state, including the Palestinian military factions.

The above extensive objectives make it difficult to accept the Israeli claim that this massive war was merely a response to Hizbullah limited military operation, and it is clear that the successful attainment of these objectives in the Lebanese front would prepare the way to change all the rules of the game in the entire Middle East, an objective that the USA had been looking for. If the Iranian nuclear program had played a major role in convincing the USA to extend to Israel the necessary political umbrella that would enable it to launch a military operation against Hizbullah, Israel had, on the other hand, its more pressing reasons to embark on such a military adventure.

To know the real roots for this war, we need to reflect on the year 2000, which had witnessed two important developments: First, the success of the Lebanese resistance, under the leadership of Hizbullah, to force Israel, for the first time in the history of the Arab-Israeli conflict, to unconditionally withdraw from an Arab territory, the Lebanese South in this case, on 24 May, and secondly, the failure of the summit between Barak and 'Arafat which Bill Clinton had arranged in Camp David during the period 12-25/7/2000 to seek a permanent settlement of the Palestinian issue. The two incidents, which were separated by a period of two months, may not initially appear to be interrelated, but they had, in fact, interacted on the ground to determine the orientation of future events. Had Camp David Summit succeeded to strike an agreement that would pave the way for an Israeli-Palestinian peace treaty that satisfies the minimum Palestinian demands and establish their independent state, the events on the Lebanese front would have taken a different course, and the Israeli withdrawal from southern Lebanon would have been viewed as a wise

decision that aimed at preparing the region for a comprehensive settlement of all aspects of the Arab-Israeli conflict. But this was not the reality on the ground. For the deal offered by Barak in Camp David, and subsequently slightly improved by Clinton, was less than the minimum that any Palestinian leader can accept, however moderate he may be, though, at the time, it was propagated by some quarters as the best that an Israeli Labor leader could give, and far more than the maximum of the Israeli right. Thus, Camp David 2 revealed the dilemma of the route of the political settlement, while Hizbullah victory proved that there is a more effective alternative to restore the rights of the Arabs.

If Oslo impasse and the achievement of Hizbullah in Lebanon had jointly paved the way for the Israeli right to come to power under the leadership of Sharon, and ignited, even militarized, *al-Aqsa Intifadah*, the victory of George Bush in the American race for the presidency had the lion's share in complicating the already complex situation in the Middle East.

The assumption of power in America by the American right under the leadership of Bush the son in late 2000, and the victory of Sharon, the leader of the Israeli right, in early 2001 had paralyzed the whole route of peaceful settlement. The attempts to isolate and besiege Yasir 'Arafat politically was followed by the dramatic events of 11 September that shocked the USA, and gave the neo-conservatives the pretext to implement their project of "the new American century" that aimed at consolidating the sole American supremacy over the world. No doubt, these events enabled Sharon to have the American green light to crush the *Intifadah* and liquidate it militarily. The so-called "international war on terrorism" enabled Sharon to appear to be on the same boat with the USA, and to exhibit the Palestinian and the Lebanese resistance movements as nothing but "terrorist" movements of the same caliber as al-Qa'ida. Within the same context, the USA declared war on Afghanistan and removed Taliban regime by force. Subsequently, it declared war on Iraq under the guise of its possession of weapons of mass destruction, crushed the Iraqi regime and occupied the country. Meanwhile, Sharon was free to destroy the infrastructure of the Palestinian resistance, besiege 'Arafat and claim that he had no Palestinian partner to negotiate with.

The American invasion of Iraq was nothing but one of a series of operations to consolidate the imperial project of the neo-conservatives. Since George W. Bush had identified that his so-called "axis of evil" include Iraq, Iran and North Korea,

the issue was who will be next after Iraq. Logically, North Korea should be the next target because of its relatively advanced nuclear program that disturbed the American administration, but nobody seriously felt that the Korean crisis would develop into a military confrontation irrespective of the extent of the Korean provocation. In fact, the Middle East remained the primary concern of the imperial American project, particularly after the events of 11/9/2001. It was obvious that the neo-conservatives aspired to achieve a number of objectives in this region of which the most important are:

1. To maintain direct control of the sources of oil because it is one of the main means to dictate the balance of power in the international order.
2. To consolidate Israel to be the main regional power as it is the only trusted ally in the region.
3. To weaken anti-American regimes and forces in the region whenever possible, and, at the same time, to press friendly powers to undertake radical political and cultural measures to uproot the sources of the so-called “terrorism.”

By the American occupation of Iraq, the Iranian and Syrian regimes were at the hands of the American military might. In the American perception, Iran's threat comes from its inspiration of all anti-American fundamentalist Islamic groups in the region, and from its nuclear program that threatens Israel, the only trusted ally in the region. Though the Iraqi invasion of Kuwait had opened a window of opportunity for improved American-Syrian relations, the USA government had by now felt that Syria lost its strategic importance because of its adamant opposition to the war on Iraq, extreme position towards the Arab-Israeli conflict and its association with both Iran and the Palestinian armed resistance. Naturally, in this context, America has tangible interest to weaken the Iranian and Syrian regimes.

The sequence of events should have logically triggered the American administration to launch a military strike on Iran or Syria or both once the situation in Iraq is stabilized. But the stumbling of its project there forced the administration to revise its plans and change its means without given up its objectives towards these countries. Thus, the military option was temporarily shelved in favor of the nuclear and Lebanese issues as more appropriate means of pressure on the Iranian and Syrian regimes respectively. Meanwhile, since it was rather difficult for the American administration to indulge in these issues unilaterally, it decided to enlist

the support of the “rebellious” European countries, particularly France. Hence, was the American drive to close the chapter of its differences with these powers over the Iraqi war. France, on her part, felt that the region is heading towards a new Sykes-Picot Agreement from which it did not want to be excluded, and thus it strove towards a rapprochement with the USA that would enable her to get its share of the cake. There was no better area than the Lebanese theatre to test the possibility of such a rapprochement.

The attempts to engender an American-French rapprochement had, in fact, started after a secret visit by Maurice Gourdault-Montagne, an envoy of the French President Jacques Chirac, to Damascus in November 2003. According to a report by David Ignatius, published in *The Washington Post* newspaper on 5/2/2005, the French envoy told the Syrian President Bashar al-Assad that the regional and international conditions had changed after the de facto American occupation of Iraq, and that Syrian policy and attitude should also change. The envoy told the president that Chirac, with the full support of Bush, the Russian President Vladimir Putin and the German leader Gerhard Schroder, wanted him to demonstrate his good intention by such an act like a spectacular visit to Jerusalem or a daring measure that opens a new horizon for a settlement of the Arab-Israeli conflict. No doubt, the French envoy knew very well that such a step tantamounts a political suicide for President Bashar, but the Syrian refusal was required to be a pretext for the forthcoming change in French policy towards Syria and Lebanon.

By August 2004, there was a secret diplomatic channel between France and the USA through Chirac’s envoy and Stephen Hadley, the advisor of the American president for National Security, which culminated in a joint American French resolution on Lebanon. President Bashar’s serious concern about this rapprochement may have been behind his insistence to extend the presidency of Imil Lahhud. Whether right or wrong, this extension had, given France a further pretext to justify its rapprochement with the USA and the major role that it played in the issuance of the Security Council Resolution 1559, which contributed to the expulsion of the whole Lebanese scenario. This Resolution aimed at a total Syrian withdrawal from Lebanon, the dismantling of the military infrastructure of the resistance under the leadership of Hizbullah, the surrender of the Palestinian weapons outside the camps and the closure of the headquarters of the Palestinian organizations that refuse a settlement based on the Israeli conditions. From the Syrian perspective,

this Resolution had a sole outcome, namely, to hand over Lebanon to the joint American-French-Israeli supremacy, and to expose the security of the Syrian state, regime and society to direct dangers.

Naturally, Syria resisted this Resolution, particularly as it was not issued under Chapter VII and entailed no mechanism for its implementation. But the assassination of Rafiq al-Hariri closed down all avenues for Syrian manipulation. Irrespective of who was behind this brutal crime, it provoked a series of reactions that led to the Syrian withdrawal from Lebanon. These reactions were designed to accelerate until they lead to the disarmament of Hizbullah and the surrender of the Palestinian weapon outside the camps. But the quick joint political maneuver of Hizbullah and the Lebanese anti-western national forces led to a new political reality in Lebanon that made the realization of the rest objectives of Resolution 1559, particularly the disarmament of the “militias,” impossible without a Lebanese consensus. Meanwhile, the outcome of the general elections that were conducted after the assassination of al-Hariri enabled Hizbullah to participate in the new government. Hence, there was no way but to start a national dialogue over all the pending issues.

These internal developments within the Lebanese political scene deepened the feeling that the American-French project over Lebanon had started to stumble. Meanwhile, both America and Israel seemed to have realized that the disarmament of Hizbullah can never be achieved through a political lobby from within Lebanon. But the increasing probability of a military confrontation with Iran over its nuclear program, particularly after its success in enriching the uranium, was the direct factor that triggered a serious quest for other alternatives to implement Resolution 1559 by force. Hence, plans for an extensive military strike against Hizbullah started. By its military operation in which two Israeli soldiers were kidnapped, the party had unknowingly given the pretext for launching the war.

Second: The Conduct of the War and the Positions of the Regional and International Power

According to the prior above mentioned coordination between the two parties, the USA undertook to launch an active diplomatic campaign that was necessary to counter the repercussions of the war and guarantee the realization of its objectives.

From the beginning, it was clear that the objectives of Israel were limited compared with the ulterior motives of the USA that saw in the air raids against the bases of Hizbullah an example that may be subsequently repeated against Iran, and a prelude to far-reaching changes in the region. Thus, the USA had not only been keen to give Israel all the time that it needed to crush Hizbullah once and for all, but it also instigated and encouraged Israel to continue its operations and supplied her with modern armaments when necessary. The USA expected that the destruction of Hizbullah will weaken Syria's influence in Lebanon to the extent that it will end its alliance with Iran, reduce its support to the Palestinian resistance and accept flexible conditions for a settlement with Israel. If the USA could concurrently succeed in destroying Iran's nuclear program, then the whole Middle East will be ripe for a fresh beginning. But the ability of the USA to administer the repercussions of the crisis in a way to achieve its objectives depended entirely on the ability of Israel to achieve a decisive victory in the theatre of war, in which it had, however, utterly failed as we will explain below.

1. The Military Conduct of the War

On the Israeli front, the military conduct of the war passed through three distinct stages:⁵

First: Continuous and extensive air raids, whose primary targets were to destroy Hizbullah's platforms of missiles, stores of weapons and military hideouts as well as Lebanese ports, airports, bridges and centers of telecommunication. These targets were well spelled out in a plan prepared by Olmert and approved by the cabinet on the very same day of Hizbullah's operation. The principal targets behind this plan was to inflict as much damage as possible on Hizbullah's human and military resources (soldiers, armament, supplies and means of communication) as well as the Lebanese infrastructure in the hope that the Lebanese people will rise against Hizbullah because it triggered the war, and held it responsible for the destruction of Lebanon.

Second: Destruction of Beirut's Southern Suburb, which houses Hizbullah's headquarter and most important political, media and economic institutions. This phase started after the fourth day of the war and aimed at the assassination of the party's leaders, particularly its Secretary-General Hasan Nasrullah, obstruction of its modes of communication and the destruction of

its machinery and organs, in particular its political and media institutions. This will ascertain the comprehensive nature of the war and its continuation until it achieve all its objectives, and increase the extent of damage in the hope that the required psychological impact will be achieved, and the Lebanese people will rise against Hizbullah.

Third: Land operations, which were conducted by the elite units, these operations started on a limited and interrupted scale to infiltrate and control some of the strategic positions. But the failure of the elite units to achieve their objectives gradually widened their scale until, by the end of the war, they became more of a land invasion. Meanwhile, the Israeli army repeatedly tried to control the Lebanese South as this was the only means to clean the region from Hizbullah and destroy the rest of its weapons and machinery, particularly the platforms of the missiles that operated effectively until the ceasefire. Meanwhile, some land and air operations tried to kidnap the party's political and military leaders.

The three phases of the war took 33 days during which all the army units: land, air and sea, actively participated. According to the estimates of *The Jerusalem Post* newspaper⁶, the air force launched 15,500 raids (of which 10 thousand were on fighting missions and the rest on communication, search and rescue missions), and the fleet was engaged for eight thousand hours, during which it undertook 2,500 bombardment operations on fixed targets, and tightened the siege on the Lebanese coast throughout the war, while the best land and air units occupied advanced positions along the borders, or conducted parachute operations in the interior. Almost seven thousand targets had been hit in the operations.

On the Lebanese theatre, the Lebanese army was not a party in this war, though some of its positions were subjected to bombardment during which tens of soldiers were killed or injured. Its role was restricted to the extension of support to civilians and to perform rescue operations. Thus, Hizbullah confronted Israel all alone in this war and shouldered all its military burden. Indeed, the party appeared to be on the defensive and fighting an imposed comprehensive war that was beyond its limited capabilities and abilities. But the party managed to compensate its lack of airplanes, tanks and warships by a huge supply of medium range Katyusha missiles in addition to a reasonable supply of the largely medium range "Zilzal" missiles, which enabled it to fight back and to transfer the war into the interior of Israel to reach "Haifa and beyond Haifa." The ability of Hizbullah to respond by

effective use of missiles was not the only surprise in this war, but it also managed to damage one of the most superior and sophisticated naval units, a cruiser that belongs to the category Eilat-Sa'ar 5.⁷

But the most important revelation of the war was the supremacy of Hizbullah fighters in all the face to face confrontations, and their mastery of the guerrilla tactics. However, irrespective of the claims of victory in this war to this or that part, Hizbullah demonstrated ability to, daily, launch hundreds of missiles deep in the interior of Israel, and to the last moment of the war, which glaringly prove that Israel failed to achieve its most important objective, the destruction of the party's military infrastructure.

2. The Political Management and the Development of Regional and International Positions

a. International Developments

As mentioned above, within the distribution of roles agreed upon with Israel, the USA took the responsibility of administering the crisis on the diplomatic level through the following:

1. The obstruction of any attempt to call the Security Council for a meeting, and to give Israel all the time it needs to achieve its military objectives prior to a discussion of a ceasefire.
2. To make sure that any decision taken by the Security Council, when the time is opportune for its meeting, observes all Israeli-American demands.

The first condition could be realized without much diplomatic predicaments, particularly after the developments in Germany that brought Angela Merkel to the chancellorship, and the American-French rapprochement on the Lebanese issue. Though the USA was rather disturbed by the downfall of Silvio Berlusconi in Italy, this change was of limited impact and could not generate an anti-war front in Europe. With this de facto Euro-American understanding, it was not a big deal for America to obstruct a meeting of the Security Council. What remains for America is to provide an Arab cover for the war, a necessity that the administration was well aware of and had worked for its realization a long time ago, as explained below. Thus, the USA seemed to have been confident that its diplomatic apparatus will effectively deal with all the developments of the crisis to achieve the desired goals.

The Group of Eight (G8) Summit, held in Saint Petersburg on 16/7/2006, was the first international forum that deliberated the crisis. The American diplomacy succeeded to persuade the summit to put the blame of the war squarely on Hizbullah and its allies in Syria and Iran, who were considered to be the prime movers of instability in the Middle East.⁸ The summit had, furthermore, rejected all the pleas addressed to it to pioneer a diplomatic effort to stop the war, and insisted that a ceasefire should be in place only when the time is opportune and permanent stability in the region is guaranteed.

However, the success of the American diplomacy to attain all its objectives depended on two factors: the success of Israel within a reasonable duration to destroy the military infrastructure of Hizbullah, and the rise of the Lebanese people against the party and to held it responsible for all the damage in Lebanon, thus paralyzing its political capabilities and impact. But Israel failed to provide the necessary tools for the realization of any of the conditions for two interrelated reasons: the heroic steadfastness of Hizbullah, and the rally of wide sectors of the Lebanese people behind the resistance.

The USA had initially estimated that Israel needs 10 days to achieve a major military success on the ground that would facilitate a seven-phase plan, whose focus is the formation of a striking and well equipped Atlantic (NATO) military force as follows:

1. Once the military might of Hizbullah be contained under the brutal Israeli air and land strikes, and is forced to withdraw between 5-10 km from the Israeli frontier, the first patch of the Atlantic force will be send to the Lebanese coasts and Beirut airport in preparation for their spread in this security belt. Hence, and on their arrival, a ceasefire will be declared.
2. Forces of the Lebanese army will start to spread side by side with the international forces, which will extend the security belt northwards till the Litani River.
3. To send within a week or 10 days reinforcements that increase the number of the international forces to 30 thousand.
4. To expel the exhausted fighters of Hizbullah to the middle of al-Beqaa, i.e., more than 100 km away, and to offer the international forces all the military facilities that enable them to do their job.

5. The Security Council will address an urgent demand to the Lebanese cabinet to implement Resolution 1559, and to call an urgent session to endorse a plan for the disarmament of Lebanese and non-Lebanese militias under the supervision of the Lebanese army and the Atlantic-international forces, and to expel the leaders of the Palestinian organizations outside the borders.
6. Measures will be initiated to fully draw the Lebanese frontiers, including Shebaa Farms, under the supervision of the UN and the international forces, and with the participation of Lebanese-Syrian committees. If Syria refused, the drawing will be done by agreement between Lebanon and the UN.
7. To start the reconstruction of Lebanon, and to supply its army with modern armaments and equipments that enable it to replace 10 thousand out of the 30 thousand international forces.⁹

In the conference of Rome, which was presumably a platform to support the Lebanese government, the Lebanese Premier Fu'ad al-Sanyurah, submitted a seven-points plan, that was endorsed by the cabinet which represented various political trends, including Hizbullah, as a minimum for Lebanese consensus. Apparently shocked by this plan, the USA had no option but to pursue a policy of protracted delays to give Israel more time to achieve a decisive victory and dictate its conditions for a ceasefire. But Israel's inability to do so, and the dragging of the war longer than expected limited America's maneuvering ability to delay the deliberations of the Security Council. Hence, it resorted to coordination with France, and a joint draft resolution was submitted to the Council, which provided for the formation of an international force under Chapter VII of the covenant that would be empowered to enable the Lebanese army to impose its authority on the Lebanese South up to Litani River, and implement previous resolutions of the Council, including Resolution 1559. Hizbullah would then be automatically and forcefully disarmed, a condition that the party had, of course, rejected. Thus, the Israeli brutal war and the strong American diplomatic pressure continued for 33 days, after which the Security Council issued Resolution 1701 that did not refer to Chapter VII of the covenant.

b. Developments in the Arab Front

A close follow up of events prior to the war reveals a campaign to pose Iran as the most important and imminent threat to the security of the Arab region. It

started with declarations by King ‘Abdullah of Jordan that cautioned from a “Shi‘i Crescent” under the leadership of Iran. Subsequently, was the criticism of the Saudi minister of foreign affairs of American mistakes that transferred Iran into a super regional power, and finally was the Egyptian president’s accusation of the Iraqi Shiites of being loyal to Iran. It was not a sheer coincidence that these very same three powers, Jordan, Saudi Arabia and Egypt, were the first to condemn Hizbullah’s operation as reckless adventure that gave Israel a pretext to launch the war. The same position was adopted by other Arab countries like Kuwait, Iraq and the Palestinian presidency (represented by Abu Mazin).

But the position of these three powers did not represent the totality of the Arab attitude, which was trio in nature. Besides the first front which blamed Hizbullah, a counter-front, represented by Syria and Yemen, took a contrary position that considered the party’s operation part of the legitimate military resistance that is compatible with the covenant of the UN. The third front, that included Libya, the Sudan and Morocco, took a middle position, namely Hizbullah should have coordinated with the Lebanese government to guard against its embarrassment in front of the international community, though the party have committed no crime by its arrest of the two Israeli soldiers.

In its ordinary meeting of 15/7/2006 in Cairo, the Arab League Ministerial Council reached to what it viewed as a compromise between the three positions, but was actually nearer to the position of the Saudi-Egyptian-Jordanian trio. However, the rally of the Lebanese street behind its government seven-points project facilitated the projection of a minimum Arab solidarity, though the attempts to arrange for an emergency Arab summit failed. The steadfastness of the resistance on one side, and the pressure of the Arab street, which had unconditionally rallied behind it, helped to hold an emergency meeting of Arab foreign ministers in Beirut on 7 August, which was this time void of any criticism to the resistance. Besides, it formed a trio-committee that departed forthwith to New York to participate in the deliberations of the Security Council, and seemed to have played a role in improving the final phraseology of Resolution 1701.¹⁰

Third: Results and Repercussions

Security Council Resolution 1701 was an outcome of direct or indirect interactions of the military and political interests of the various parties concerned with the Lebanese crisis. Since the war did not end with a decisive military victory on the ground to one party or another, none of the two warring parties managed to dictate its conditions on the other. Nonetheless, the total American support to Israel earned her many political concessions that were not proportionate to the military victory that it achieved on the ground. Thus, the Resolution was so ambiguous and open to different interpretations that each party read it the way it wanted.

Resolution 1701 may, in fact, be read in two ways, legal and political. A sheer legal reading shows that it is heavily biased towards Israel, which reflects the heavy American political pressure that tried to give Israel what it failed to achieve in the battleground. On the other hand, the political reading of the Resolution leads to the conclusion that the Resolution cannot be read literally and according to the Israeli and American interpretation because of the delicate balance of power on the ground. Hence, the implementation of the Resolution is quite difficult, and would depend on the political developments worldwide and in the region. In the circumstances, a round of fighting between Israel and Hizbullah may have ended, but war between them did not finish yet, even started, as Robert Fisk maintains, after the ceasefire.¹¹

From a legal perspective, the bias of the Resolution 1701 towards Israel could be seen in the following examples:

1. The Resolution place the blame of igniting the war or its consequential disasters squarely on Hizbullah, but it is silent on the Israeli excesses that reached the extent of committing unprecedented and clear-cut war crimes.
2. Contrary to the usual pattern, the Resolution did not provide for a complete and unconditional ceasefire and the end of all actions of aggression. Besides, it distinguished between the obligations imposed upon Hizbullah and those on Israel.
3. The Resolution distinguished between the captured Israeli and Lebanese prisoners. While considering the former as “kidnapped soldiers” who should be unconditionally released, it described the latter as “prisoners” whose status should be quickly settled.

4. The Resolution referred to the issue of Shebaa Farms in an ambiguous manner, and within other issues that the secretary-general was directed to seek suggestions on from the concerned international parties. Amongst them was the drawing of the Lebanese borders, particularly in areas around which there is conflict, or whose status is not ascertained, including Shebaa Farms.
5. The Resolution did not ask for immediate Israeli withdrawal from Southern Lebanon, but connected this with the deployment of the Lebanese army and United Nations Interim Force in Lebanon (UNIFIL) forces.
6. In one of its paragraphs, the Resolution indicated that the situation in Lebanon constitutes a threat to peace and security, and gave the UN vast powers without specifically referring to Chapter VII, which may be taken to include future disarmament of Hizbullah if politically feasible, particularly as the Resolution frequently referred to Resolution 1559.

In the context of this legal reading, Israel can claim that it got much of what it wanted. For Resolution 1701 had demanded the immediate release of the two kidnapped soldiers, a buffer zone void of the soldiers of Hizbullah up to the Litani River, and did not even exclude the disarmament of Hizbullah when politically opportune. But a pragmatic reading of the Resolution, which is based on the balance of power on the ground, should take in consideration a number of facts, particularly the following:

1. Hizbullah had not been defeated because Israel failed to achieve any of the objectives that led her to go to war.
2. Hizbullah continued to detain the two Israeli soldiers, and still maintain his full military power despite the deployment of the Lebanese army in the South.
3. The issues of Shebaa Farms and the Lebanese prisoners has officially become part of the agenda of the international community. If, as likely, Israel refrains in future from resuming its military operations and the status quo remains, then any settlement will most certainty fulfill Hizbullah's two most important objectives: the swapping of Israeli prisoners with their Lebanese counterpart, and the return of Shebaa Farms to Lebanese sovereignty. As for the disarmament of Hizbullah, it will certainly not be feasible except towards the end of a long period of Lebanese political consensus during which the

state would be restructured on new basis, the army reorganized and equipped to defend the country and the issue of the Palestinian refugees be settled without infringing Lebanese sovereignty, and within a comprehensive and just settlement of the Arab-Israeli conflict.

Pending the achievement of all this, which is, however, unlikely in the near future, the war had concrete results that would have important impact locally, regionally and internationally.

1. Locally

a. On the Israeli Front

The huge material and moral damage inflicted on Israel during the war may eventually have dangerous repercussions on both the state and the society. However, currently we do not have complete and exact estimates of this damage, particularly on the human level where figures of the casualties differ from one source to another. While Arab sources record about 400 dead mostly soldiers, their Israeli counterpart claim that the figure never exceeds 83 soldiers and 39 civilians. The latter include nine Palestinians living in the 1948 territories, who, in the absence of sufficient hideouts, were targeted by the Katyusha rockets. The Israeli sources add that 1,187 persons were wounded and about 20 thousand suffered psychological disorders that required treatment. As for the material damage, these sources say that 3,204 Katyusha rockets fell on territories under Israeli control, which caused varying damage to 11 thousand houses, 50 factories, 550 shops and 1,200 cars, while other sources record the number of the damaged buildings as 16 thousand.¹² On its part, Hizbullah mentions that it destroyed 120 advanced Merkava tanks, 30 armored cars, two warship model Sa'ar 5 and one gunboat, in addition to three American made Apache helicopters and two advanced helicopters.¹³

To cover the cost of the war, the Israeli treasury paid about 23 billion shekel (about \$5.23 billion), of which seven billion shekel (around \$1.59 billion) went to the security organs, five billion shekel (about \$1.14 billion) to cover the cost of the direct and indirect damage of the bombardment of Northern Israel, and nine billion shekel (about \$2.05 billion) to face the decrease in the national income that resulted from the war.¹⁴

More importantly were the far-reaching security and strategic repercussions of this war. Israel, who was accustomed to surprise wars won in few days, found herself, for the first time, engaged in a long war that continued for 33 days during

which it was compelled to significantly moderate the level of its initial expectations. Moreover, Israel was unable this time to pursue its previous practice of fighting outside its own territory. Instead, the battle was transferred into its land where more than a million persons were forced to seek protection in the sanctuaries for many days. The Israeli people had, for the first time, seen their presumed legendary and undefeatable army in such a state of disarray and chaos that its elite units collapsed before Hizbullah's fighters. The resulting psychological and strategic impact may, in the long run, undermine Israel's arrogant view of its own self as well as of the others, and erode confidence in its strength and capabilities. In the short run, these repercussions would ignite internal political feuds that would most likely be in favor of the Israeli right, and consequently reduce the chances of a comprehensive peace settlement of the Arab-Israeli conflict. Such complications may lead to a new war not only against Hizbullah and Lebanon, but also Syria and probably Iran.

However, we should neither exaggerate nor minimize the consequences of this war. Israel may eventually be able to compensate its economic losses through some guaranteed and readily delivered foreign aid. Being transparent and governed by institutions, the Israeli society is expected to profoundly reflect on the underlying roots of the war mistakes, and penalize those responsible for them. But, by the end of the day, it will draw lessons from this war and put it behind its back.

b. On the Lebanese Front

Available sources estimate the human casualties of the Israeli aggression as 1,400 killed, of whom 1,084 were civilians, 40 from the army and security organs, 250 of Hizbullah's personnel, 17 of Amal Movement activists and one from the Popular Front for the Liberation of Palestine-General Command (PFLP-GC). Four UN supervisors and a subject of the temporary emergency international force were victims of air bombardment of their headquarters in Southern Lebanon. The number of the wounded totaled at least 3,700 persons.

The Israeli aggression has far reaching social and physiological repercussions. More than 973,334 persons were displaced, of whom 220 thousand were forced into the diaspora. This figure includes 100 thousand foreigners or Lebanese holders of other nationalities. Some sources estimated Lebanon's total material loss as \$6 billion, while the Council for Development and Reconstruction (CDR) put it as \$3.61 billion, of which the loss of the infrastructure alone was \$958 million. Thirty

vital institutions were either totally or practically destroyed, including Beirut airport, ports, water storages, electricity refineries, 630 km roads, 32 petrol stations, 145 major or minor bridges, seven thousand houses and nine thousand factories, shops, farms and markets. Television, radio broadcasting, and telecommunication stations, worship places, military bases and machinery, and some of Hizbullah's headquarters and houses of its leaders were all damaged. Tens of Lebanese cities and villages were bombarded, including Tyre, Bint Jbeil, al-Khiyam, al-Nabatiyah, Qana and Sidon in the South, the Southern Suburb of Beirut, al-Masna', Beqaa' Valley, Baalbek and its surrounding and 'Akkar Valley in Northern Lebanon. The bombardment of al-Jiyah electricity station resulted in a stain of petrol that spread along 140 km of the Lebanese shores up to the Syrian shores.¹⁵

More importantly were the far-reaching political repercussions on the future of the Lebanese state and society. As we know, the war had erupted at a time of a serious political crisis in Lebanon that has polarized after the assassination of al-Hariri into two conflicting fronts: the so-called 14 March Forces and the so-called 8 March Forces, which respectively represent the parliamentary majority and the opposition. A national dialogue that diluted this confrontation had, however, come to a standstill just before the war. Nonetheless, the steadfastness and unity of the resistance had, no doubt, strengthened the internal front, and enabled the Lebanese civil society to face the widespread damage and its consequences, notably the displacements of hundreds of thousands citizens, particularly in the South. The insistence on unity among all sectors of the community had sidelined differences and conflicts among them.

Nonetheless, a crisis had been on the air, which, as expected, came to the surface after the war. Even before the end of the war, some of the majority leaders held Hizbullah responsible for this damage. Samir Ja'ja' said, "It was inappropriate for a Lebanese sector to determine the destiny of all the Lebanese people." He added, "To overcome this dangerous development, it is necessary that decision making should be placed forthwith in the hands of the cabinet... Only then can Lebanon be responsible for all that happens."¹⁶ Walid Junblat openly criticized the kidnapping of the two Israeli soldiers, and associated its timing with the Iranian nuclear issue and the establishment of the international investigation court in the assassination of al-Hariri. He emphasized his support to the Saudi-Egyptian-Jordanian position towards the war, and added, "We need a ceasefire, but not by any condition. We will be patient and steadfast, but on condition that the state will be squarely

responsible for the decision of peace and war and the defense of Lebanon, starting from the South.” Commenting on a speech delivered by Hasan Nasrullah, Junblat said, “Notwithstanding political differences, Nasrullah has no right to say whether the Lebanese people like or not. He cannot unilaterally decide on peace and war and say to us as a state and people: I am here, and you should be responsible for what I do.”¹⁷ Though Sa’d al-Hariri maintained that “the Lebanese and Hizbullah are currently on the same boat, and that nobody can disband a party that represent a sizable sector of the Lebanese people or held it accountable for what happened,” he added “Israel was looking for a pretext to hit Lebanon, her first and last enemy, had it been logical to give it this pretext?”¹⁸

It is worth noting that an Italian newspaper had reported that the Lebanese Premier Fu’ad al-Sanyurah said that Hizbullah “became a state within the state and that it should be disarmed.” But al-Sanyurah’s office claimed, during the war, the inaccuracy of this report, and added that the prime minister had actually said:

The international community did not give the Lebanese government the opportunity to address the issue of Hizbullah’s arms, and that the continuation of the Israeli occupation of Lebanese territory in Shebaa Farms is responsible for the existence of this armament. The international community should help us to secure Israeli withdrawal from Shebaa Farms, only then we could resolve the issue of Hizbullah’s arms.¹⁹

This and other indications demonstrated that the internal situation in Lebanon was liable for explosion after the war, which actually happened. Each party tried to make use of the delicate situation to serve its own agenda and political priorities. The opposition, which rallied behind the resistance, tried to invest the latter’s success to consolidate its position and share of power and wealth. Conversely, the majority, which supported al-Sanyurah’s government, blamed Hizbullah for the damage inflicted on Lebanon, and accused it of serving foreign interest. However, this internal polarization could not have reached to a crisis point had it not been supported and encouraged by some regional and international developments.²⁰

2. Regionally

It is important that we distinguish between the impact of this war on the Arab and regional fronts. On the Arab level, the Israeli war on Lebanon had important consequences that may be enumerated under three groups:

First: The gap between the rulers and the ruled, which was widened by the war, and showed that the two parties were at loggerheads. As mentioned before, all Arab governments, with the exception of Syria and Yemen, blamed Hizbullah directly or indirectly, which had been viewed by the Arab masses as a green light to the enemy to continue its project of liquidating the resistance. Through a variety of ways and means, the Arab peoples exhibited their unconditional support and rally behind the Lebanese resistance. They saw in Hasan Nasrullah the charismatic and capable leadership that they lost since the departure of Jamal ‘Abd al-Nasir. Thus, the war had intensified the suspicious between the governing regimes and the people, and revealed the strong bond between the former (which anyhow lacks legitimacy) and foreign powers, particularly the USA.

Second: The future of the Arab-Israeli conflict. The war had emphasized the conviction of the Arab masses that Israel is the prime danger on the totality of the Arab system, and that no peaceful settlement could ever be concluded with this barbaric state. Hence, armed resistance is the sole means to attain Arab rights.

Third: The sectarian dimension. The war demonstrated the futility of the attempts of some foreign as well as internal forces to use the sectarian card to weaken the opposition. Their emphasis on the Shi‘i composition of Hizbullah was rejected by the Arab masses who saw in this party, irrespective of its ideological commitment, a vanguard of the resistance against Israel. Interestingly, the Muslim Brothers of Egypt rejected some *Fatawa* issued by Saudi scholars prohibiting support to the Shi‘i Hizbullah in its war against Israel. The Muslim Brothers warned from those who were trying to “revive an old ordeal that had undermined the power and intellect of the Nation (*Ummah*), and which had already been by passed, thanks to the effort of the wise elite.” They also rejected the accusation that Hizbullah works for the interest of Iran.²¹

Broadly, the war had, no doubt, strengthened the position of Iran in the region, and consolidated its alliance with the Arab states and forces that reject the American-Israeli project. It also gave Turkey an additional impetus to demonstrate its independence in the realm of foreign policy, notwithstanding its European and Atlantic connections.

3. Internationally

The Israeli war had once more revealed, even emphasized, several facts related to the international order and the balance of power within it. Amongst them are the following:

1. The American-Israeli relations are much stronger than presumed by some quarters. They develop in two, not one, directions each of which is capable of employing the other for its own interest. In this war, Israel did not fight for its interest only but also on behalf of the USA, who played the role of the instigator, the political agent and the diplomat.
2. The USA is capable of obstructing the role and mechanism of the UN, especially so when the permanent members of the Security Council have no interest, either individually or collectively, to defy or hinder American plans. This had been the case in the case of the Lebanese war, where the UN by passed, either explicitly or implicitly, the basic principles of its own covenant.
3. The role of the international public opinion and non-government organizations in international politics is indeed limited and complementary at best, even in cases when human rights are glaringly violated. As had been demonstrated in the barbaric Israeli invasion of Lebanon, they could not be relied upon to deter aggression.

Conclusion

The Israeli war on Hizbullah and Lebanon led to a series of developments that culminated in Resolution 1701. But the realities on the ground do not facilitate the immediate application of this Resolution that do not affect the Lebanese internal situation only but also the entire balance of power in the region. Since, as explained in the introduction, the underlying motives behind the Lebanese war are closely interconnected with the other crises in the region, particularly the American occupation of Iraq, the Iranian nuclear issue, and the Arab-Israeli conflict, the future developments in Lebanon depends largely on the American position towards these issues. This is particularly so after the defeat of the Republican Party in the midterm elections of November 2006, and the consequential control of the

Democratic Party of both houses of the Congress, the House of Representatives and the Senate, and the release of James Baker-Lee Hamilton Report that made several important recommendations amongst which is the necessity to actively engage Syria and Iran in the quest for a final and lasting settlement of the Arab-Israeli conflict. To implement these recommendations willingly and effectively, the report suggested formidable changes in the American foreign policies that may lead to stability in the region, including Lebanon. But the ideological commitment of the American administration and the stubbornness of its leader (Bush) do not leave a room for optimism. Hence, the military option vis a vis Iran is the most likely course for this administration. If so, this would have negative repercussions in the Lebanese political theatre that would accelerate the current polarization, and might prepare the ground for a new war.

Endnotes

- ¹ This part is based on a previous study presented by the author in a symposium organized by the Centre for Arab Unity Studies. See Hasan Naf'ah, "*al-Tada'iyat al-Duwaliyah*," (International Repercussions), Ahmad Yusuf Ahmad and et al., *al-Harb al-Isra'iliyah 'ala Lubnan: al-Tada'iyat al-Lubnaniyah wa al-Isra'iliyah wa Ta'thiratuha al-'Arabiyyah wa al-Iqlimiyah wa al-Duwaliyah* (The Israeli War on Lebanon: The Lebanese-Israeli Repercussions and their Arab, Regional and International Impact) (Beirut: Centre for Arab Unity Studies, 2006), pp. 379-398.
- ² See Hasan Nasrullah's declarations after the kidnapping of the two soldiers in *Assafir*, 13/7/2006.
- ³ See Seymour Hersh, "Watching Lebanon: Washington's Interest in Israel's War," *The New Yorker* magazine, USA, 21/8/2006; and Wayne Madsen, "Lebanon and Gaza Invasions Planned Last Month in USA Meetings with Top Israeli Officials," 26/7/2006.
- ⁴ See "*Namudhaj Kosovo fi Lubnan Tamhid Israeli li Harb Amrikiyyah 'ala Iran*", (Kosovo Model in Lebanon an Israeli Paving to an American War on Iran), *Assafir*, 15/8/2006, translated from *The New Yorker*.
- ⁵ See 'Azmi Bsharah, "*al-Tada'iyat 'ala Israel*," (The Repercussions on Israel), *al-Harb al-Isra'iliyah 'ala Lubnan* (The Israeli War on Lebanon), pp. 173-175.
- ⁶ *The Jerusalem Post* newspaper, 15/8/2006.
- ⁷ For details on the technological characteristics of this cruiser, see *al-Qabas*, 19/7/2006.
- ⁸ [http://usinfo.state.gov/xarchives/display.html?p=washfile english&y=2006&m=July&x=20060716130615dm_sonahpets0.4333155](http://usinfo.state.gov/xarchives/display.html?p=washfile%20english&y=2006&m=July&x=20060716130615dm_sonahpets0.4333155)
- ⁹ The particulars of this project were published in *al-Seyassah*, 29/7/2006.
- ¹⁰ See Ahmad Yusuf Ahmad, "*al-Tada'iyat al-'Arabiyyah*," (Arabic Repercussions), *al-Harb al-Isra'iliyah 'ala Lubnan* (The Israeli War on Lebanon), p. 245.
- ¹¹ See Robert Fisk, "As the 6am Ceasefire Takes Effect... the Real War Begins," *The Independent* newspaper, London, 14/8/2006, <http://news.independent.co.uk/world/fisk/article1219037.ece>
- ¹² See *Okaz*, 13/8/2006; *al-Khaleej*, 15/8/2006; and the report of the PIC, 14/8/2006; see also about the losses, http://en.wikipedia.org/wiki/Casualties_of_the_2006_Israel-Lebanon_conflict
- ¹³ *Al-Vefagh* newspaper, Iran, 15/8/2006, <http://www.al-vefagh.com/1387/870827/html/>
- ¹⁴ 'Azmi Bsharah, *op. cit.*, p. 180.
Note: According to Bank of Israel during July-August 2006, the rate of exchange is: one dollar = 4.4 shekel.
- ¹⁵ *Al-Khaleej*, 15/8/2006; see also Terez Mansur, "*al-Masakin wa al-Mu'assasat Nalat al-Nasib al-Akbar min al-Damar*," (Residents and Institutions Received the Greatest Portions of Destruction), *Army* magazine, Lebanon, no. 254, <http://www.lebarmy.gov.lb/PrintArticle.asp?id=12428>; and see http://en.wikipedia.org/wiki/Casualties_of_the_2006_Israel-Lebanon_conflict
- ¹⁶ *Annahar*, 13/7/2006.
- ¹⁷ *Al-Khaleej*, 19/7/2006.

¹⁸ *Al-Khaleej*, 20/7/2006.

¹⁹ *Asharq Alawsat*, 21/7/2006.

²⁰ For a detailed analysis of the repercussions of the Israeli war on the situation in Lebanon, see the articles of Ma'in Bashshur and Ziad al-Hafiz in *al-Harb al-Israeliyah 'ala Lubnan* (The Israeli War on Lebanon), pp. 51-117.

²¹ See Mahdi 'Akif and Muhammad Habib's declarations, *Albalad* newspaper, Beirut, 28/7/2006.

Chapter Four

The Palestinian Issue and the Arab World

The Palestinian Issue and the Arab World

Introduction

No significant change had taken place in the Arab attitudes towards the Palestinian issue throughout the year 2006. In fact, the various Arab positions towards the issue remained basically the same as in previous years. The Arab policy towards the settlement issue with Israel was also the same, as the Arab countries kept their call of having the Arab Initiative, agreed upon in the Beirut Summit of 2002, as the basis of peace negotiations. But Israel rejected this offer and the Initiative itself. However, the interesting development in this regard are the positions of the Arab countries towards the victory of Hamas in the legislative elections, and the defeat of Fatah that controlled the PLO since 1968, and with whom the Arab countries had interacted throughout these long years. The victory of Hamas has introduced a new player in the Palestinian arena that have a different vision and political discourse, and with whom the Arab countries have never dealt with before.

First: The Arab Position towards Hamas' Victory in the Legislative Elections

The Arab positions towards the victory of Hamas in the legislative elections, held on 25/1/2006, varied considerably. Some Arab countries welcomed the outcome of the elections, but others expressed reservations, while a third group considered the incident as an internal Palestinian concern, and called for non-interference in the democratic options of the Palestinian people.

1. Official Arab Positions

The League of Arab States hailed the transparency and fairness of the elections, and asked for the acceptance of their outcome as it reflects the free will of the Palestinian people. In response to the Israeli refusal to negotiate with the new Hamas government, 'Amr Musa, the secretary-general of the Arab League, publicly maintained that Israel should respect the outcome of the elections and negotiate

with the new government. Israel, he added, should not use this development as a pretext for procrastination or suppression of the peace process. Musa told the Palestinians that their struggle is passing through a delicate phase, and urged them to unite around a national program. He added that Hamas should be given the opportunity and the time to crystallize its attitude and policies.

Musa warned the USA from pursuing a double-standard policy by saying, “Washington cannot speak of the necessity and urgency of democratization and, at the same time, refuses to accept the results of this democratic election.” On the margin of Davos Economic Forum in Switzerland, the secretary-general said that Hamas will exhibit a new face in government, and added, “If Hamas is to form the government and be in charge of governance and negotiations of a peace settlement, then we will see a different Hamas from the one that we know in the street.”¹

Meanwhile some Arab states welcomed these democratic elections. The Yemeni President ‘Ali ‘Abdullah Saleh, called the Palestinian President Mahmud ‘Abbas to congratulate him for the success of the elections, and demanded that Hamas and the new PLC actively engage themselves in the peace process in accordance with the decisions of the international community, and for the sake of achieving the Palestinian ambitions, hopes and national legitimate rights. Fu’ad al-Sanyurah, the Lebanese premier, congratulated Hamas for its success, and agreed with Khalid Mish‘al, the president of Hamas’ Political Bureau, to resume negotiations on the Lebanese-Palestinian relations.

The Qatari *Amir*, Sheikh Hamad Bin Khalifa Al-Thani, called the Palestinian president to congratulate him for the success of the elections that will have positive impact on the process of building an independent Palestinian state. He also called Khalid Mish‘al to congratulate him for the victory of Hamas in these legislative elections.²

During the first Arab tour of Mahmud al-Zahhar, the Palestinian foreign minister, ‘Amr Musa renewed his call to all sectors of the Arab community, citizens, peoples, institutions and organizations, to extend immediate support and generous financial contributions to the Palestinian people. He pointed to the extensive negotiations that al-Zahhar had with the permanent representatives of the Arab countries in the Arab League. Musa emphasized that the Arab Initiative does not extend any concessions to the other side for nothing, but rather it is a framework for negotiations that should achieve the Palestinian rights within the umbrella of the international community.

Khalid Mish'al paid visits to Egypt, Saudi Arabia, Yemen, Sudan, Libya, United Arab Emirates (UAE), Bahrain, Kuwait, Qatar and Oman, where the officials there emphasized the necessity of national Palestinian unity, and reiterated their support to the Palestinians. In his address before the European Parliament in Strasbourg, Sheikh Hamad Bin Khalifa Al-Thani, criticized the hostile position of the western powers towards Hamas government by saying:

Rather than being remunerated for their democratic experiment that hardly exists in our region, the Palestinian people were penalized. I cannot understand how sanctions could be imposed on a democratically elected government, and collective punishment be dictated on an entire nation just because it exercised its democratic right to select its own rulers.

The Algerian President 'Abdelaziz Bouteflika, had also condemned the Israeli-west blockade on the Palestinians that had penalized them simply because they exercised their democratic right to elect Hamas. Bouteflika dismissed the Israeli policy that is based on starving the Palestinian people and violating the sanctity of their sanctuaries, defying the decisions of the international community, and imposing the de facto situation. He urged that due consideration be given to the Road Map and the efforts that had been exerted towards its implementation, as it is, more than any time before, the only vehicle to overcome the stubborn current deadlock of the peace process.³

Similarly, the Cooperation Council for the Arab States of the Gulf (GCC) demanded that Hamas be given the opportunity to govern as it had won the elections. Besides, this is essential for the realization of stability and peace in the Middle East. The council emphasized that Israel should honor its commitments, including the peace treaties that it signed in Madrid, and the Palestinians should never be penalized for their democratic option by such measures as the stoppage of financial aid. Finally, the council urged support to the Palestinians, and vowed that its member states would extend financial and other support to them.⁴

2. The Positions of the Arab Masses

The Arab street enthusiastically welcomed the victory of Hamas in the legislative elections and praised its insistence on the Palestinian fundamentals, resistance to the occupation and firm opposition to corruption within the institutions of the PA.

Similarly, the Arab national and Islamic parties, welcomed the outcome of the elections as an important initial step in the struggle against the Zionist-American projects, and in alerting the Palestinian people to the dangerous conspiracy that they are confronting.

The Muslim Brothers in all Arab countries welcomed the victory of Hamas in the legislative elections, which they viewed as a success to the option of resistance, and to the Islamic project and methods to resolve the Palestinian issue. The Islamic Action Front Party (IAF) in Jordan maintained that this victory tantamounted to a correction exercise of a wrong route and to the peace process that started in 1993. The Muslim Brothers vowed to extend financial support to Hamas through wide campaigns that they undertook to organize to collect subscriptions and donations. Each of the 43 representatives of the Justice and Development Party in Moroccan Parliament donated a day's salary to Hamas, and the party, as well as other Islamic forces in the country, called upon the Moroccan masses to support the Palestinian people financially and morally.⁵

Hamza Mansur, the secretary-general of the Jordanian Islamic Action Front Party, considered Hamas victory as a wake up call to all Arab and Muslim rulers to support this new orientation that the Palestinian people had freely chosen and pursued, notwithstanding the warnings and threats that the USA and the EU had loudly voiced against Hamas. Sa'id Thiab, the secretary-general of the Jordanian Democratic Popular Unity Party, viewed the victory of Hamas as a new and a quality phase in the history of the Palestinian people that will enable them to present alternatives priorities and means of struggle, and to end the widespread corruption within the PA.⁶

The Muslim Brothers of Egypt congratulated Hamas for its victory, and called the organization to unite the Palestinians against Israel. Their leading leader 'Isam al-'Aryan urged Hamas to draw lessons from the previous Palestinian struggle, and to reconstruct and unite the internal front behind the new PLC. He called all the world powers, particularly the USA, to respect the free choice of the Palestinian people, and maintained that the outcome of the Palestinian elections is a clear indication that all the occupied peoples in the region have adopted Islam as a way of life, as has been the case in Iraq and Palestine.⁷

Second: The Position of the Khartoum Arab Summit towards Hamas and the Peace Settlement

Hamas' victory in the legislative elections and its formation of the Palestinian government had dominated the meetings of the Arab foreign ministers, as well as the 18th Khartoum Arab Summit convened on 28/3/2006. The ministers emphasized at the end of their meetings in Cairo the necessity of respecting the will of the Palestinian people, non-interference in their internal affairs, and not to pass prior judgments, or to impose unfair conditions on their elected leadership. Nonetheless, some Arab countries started to rally behind the Palestinian presidency instead of standing neutral between the Hamas led government and the Fatah controlled presidency. Besides, the Secretariat of the Arab League officially invited the presidency to attend the Arab summit, but it declined to do so to the government, or even its minister of foreign affairs. To add insult to injury, the Palestinian delegation to the summit did not include a single representative of Hamas.

No doubt, the USA had been forcefully behind the exclusion of Hamas government from participation in this summit, a development that had been openly welcomed by President Mahmud 'Abbas. However, some of the Arab kings and presidents had conspicuously absented themselves from this summit, which made it so unimportant that some observers had labeled it the weakest of all Arab summits.

In the Khartoum Summit, Mahmud 'Abbas urged the Arab kings and presidents to adhere to the following:

1. Total and comprehensive commitment to the Arab Initiative, and to present it to the international community as the basis for any future settlement.
2. To confront the imposed policies of the blockade, starvation and suspension of aid by a real, substantial and all around support to the Palestinian people, of which the most important are a special Arab fund and a unified Arab political and moral stand.
3. The Arab position towards the accelerating developments in Palestine should supersede the current status of silence, apathy and complete surrender to pressures, particularly that of the USA.⁸

The Arab summit discussed three major issues that are related to the Palestinian question:

The first issue: The political situation: the summit emphasized the centrality of the Palestinian issue over all other Arab concerns, and highlighted the Arab Initiative, endorsed in Beirut Summit of 2002, as a basis to resolve the Arab-Israeli conflict and to achieve peace in the Middle East in line with the relevant decisions of the international community. However, a just and permanent peace in the Middle East can only be achieved through a complete Israeli withdrawal from all the occupied Palestinian and Arab territories, including the Syrian Golan Heights, until the demarcation line of 4 June 1967, and the currently occupied lands in Lebanon. Other prerequisites for stability in the region are the establishment of the Palestinian state with East Jerusalem as its capital, and a just settlement for the problem of the Palestinian refugees through an amicable decision based on UN General Assembly Resolution 194.⁹

The second issue: The position towards Hamas victory in the legislative elections: the Arab kings and presidents hailed the democratic exercise in Palestine as well as the fairness and transparency of the elections. They also expressed their total support to the PA, both leadership and institutions, and commended their strive to maintain national unity. The kings and presidents rejected the Israeli unilateral decisions, and asked the international community to respect the will of the Palestinian people in selecting their leadership, and to refrain from interfering in their internal affairs. The summit also asked for the implementation of the decision of the International Court of Justice (ICJ) on the construction of the Separation Wall in the occupied Palestinian lands and its legal repercussions.

The third issue: Arab financial support to the Palestinians: The Khartoum Summit reiterated the commitment of the Arab kings and presidents to continue extending financial support to the PA according to the mechanism decided in Beirut Summit of 2002. In particular, to inject additional amounts in the funds of *al-Aqsa* and *al-Quds Intifadah*, besides strengthening the Palestinian economy and to free it from the current subjection to the Israeli economy.¹⁰

The Palestinian delegation asked the Arab summit to allocate a monthly sum of \$170 million to the PA, in case the USA and the European countries decide to stop their aid to the Palestinians, in retaliation for their support to Hamas in the legislative elections.

‘Amr Musa urged all governments, institutions and organizations as well as the Arab masses to extend financial aid and contributions to the Palestinian people and to the PA. He announced the opening of a special account to receive contributions from individuals and institutions, and urged Arab banks to do likewise in implementation of the decision of the Khartoum Summit. However, the Palestinian responses to the outcome of the Khartoum Summit had varied considerably. While the PA commended the decisions of the summit as a true reflection of the aspirations of the Palestinian people, Hamas considered them to have exhibited an Arab unanimity towards the Palestinian issue, but maintained that the urgency is to a tangible financial and moral support to the Palestinian people.¹¹

Third: The Positions and Roles of the Major Arab Powers

1. The Position of Egypt

The Egyptian government was rather concerned by the victory of Hamas in the 2006 legislative elections, as this may adversely affect the course of the peace negotiations, and Egypt's influence among Palestinians and its relations with Israel. Besides, this victory could boost the image of the Muslim Brothers in Egypt. Thus, Egypt's interaction with the Palestinian issue during 2006 was largely focused on the existence of a Hamas dominated Palestinian government, besides an attempt to play an intermediary role to ease the confrontational relations between Hamas on one side and Fatah and the institution of the presidency on the other side, and to help in the task of forming a Palestinian government of national unity. While announcing his country's respect to the Palestinian will, the Egyptian minister of foreign affairs, Ahmad Abu al-Gheit, had, however, admitted that the outcome of the elections engendered a new political reality.

The Egyptian media admitted that Egypt never expected the sweeping victory of Hamas, which it described as a political earthquake as this was the first time in the Arab region in which a faction of political Islam wins majority in a parliamentary election. The prospect of cordial relations with Hamas, in the eyes of the Egyptian government, depends on its recognition of Israel, and the Egyptian premier had openly asked Hamas government to respect all the previous agreements concluded between the Palestinian leadership and Israel.

The Egyptian policy towards these new developments in Palestine pursued two lines. First, Egypt tried to mediate between Hamas and Fatah to resolve their differences, and to persuade Hamas government to change within six months its extreme position towards the peace process and accept to negotiate with Israel. The second Egyptian course of action was to avoid contacts with Hamas leaders and members of its government in compliance with the mounting American pressure to corner Hamas.

Egypt played an important role in the effort to bridge the gap between Hamas and Fatah over the issues of the Palestinian political system and the formation of the government of national unity. With this aim in mind, Major-General ‘Umar Sulayman, the president of the Egyptian General Intelligence Service, repeatedly met in Gaza officials of both movements, though the Egyptian officials declined to see the Palestinian minister of foreign affairs, Mahmud al-Zahhar, during a visit that he paid to Cairo at the beginning of his first tour to Arab-Islamic countries. However, the Egyptian government denied that it succumbed to American pressure in this respect, and the minister of foreign affairs, Ahmad Abu al-Gheit, claimed that his many other preoccupations prevented him from seeing al-Zahhar, who had, anyhow, specially came to Cairo to see the secretary-general of the Arab League. However, Abu al-Gheit met al-Zahhar in the latter’s way to Gaza, after he finished his external tour.

Though Egypt had tried its utmost best to pose as an honest broker, it was, in fact, inclined towards Fatah and the Palestinian presidency, but extreme when dealing with Hamas. It considered the institution of the presidency, not the government of Hamas, to be the spokesman of Palestinian foreign policy.

During the Israeli aggression on Lebanon in the summer of 2006, the Egyptian President Husni Mubarak criticized the Palestinian and Lebanese resistance, arguing that their activities achieved very limited gains, but the ordinary people will by the end of the day be the victims of these hasty actions. In a press conference, Mubarak said, “No body doubts the rights of the peoples to resist the occupation forces, but such a resistance will have to be cautious and calculative of the gains and losses.” He added that the tendency of the Palestinian resistance to ignite the situation to achieve limited gains ignores the Palestinian fundamental objective, namely the establishment of an independent state. Likewise, in his view, is the Lebanese resistance, as “the Israeli escalation in Lebanon will drag the region into a dangerous slide,” and the Lebanese people, like the Palestinians, will be the ones to pay the price.¹²

One of the most important developments in Egypt during this year is the utterance of President Mubarak that the Egyptian army is for the defense of Egypt and not to fight Israel. In response to those who asked that Egypt enters the war in defense of Lebanon or Hizbullah against the Israeli aggression, Mubarak said, "These peoples are not aware that the time for external adventures is over. If this were at all possible when Egypt's population was 24 millions, it is now utterly impossible with the figure of 75 million Egyptians who need development, services, job opportunities and housing projects." The Egyptian president emphasized that "he is not ready to spend the budget of the Egyptian people on a war that is not theirs," and reiterated that "Egypt's army is for defense of its territories only." He advised all parties not to be dragged into fervent but reckless adventures that do not calculate the dire consequences, and the heavy price that the peaceful peoples will pay.¹³

Signs of difference between Egypt and Hamas appeared after the leakage of some messages exchanged between Major-General 'Umar Sulayman and Khalid Mish'al. In one of these messages, on 23/9/2006, Mish'al told Sulayman that Egypt, and not any other power, should shoulder its responsibilities and do its utmost best to patronize a Palestinian government of national unity on the basis of the National Conciliation Document. Moreover, Mish'al recorded his observations on the issue of the captured Israeli soldier, Gilad Shalit, and expressed reservations on the Egyptian proposal that after the release of a symbolic figure, fixed by Israel, of Palestinian detainees, the negotiations be conducted between Mahmud 'Abbas and Ehud Olmert. After three days, 'Umar Sulayman responded by a message that emphasized Egypt continuous and sincere quest for a just peace settlement. On the Israeli prisoner, Sulayman pointed that this is not a prime issue for Egypt, but the Israeli side insists that all future movements are conditioned on his release. It seems that Egypt had disclosed these two messages to the USA and Israel, a development that infuriated the leaders of Hamas.¹⁴

Meanwhile Muhammad Basyuni, a former ambassador of Egypt in Israel and the president of the Committee on Arab and Foreign Affairs and National Security in the Egyptian Consultative Council (Egyptian *Shura* Assembly), said that his country strives to crystallize a Palestinian national consensus to overcome the current political crisis. In this respect, he added, Egypt had presented three demands to Hamas:

1. All internal conflicts and fighting, particularly between Fatah and Hamas, should cease forthwith. For it is impossible to resume negotiations and the peace process in such tense environment.
2. Palestinian policies and positions should be formulated by the Palestinian political institutions, and not by foreign quarters.
3. Since politics is the art of possible, the decisions of the Palestinians should be pragmatic and realistic. In other words, they should not cry for the moon because they will not get it. Within this framework, Egypt is ready and willing to help in overcoming the crisis resulting from the sharp differences between Hamas and Fatah.¹⁵

The Egyptian Ministry of Foreign Affairs refused the demand of some members of the People's Assembly to withdraw the Egyptian ambassador to Israel in protest of Israel's criminal acts against the Palestinians. Ahmad 'Abd al-Mu'ti, the minister plenipotentiary, said that Egypt was not then in favor of this proposal because of its harmful impact on Egyptian interests.¹⁶

On 24/4/2006, a major explosion took place in Dahab Resort in Sinai in which 23 were killed and 160 wounded, of whom the majority were Egyptians. Later, it was revealed that those who undertook this operation were trained by some Palestinians in GS. Besides, on 30/5/2006, Israel killed an Egyptian who tried to sneak through the Egyptian-Palestinian frontiers into the 1948 occupied territories, and arrested five other Egyptians. The Israeli army claimed that it monitored six persons who tried to cut with sharp instruments the frontier fence in the southern region of "Katsi'ut" in Negev in an attempt to enter Israel. When they refused the orders of an Israeli force to stop, it fired at them killing one and arresting the rest of the Egyptian youth, with whom an investigation was conducted.¹⁷

On the political front, Mubarak, the Egyptian president, and King 'Abdullah Bin 'Abd al-'Aziz of Saudi Arabia met on 31/5/2006 in Sharm el-Sheikh where the two leaders called for the respect of the Palestinian options. A few days later, Mubarak met Ehud Olmert in Sharm el-Sheikh to revitalize the Palestinian-Israeli negotiations on the basis of the Road Map. But Olmert's visit was widely criticized, and some Egyptian independent newspapers dismissed it as shameful. But the Egyptian government claimed that the aims behind this visit were to achieve some urgent Palestinian interests, emphasize Egypt's role in the Palestinian-Israeli dialogue, lift the blockade imposed on the Palestinians, and explore ways and

means to resume negotiations between ‘Abbas and Olmert rather than to leave the political scene for unilateral Israeli solutions.

Within the contest of Arab consultations, an Egyptian-Syrian summit was held on 22/6/2006. Moreover, the Egyptian president held a number of meetings with the Jordanian King ‘Abdullah II and the Palestinian President Mahmud ‘Abbas.

Meanwhile, within the bilateral relations between Israel and Egypt, the Egyptian minister of Legal Affairs and Parliamentary Councils criticized the suggestion of an Israeli general to include in the final settlement of the Palestinian issue a clause that allows the incorporation of some 600 km² of Sinai land in GS.

Egypt interfered to diffuse the crisis that had erupted between Israel and the Palestinians over the arrest of the Israeli soldier Gilad Shalit. It tried to play the role of an intermediary between Hamas and Israel to secure his release in return for the release of the Palestinian prisoners in Israeli jails.

However, relations between the Egyptian government and Hamas had become tense because of the latter’s refusal of the Israeli demands, and the criticism by the Egyptian government of Hamas’ position on the issue of swapping the Israeli soldier with Palestinian prisoners. But Hamas fired back by insisting that the negotiations of this deal had already broken down by the intransigence of the Israelis, which had further infuriated official Egypt. The year 2006 had, thus, ended with the failure of the Egyptian attempt to play the role of a broker between Israel and the Palestinians on the issue of the prisoners apparently because of the Israeli dogmatism and procrastination.

Meanwhile, Egypt suddenly and conspicuously ruled, without clarifying the reasons, that all Palestinians who wish to visit Egypt or cross its borders to GS should apply for entry visa, including bearers of Palestinian passports and Egyptian travel permits that the authorities usually grant to the Palestinians of GS.¹⁸

On 9/2/2006, an Egyptian diplomat, Husam al-Musli, was kidnapped in Gaza by an anonymous quarter, but he was released three days later, thanks to the direct intervention of President Mubarak and the Egyptian Ministry of Foreign Affairs.

The Israeli aggression against Lebanon in July 2006 infuriated the Egyptian masses. The judges demanded the immediate abrogation of the humiliating Camp David Accords between their country and Israel, called for popular resistance as the only means to protect the Arab Nation against the Israeli aggression, and warned against the imperialist design of a new Middle East. The lawyers also

went on a general strike during which they boycotted the courts' sessions, and the union of professionals, which represent 20 trade unions of seven million members, declared a one-hour strike from which only the doctors on call were exempted. Dr. Hamdi al-Sayyid, the president of the Egyptian Doctors' Union and a member of parliament, maintained that Hasan Nasrullah, the secretary-general of Hizbullah Party, told him that the resistance is not in need of volunteers but looks for moral support only. Nasrullah also told a group of journalists that the Egyptian army agreed to airlift to Lebanon all the aid that may be collected for the support of the resistance forces.

Meanwhile, the opposition movement, *Kifayah* (literally enough is enough) demanded that the export of Egyptian gas and petrol to Israel be immediately stopped. The judges condemned the Israeli brutal attacks on the Palestinian and Lebanese people, and rejected the imperialist project of a new Middle East that the American President Bush wanted it to be completely void of any Islamic dimension or orientation. For this project will reconstruct the region and place it under Israeli arrogance and American hegemony, and where the souls of hundreds of Arab children will not be viewed or treated on a par with one single Israeli privileged child. The judges reiterated their utter belief in popular resistance as the only vehicle for the defense of the Arab Nation and the maintenance of its honor. They also declared their complete and unconditional support to the courageous leaders and members of the Lebanese resistance, and expressed their admiration and respect to all sectors of the Lebanese society.¹⁹

In retaliation to the Israeli raids on the Lebanese and Palestinians, a total of 100 Egyptian members of parliament asked President Mubarak to expel the Israeli ambassador in Cairo and to recall his Egyptian counterpart in Tel Aviv. In their message to President Mubarak, they wrote: "The official Arab position neither reflects the aspirations of the Arab masses nor tallies with the gravity of the incident that requires firm response and substantial aid to our peoples in Palestine and Lebanon." Thus, they called for unlimited and all kinds of support to the Lebanese resistance and to the democratically elected Palestinian government, and the revision of all political economic and security treaties concluded with Israel.

2. The Position of Jordan

The position of Jordan towards the Palestinian issue during the year 2006 was dominated by its reaction towards the victory of Hamas, and its attempts to activate

the peace process so that the two sides, the Palestinians and the Israelis, return to the negotiations table. Initially, the Jordanian government viewed the victory of Hamas as an internal Palestinian concern, but it subsequently showed a measure of uneasiness because of its deteriorating relations with Hamas, particularly after the expulsion of four of the leaders of this movement from Jordan, and the Kingdom's fear that this success popularizes the Muslim Brothers in Jordan. Thus, the Jordanian premier, Ma'ruf al-Bakhit, warned the Muslim Brothers not to exploit Hamas' victory. He cautioned, "It is essential to distinguish between an organization like Hamas and a Jordanian one." He added that It is unbecoming that some unrealistic people had become more catholic on the Palestinian issue than the pope himself. Al-Bakhit continued to say that his government distinguishes between Hamas in the interior and that in the diaspora. Its current relations with the former is balanced, just like that with any other Palestinian faction, but in future everything will depend on the agenda and program of Hamas government. As for Hamas of the diaspora, the premier said that his government has for specific reasons legal and political problems with some of its leaders, and that any change in the attitude towards them require a significant change in the status quo, which is not likely to take place.²⁰

However, al-Bakhit emphasized that his country will continue to be the closest to the Palestinians and to the Palestinian issue. In an address before a group of Palestinian refugees in the camp of al-Baq'ah, al-Bakhit said that the Palestinians and the Jordanians are destined by history and geography to be closely together, and told his addresses, "You are here to share with your Jordanian brothers everything, the sweet and the bitter." In describing what he considered to be the reality of the relations between Jordan and Palestine, King 'Abdullah II said that Jordan is Jordan and Palestine is Palestine. With respect to Khalid Mish'al and the possibility of Hamas' return to Jordan, the King said that the issue of Mish'al had unnecessarily been blown up and given more attention than it deserves. The fundamental issue, he added, is how to help the Palestinians and restore their legitimate rights.²¹

However, the relations between Hamas and Jordan had become extremely tense after an allegedly pro-Hamas group was arrested and accused of sneaking in Jordan and smuggling armaments and explosives that threatened the country's internal security. Hence, the government of Jordan cancelled a visit that Mahmud al-Zahhar, the Palestinian minister of foreign affairs, was scheduled to pay to Jordan on 19/4/2006, though Hamas had denied these accusations that were, in its judgment,

just a pretext to cancel the visit. To ease the tension, the Palestinian Premier Isma‘il Haniyah detached his government from any attempt to smuggle arms into Jordan or to threaten its internal security, and, through some intermediaries, appealed to King ‘Abdullah II to interfere personally to contain and resolve the crisis between Jordan and Hamas. The Jordanian prime minister expressed appreciation to Haniyah’s efforts, and emphasized that his government does not plan to prolong the crisis or to exploit it to boycott Hamas government.²²

In response to some threats against the Jordanian diplomats in Gaza, Haniyah visited on 6/3/2006, at the head of a senior Hamas delegation, the house of the top Jordanian diplomat, where he condemned these threats that transgress the values of the Palestinian people, and expressed his hope to visit Jordan after the formation of the Palestinian government for consultation and coordination.

Nonetheless, the relations between the Jordanian government on one side and Hamas and the Palestinian government on the other side alternated between coolness and tension throughout the year 2006. It was even reported that the Jordanian government was actively coordinating with President ‘Abbas to topple Hamas government, and that Sharm el-Sheikh Summit of June 2006 will explore the possibility of providing arms to ‘Abbas’ Presidential Guard.²³ Moreover, on the request of the USA and the initial approval of Israel, ‘Abbas and the government of Jordan were reported to have made preliminary arrangements to transfer Badr Brigade from Jordan to Palestine to support the Presidential Guard. Some analysts viewed this development as a Jordanian support to ‘Abbas in his confrontation with Hamas. However, Israel had apparently hesitated to give its final approval to the project.²⁴

King ‘Abdullah, Mahmud ‘Abbas, and the presidents of the Intelligence Organs of Jordan, the PA, Egypt, Israel and two Gulf states were said to have met in ‘Aqaba in early October 2006 to discuss ways and means to confront the axis of Iran, Syria, Hamas and Hizbullah and to stop the flow of funds to them, as well as to obstruct the negotiations for the formation of a national Palestinian government and to topple Hamas government.²⁵ But Nasir Judah, the spokesman of the Jordanian government, denied these reports that had, however, widely spread through the media.

By the end of 2006, there seems to have been a cautious improvement in the relations between Hamas and the government of Jordan. The chief of the Jordanian

Intelligence had a frank and constructive meeting with leading representatives of Hamas, and Premier Ma'ruf al-Bakhit, officially invited on 25/12/2006, Premier Isma'il Haniyah to visit Amman together with President Mahmud 'Abbas.²⁶ Haniyah declared his acceptance of the invitation,²⁷ but 'Abbas hesitated, and the visit was finally postponed.²⁸

Meanwhile, relations between Israel and Jordan passed through a tense phase because of a prophecy by an Israeli general, Yair Naveh, that the Jordanian political regime will experience serious difficulties and a bleak future. The Jordanian government was so infuriated and angered, even much more that it had been after the Mossad's abortive attempt to assassinate Khalid Mish'al in Amman several years ago, that it stopped receiving Israeli officials during the first half of the year 2006.²⁹

However, the Jordanian-Israeli relations improved during the second half of the year 2006. The Israeli premier, Ehud Olmert, paid a visit to Jordan during which King 'Abdullah II emphasized his country's position towards the peace process in several points. First and foremost, is the resolution of the human tragedy of the Palestinian people. The King made it clear that their denial of basic necessities will provoke extensive anger and rejection, aggravate the crisis and obstruct all attempts to achieve peace and security in the region. Secondly, the King demanded that the international community in general and Israel in particular should strengthen the political and financial capabilities of President Mahmud 'Abbas, as this is essential to secure and maintain Palestinian unity. Intra-fighting and conflicts in Palestine, the King warned, will have adverse effects on the security of Israel and all the countries of the region. Thirdly, the King cautioned that Israeli unilateral actions can never serve the cause of a comprehensive and just peace settlement. Fourthly, Hamas should recognize the Arab Peace Initiative, and, finally, both Israel and the Palestinians should renew their commitment to the Road Map.³⁰

3. The Position of Syria

Syria welcomed the victory of Hamas in the legislative elections, which it viewed as a victory to its own policy towards the Palestinian issue, particularly so as Hamas leaders in the diaspora stay in Syria. President Bashar al-Assad hailed the victory of Hamas as the first step to relax the isolation and pressure on his country. In an address before the conference of Arab parties, conveyed under the slogan of support to Syria and Lebanon, and attended by 300 Arab personalities who

represented more than 110 political parties and 15 Arab states, President al-Assad openly said that “the victory of Hamas in the legislative elections will relax the pressure on Syria.” Conversely, the relations between Syria and the PA under the leadership of Fatah had been increasingly tense during the last few years.³¹

During the Khartoum Summit, President al-Assad asked President ‘Abbas to make use of the position of Hamas and its new government to strengthen the Palestinian negotiating position with Israel, raise the ceiling of the Palestinian demands and help the Palestinian government to deal with the international community. President al-Assad admitted his country’s political support to Hamas because the Palestinians have the right to establish an independent state, restore their land and ask for the full implementation of the decisions of the Security Council. He added, “We encourage Hamas to adhere to the Palestinian political rights that include the rights of the refugees. For we have half a million Palestinian refugees in Syria.”³²

Syria was amongst the first Arab countries that received a delegation of the Hamas government, and Damascus was the first station of the Arab tour of Mahmud al-Zahhar, the Palestinian minister of foreign affairs. During this visit, Syria promised to provide logistic, financial and political support to the Palestinian government, elevate the diplomatic representation between the two countries, and to allow Palestinians who carry passports issued by the PA to enter Syria, and to open telecommunication services between the two countries. During his meeting with the Syrian president and other top officials, al-Zahhar commended the Syrian leadership that have continuously and persistently supported the Palestinian cause.

Musa Abu Marzuq, the deputy president of Hamas’ Political Bureau, who stays in Damascus, declared that the objectives of al-Zahhar’s tour were to explain to the Arab states the developments of the Palestinian issue, and to enlist their support to the Palestinian people and their steadfastness. He added that al-Zahhar had been enthusiastically welcomed and supported in Syria.

In continuation of al-Zahhar’s visit, the minister of interior, Sa’id Siyam, visited Syria on 21/5/2006 to settle some issues related to the PA and the refugees. He declared that Damascus agreed to train Palestinian police officers and the civil cadre of his ministry. He added that his meeting with the Syrian president, his deputy and the minister of interior focused on the Syrian role in the Palestinian issue, specifically to receive the stranded Palestinians along the Iraqi-Jordanian

borders, support the Palestinian government and accept the Palestinian passport.³³ As a gesture of good intention, Syria allowed 400 stranded Palestinians, who had been denied entry to Jordan, to enter the country.

Syria tried to persuade Hamas to accept the Beirut Arab Peace Initiative of 2002 that have been unanimously accepted by all Arab states. The Syrian president emphasized the importance of Palestinian unity, and declared that his country's relationship with both Hamas and Fatah is balanced, and do not favor one side at the expense of the other. Syria criticized the statement of John Bolton, the former American permanent representative to the UN, that described Khalid Mish'al as a "terrorist" and asked Syria to arrest him and hand him to the relevant international authority. It accused Bolton of enmity to the Arabs and Muslims, and of prejudice and unconditional support to the Israeli policies.

Notwithstanding the mounting pressure on Damascus to use its good offices with Hamas to release the Israeli soldier Gilad Shalit, Syria adamantly refused to do so unless and until Israel stops its aggression on GS. The Syrian president had, furthermore, declared his country's full support to the Palestinian people in their struggle against the brutal Israeli aggression.³⁴

Syria had also played a major role to stop the intra-conflicts between Hamas and Fatah, and to bridge the gap between the two organizations on the issue of the national Palestinian government. It performed this intermediary role through the many visits that Palestinian officials and representatives of Fatah and other factions paid to Damascus. One such visit was by the Palestinian former Premier Ahmad Quray', who appealed to Syria to put pressure on Hamas to accept the Arab Peace Initiative as well as some controversial clauses of the joint political program of the national government. The last top Palestinian official received in Damascus in the year 2006 was the Palestinian Premier Isma'il Haniyah, who discussed with President al-Assad the efforts to form a national government, Syria's support to the Palestinian unity and its role in breaking the blockade imposed on the Palestinian people. During this visit, Syria reiterated its support to the efforts to establish an independent Palestinian state with Jerusalem as its capital, secure the return of the Palestinian refugees, end the blockade and consolidate the Palestinian unity. Syria had also agreed to accept the Palestinian passport and to resume human and other traffic with the Palestinian territories. The negotiations also touched on the issue of some of the supporters of the late President 'Arafat imprisoned in Syrian jails.

A significant development in the Syrian position on the Palestinian issue was revealed in an interview that President al-Assad had with a correspondent of the German magazine *Der Spiegel*. Al-Assad had reportedly said that he does not call for the eradication of Israel from the world map, and denied discussing this issue with the Iranian President Mahmoud Ahmadinejad, at any time. He also expressed his country's willingness to conclude peace with Israel, and to normalize relations with the USA without which the crisis in the Middle East cannot at all be resolved, and added that when the force of peace is in full swing everything will change. When his labeling of Israel as the "enemy" was questioned, al-Assad responded by saying that since Israel has been occupying Syrian territories, it is natural that it be considered and called an enemy of Syria. However, al-Assad said that he does not believe in the viability of wars, but accepts the principle of deterrence.³⁵

In another interview with the British Broadcasting Corporation (BBC), the Syrian president said that his country aspires for a peaceful settlement of the Middle Eastern conflict, accepts the other side and is willing to live side by side with Israel. But he doubted that the current Israeli government is strong enough to indulge on such an exercise.³⁶

However, Israel refused the Syrian offer for negotiations under the guise that the time is not opportune, and the Israeli premier accused Syria of supporting "terrorism." Similarly, Syria rejected the invitation that the Israeli deputy premier, Shimon Peres, extended to President Bashar al-Assad to visit Jerusalem, saying that peace cannot be achieved by such unacceptable protocol visits.³⁷

Another important development in the Syrian position in the course of the year 2006 was the country's hint that it may revert to armed resistance to liberate the occupied Golan Heights which are an inseparable part of Syrian territories. In this respect, the official communiqué said that Syria will, if possible, liberate them by peaceful means, otherwise it will revert to other means of which the most prominent is armed resistance.³⁸

Subsequently, the Syrian president reiterated this orientation in an interview with the Spanish newspaper *ABC*. He told the correspondent that resistance is not a government decision per se. For when the people realize that the words on peace are futile and meaningless, they have the right to opt for the defense of themselves. Thus, if the Syrian people decided to go into armed resistance, the government will not deny them the right of having weapons. The president said that he would

have loved to be positive, but he could not be so as no indicators in the region demonstrate that peace is on the horizon.³⁹

4. The Position of Lebanon

Lebanon dealt with the Palestinian issue during the course of the year 2006 through the Palestinian presence in Lebanon, the outcome of the Palestinian legislative elections and the Israeli aggression on Lebanon coupled with the steadfastness of Hizbullah in this war.

On the Palestinian camps in Lebanon, Ambassador Khalil Makkawi, the president of the Lebanese committee in charge of this issue, announced that negotiations with the Palestinians are pursued in different directions, and that they are all satisfactorily progressing, and that Lebanon is in contact with the donor countries to secure the necessary funds to implement some needed services as well as health and infrastructure projects in the camps. On armament in these camps, Ambassador Khalil said that there will be no compromise, as there is a Lebanese popular and official consensus on the issue that there is no excuse at all for the existence of these weapons. But he emphasized that Lebanon will not opt for conflict with the Palestinians on the subject, but depends on their understanding of the urgency of disarmament.⁴⁰

Amongst the developments in the Lebanese position on the Palestinian issue during the year was the consent of the cabinet on 5/1/2006 to establish Palestinian diplomatic representation in Lebanon, but through an office not an embassy. The Lebanese Premier Fu'ad al-Sanyurah also declared Lebanon's approval to reopen the office of the PLO in Lebanon in order to settle all the problems related to the camps. However, the premier insisted that all the arms in the camps should be disciplined and placed under control.

On 15/5/2006, 'Abbas Zaki resumed his duties as the representative of the PLO in Lebanon, submitted his credentials to the minister of foreign affairs, Fawzi Sallukh, and emphasized that he will do all that is needed to facilitate and develop the Palestinian-Lebanese relations in the future. Though no official Lebanese communiqué had been released on the issue of the victory of Hamas in the Palestinian legislative elections, the incident was duly attended to by the government and popularly welcomed by the masses. Al-Sanyurah congratulated Khalid Mish'al over the phone saying that this development reflects the vitality of

the Palestinian people, and will have a major impact in consolidating the democratic system in the territories under the PA, hoping that it will be an advanced step towards the support of the Palestinian rights. On his part, Fawzi Sallukh called the international community to respect the options of the Palestinian people that had been reflected in the outcome of the legislative elections, and support the formation of a national Palestinian government, representing all sectors of the community, to be under the service of the peoples. Salim al-Huss said that the Palestinian people had said their word, and the world should respect their decision and will.

In a telephone call, Muhammad Husain Fadlullah congratulated Khalid Mish'al for the victory of Hamas in the elections, and commended Mish'al own reformative initiatives and success in organizing the resistance against the Israelis. Fadlullah urged the Palestinians to engage themselves in a constructive dialogue and never allow internal unrest and conflicts, and appealed to Arab and Islamic countries to support the Palestinian people. Similarly, and in another telephone call, the secretary-general of Hizbullah congratulated Mish'al for the resounding victory, and hoped future success to Mish'al and the leadership of Hamas. The secretary-general of the Lebanese Communist Party, Khalid Hedadeh, also congratulated Mish'al for the victory, and for his able and responsible leadership of Hamas, hoping that serious steps be taken to unite the various Palestinian factions to extract the Palestinian rights, particularly the establishment of an independent Palestinian state with Jerusalem as its capital, and the recognition of the refugees' right to return to their own land. Hizbullah told the world in general, and the western powers in particular, that they have no option except to accept and orient themselves with the victory of Hamas, and to be ready and open minded for other successes by the Islamic resistance movement that is flourishing rapidly in the entire Middle East.⁴¹

Meanwhile, the conference of Lebanese dialogue reached to an understanding or a mechanism to compile the arms and armaments outside the camps on the basis of effective dialogue between the Lebanese government and the Palestinian factions. The conferees agreed on 6/3/2006 to continue the dialogue for a six months grace period after which would start the collection of arms outside the camps and their control within the camps. This mission will be undertaken by the joint effort of the government and a special committee formed by the conference, in which each party would be represented by two of its top leaders, whose responsibility would be to contact the Palestinian factions and to submit to the government a

monthly report on its activities. The conferees also agreed to give the Palestinian rights due attention, and to review Lebanese laws to create more jobs for the Palestinians. The Lebanese premier emphasized the importance of collecting the arms through dialogue and not by confronting the Palestinian factions by force, hoping that they will willingly accept the decision of the cabinet and cooperate in its implementation. The premier also urged for a rapid move by the Arab states to put pressure on the international community, represented by the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA), to improve the quality of the health, educational and other services that they offer to the Palestinians in the camps, and never to compromise on this humanitarian mission or reduce its budget.⁴²

On 26/3/2006, Ambassador Khalil Makkawi, the advisor of the Lebanese premier for the affairs of the camps and the chairman of the committee of the Lebanese-Palestinian dialogue, reported that his government studied the difficulties and predicaments in the camps, and started to implement a comprehensive plan to diffuse the tension within them, and to improve the living conditions of the Palestinians living in them. According to Ambassador Makkawi, this plan has two distinct phases: First, which had already started, to ask the ministers of service to visit the camps and see by themselves the conditions there. Secondly, to call for an international conference for all the Palestinian donor countries, western powers and some Arab countries to formulate and fund a plan to develop the Palestinian camps in Lebanon, which is expected to cost millions of dollars. The ambassador added that the Lebanese government is currently engaged in taking the necessary measures to allow the Palestinians in the camps to occupy posts and practice professions in Lebanon that they were not allowed to do before, such as engineering, medicine and law... etc.⁴³

The Lebanese Premier Fu'ad al-Sanyurah emphasized that his government distinguishes between the political aspects and the fundamental socio-humanitarian needs of the Palestinians residing in Lebanon. It did its best within its means to extend help to them, and will continue to look after their welfare as dear brothers and temporary guests until they return to their homes. He emphasized that the ministers' working tour to the camps will not be the only one, and that the government will do what it can to urge international organizations to undertake their duties and commitments towards the Palestinian refugees.

The chairman of the committee of the Lebanese-Palestinian dialogue, Khalil Makkawi, declared that the next step will be to study the cases of a number of Palestinians in the camps accused of committing violations against the law, but claim to be innocent, in order to determine their final legal status. He added, "After the last ministerial visit to the camps, we are in the process of undertaking a visit to the camp of 'Ain al- Hilweh..., and we will fulfill our promise that this will not be the last visit but the first one."⁴⁴

Hizbullah suggested that the issue of the Palestinians in Lebanon be addressed on the basis of four main principles:

- a. The issue has humanitarian, political and security dimensions, and it is unbecoming to deal with it from a security point of view only.
- b. The necessity of formulating the required fundamentals and basis to organize the Lebanese-Palestinian relations.
- c. The necessity of organizing the Palestinian presence in Lebanon.
- d. The only correct and useful manner for dealing with this issue is through a serious and constructive Lebanese-Palestinian dialogue.

As for the elements of resolving this issue, the party fixed them in the following:

- a. The realization of a national and comprehensive Lebanese-Palestinian dialogue that adheres to the right of return and refuses the settlement.
- b. To give the Palestinians their human and social rights and to provide for them the suitable humanitarian environment.
- c. To end the presence of arms outside the camps.
- d. To organize and supervise the arms inside the camps.

It is interesting to note that Hizbullah's vision on the subject was identical with that concluded by the conference of the Lebanese national dialogue.⁴⁵

The Palestinians in Lebanon are unanimous in their rejection of naturalization and the settlement, insist on their humanitarian and social rights, and demand that the Lebanese government guarantees their absolute safety before it takes any measures to organize and compile their weapons, particularly in the camps where they had previously been subjected to many massacres. Thus, they advocate that their issue should be addressed from a political and not a security point of view.

However, the issue of the compilation of Palestinian arms had been sidelined during the second half of the year 2006 because of the Lebanese and the world engagement in the Israeli aggression on Lebanon, and in the domestic Lebanese crisis.

Fourth: The Position of the Kingdom of Saudi Arabia

The Kingdom of Saudi Arabia is one of the effective and politically important countries in the Arab world, as well as one of the few countries that affects and be affected by the Palestinian issue without being among the confrontational countries with Israel. Hence is the importance of surveying its relationship and interaction with the Palestinians issue.

Saudi Arabia considered the worldwide anxiety on the victory of Hamas to be unjustified, and its ambassador in the USA, Turki al-Faysal, said the following in this respect, “The victory of Hamas should not provoke worry in any Arab or other capital as long as the international community adheres to its commitments to resolve the Israeli-Palestinian conflict on the basis of two countries living side by side.” The minister of foreign affairs, Sa‘ud al-Faysal warned against the “catastrophic consequences” of stopping the aid to the PA. He added that Hamas was a movement, but now is a government that will behave responsibly as a government. What the international community should be looking for is what will this government do, and not to pass judgment on Hamas based on the language that it had then used as a movement.⁴⁶

The Saudi government refused to stop its financial aid to the PA after the victory of Hamas. The Saudi minister of foreign affairs openly declared that his country will continue its aid to the PA even if Hamas controls the government, and added that his country will encourage Hamas to accept the principle of two states, a Palestinian and an Israeli one. Saudi Arabia invited Khalid Mish‘al to visit the country well before the Khartoum Summit, and it assured Hamas that it will continue to support the Palestinian people and their leadership politically and financially. On its part, Hamas delegation declared its commitment to the truce in spite of the Israeli repeated attacks, and that it will not oppose the Arab line of policy.

Mahmud al-Zahhar had also visited the Kingdom, where he was assured that Saudi Arabia will pay its due share of aid to the PA as decided by the Arab League, totaling \$92.4 million for the period that extends from mid October 2005 to mid October 2006.

During his joint summit with Husni Mubarak, the Egyptian president, in Sharm el-Sheikh, the Saudi King ‘Abdullah affirmed the necessity of respecting the options of the Palestinian people, and the two leaders urged Hamas to recognize the Arab Peace Initiative that the Beirut Summit had endorsed in 2002, and which implicitly recognize Israel.

Meanwhile, Saudi Arabia renewed its Initiative, which the Arab kings and presidents had endorsed in their Beirut Summit of 2002, for a peaceful settlement in the region, arguing that its is the appropriate and only means to achieve this goal. The Saudi foreign minister called upon the Palestinians to unify their political stand towards Israel, and to specify their position towards the Arab Initiative by saying, “I hope for clarity of vision within this context, as the international community is unanimously determined to resume the peace process, and there is a likelihood of speaking to the peoples seriously and responsibly on this issue.”⁴⁷

Sa‘ud al-Faysal explained his country’s position on the issue of the peaceful settlement. He called for the revival of the peace process, which requires serious cooperation to achieve within a reasonable period the two-states solution, particularly as the latest events had confirmed the impossibility of maintaining the security and interests of all the parties concerned through military actions. We need to draw lessons from the previous abortive negotiations that had failed because of their concentration on procedures and temporary security arrangements that had given the “enemies of peace” the opportunity to abrogate the entire process. No doubt, the minister added, the key solution to all the crises of the region lies in the revival of the peace process to resolve the Palestinian-Israeli conflict that adversely affects all efforts to reach to effective settlements of the other crises. He emphasized that the Israeli occupation of Palestine represents a flagrant defiance of the international law, a clear violation of the principle that prohibits the seizure of other peoples land by force, and a shameful and recklessness disregard of the decisions of the international community. Al-Faysal stressed that the situation in the Middle East had reached such a dangerous turn that cannot tolerate further delays, procrastination and failure. The international community in general and

the major powers in particular should bear their responsibilities, and immediately implement a just and permanent peaceful settlement along the internationally accepted two-states principle that is compatible with the Arab Peace Initiative that the Arab states had unanimously endorsed in the Beirut Summit. What is urgently needed, the minister concluded, is to accompany this vision with a clear program of action in a specific time frame.⁴⁸

By the end of the year, the Saudi King described the gravity of the situation in the Arab region as a reservoir of gunpowder awaiting a spark to explode, and drew attention to the dangerous situation in Lebanon, Iraq and Palestine. The King viewed the Palestinian issue as the central concern of the Arab Nation and warned against internal Palestinian dissension. He concluded, "Our primary preoccupation is dear Palestine that still suffers from a repugnant, shameless and defiant occupation, an impotent international community that is just watching the bloody tragedy, and, most dangerously, a conflict between the brothers."⁴⁹

Fifth: Developments in the Area of Normalization with Israel

The year 2006 witnessed important developments in the area of normalization between the Arab countries and Israel. The latter achieved some breakthroughs in official economic normalization with Arab states, but not at the peoples' level, that concentrated on the increase of the volume of trade between the two sides and exchange of official visits. The USA played a major role in this development, as it exercised tremendous pressure on the Arab countries to establish these relationships.

By the beginning of the year, Bahrain concluded a free trade agreement with the USA, which effectively led to the end of Bahrain's boycott of Israeli commodities. Bahrain was the first Gulf state in the GCC to do so, and the third among the Arab states, after Jordan and Morocco.

Against a wave of popular protest, Yacov Hadas Handelsman, deputy director general for Middle East and the Peace Process in the Israeli Ministry of Foreign Affairs, visited on 13/3/2006 Mauritania, the third Arab state that recognized Israel. He discussed enhancing the relation and cooperation between the two countries. The Mauritanian political elite and popular forces rejected the declarations of their

minister of foreign affairs, Ahmad Wild Sayyid Ahmad, in which he said that his presence in the transitional government is an evidence of the strong relations of his country with Israel. The prominent politician, Muhammad Jamil Mansur, dismissed these claims by saying, “The minister had repeated the weak and meaningless pretexts for establishing relations with the Zionist entity. The man seems to have viewed this development as such a personal matter that made his participation in the government an evidence of the maintenance of this relationship.” He added, “I never assumed that this role would be a source of pride, rather it should be a reason for shame, sorrow, disgust and nausea.” *Al-Sawab* (literally “The Correct”) Party, an important political group in the country, condemned the visit of the Israeli official, and asked the government to terminate relations with Israel which is, in his words, “the murderous predatory entity.”⁵⁰

The percentage of the companies that participated in the Qualified Industrial Zone Agreement (QIZ Agreement) between Egypt and Israel in the province of Alexandria rose by the end of May 2006 to 25.7% of the total Egyptian companies. A report by the Ministry of Commerce and Industry indicated an increase in Israeli-Egyptian cooperation under the umbrella of QIZ Agreement, through including food production companies. The total number of the Egyptian participant companies in this agreement totaled 606, and the number of Israeli exporters multiplied to reach 257, while Israeli exports to Egypt increased by 148.5% during the first quarter of the year 2006.⁵¹

Nonetheless, under intensive popular pressure, the Egyptian minister of tourism, Zuheir Jaranah, suspended all negotiations between his ministry and its Israeli counterparts that aimed at the promotion of joint tourism because of the Israeli aggression on Lebanon in the summer of 2006. Egypt also suspended the negotiations with Israel on the implementation of the second phase of QIZ Agreement that was scheduled to allow the export of other Egyptian commodities, besides textiles, to the American market. This step was taken within the context of what had been named penalty measures undertaken by the Egyptian government against Israel to compel it to stop its aggression on Lebanon, and to accept settling the crisis of the two Israeli soldiers captured by Hizbullah. However, Egypt continued to sell natural gas to Israel, which volume reached to a two billion cubic meters sold at low prices. Israel declared that it plans to progressively increase its consumption of gas until it reaches six billion cubic meters by 2020.⁵²

On the invitation of the Israeli International Institute of the Histadrut, 18 Jordanians paid a 20 day visit to Israel. They were mostly university teachers in the private sector and representatives of the Lawyers' Trade Union, the Royal Scientific Society, the Broadcasting and Television Corporation, cooperate organizations, proprietors and publishers of weekly magazines, NGOs and poets. The visit synchronized with the annual celebration of the usurpation of Palestine and the establishment of Israel. The program included items on normalization with Israel, visits to government institutions in occupied Jerusalem and to the Knesset as well as an explanation of the "Jewish holocaust," visits to the grave of Yitzhak Rabin and to the Supreme Court in Jerusalem, and meetings with university lecturers and administrators.⁵³

The Second World Congress for Middle Eastern Studies (WOCMES-2), organized by the Royal Institute for Inter-Faith Studies (RIIFS) in Amman during 11-16/6/2006, was attended by more than 1,500 participants from different parts of the world, notably from Israel, Iran and Jordan. The conferees were lectured by some American military and civil personalities from the War College of the American Army, and on topics like tolerance, Islamic threats, war on terrorism and comparative religion. The participants included representatives of some Arab countries that do not recognize Israel, like Kuwait and Saudi Arabia, while some British academic institutions boycotted the conference in protest of the participation of Israeli academicians.

Year 2006 witnessed more talks about executing the project of the channel between the Red Sea and the Dead Sea "Two Seas Canal." At the end of this year, normalization meetings were held in the Dead Sea among Jordanians, Israelis, Palestinians and foreign countries in order to discuss the project of the channel. The concerned parties agreed upon launching a \$15 million feasibility study, funded by the World Bank.

Meanwhile, the Jordanian Committee for Resisting Normalization with Israel declared that it will publish a list of the personalities and companies responsible for the export and circulation of Israeli goods in the Jordanian markets. According to the chairman of this committee, Badi al-Rafay'ah, a study on normalization had been conducted, and the names will be published in response to pressures and contacts from various quarters, e.g., citizens and trade unions, who wanted to know the names of these commodities and their exporters so that they can boycott them. Moreover,

the chairman of the Union of Agricultural Engineers, ‘Abd al-Hadi al-Falahat, called upon preventing Israel from infiltrating the Arab societies, and the committee issued a declaration that called upon the Jordanians to identify the origin of all the goods in the Jordanian market before they purchase them.⁵⁴

Some Jordanian activists called for a national conference to confront the growing normalization with Israel, and the Israeli infiltrations in the country. Meanwhile, Gulf investors protested against the activities of a group of Jordanian businessmen who passed Israeli goods to the Gulf markets, like Saudi Arabia, under the guise of being Jordanian or exported by Jordanian traders from Europe.⁵⁵

Another aspect of normalization was the participation of an Israeli parliamentary delegation, which included two Knesset members, Majalli Whbee and Amira Dotan, of the ruling Kadima Party, in a meeting with Arab parliamentarians from Jordan, Egypt, Morocco, Algeria and Tunis as well as Fatah members of the PLC.⁵⁶

Furthermore, the Jordanian King ‘Abdullah and Shimon Peres agreed on the urgency of implementing three joint projects, in addition to an international airport in ‘Aqaba that serves both countries. In return Israel should close down its airport in Eilat, construct a canal that connects the Red Sea with the Dead Sea, and be engaged in a joint project to excavate copper on the Jordanian side of the frontiers. Peres brought with him to his meeting with the King several studies and working papers prepared by Israeli experts and the relevant ministries.⁵⁷

The director of the Israeli Ministry of Industry, Trade and Labor, Gabriel Maimon, signed with his Jordanian counterpart an agreement to supervise the adherence to the conditions of the QIZ Agreement.

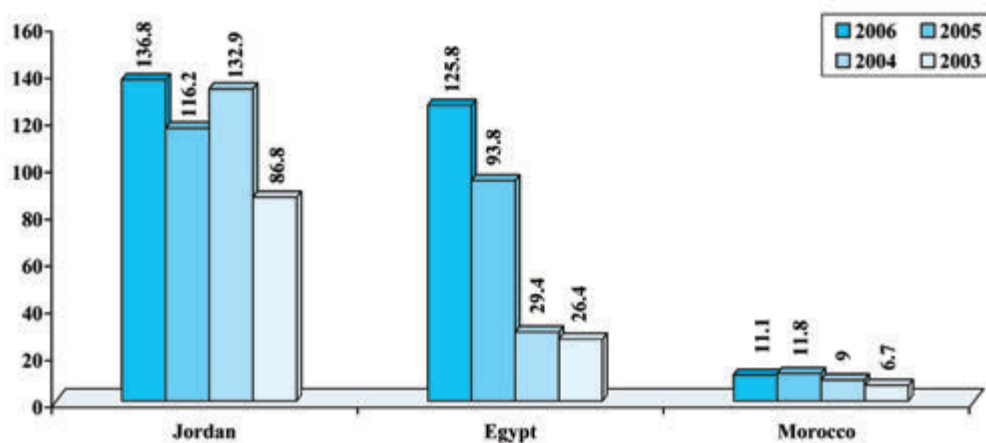
The major Israeli exports to Egypt were textiles, clothes and chemicals. The number of the Israeli exporters working in Egypt in the year 2006 totaled 257 and in Jordan 1,325 while those in Iraq were 27. The latter have been engaged in the export of primary food stuff, especially to the American forces.⁵⁸

Official Israeli statistics for the year 2006 indicate that Jordan was the largest Arab importing country of Israeli goods, to the value of \$136.8 million compared to \$116.2 million in 2005. Next was Egypt whose imports from Israel totaled \$125.8 million in 2006 compared to \$93.8 million in 2005, while it exported to Israel in 2006 commodities of the value of \$77.1 million compared to \$49.1 million in 2005. As for Jordan, its exports to Israel in 2006 valued \$38.3 million compared to \$60.9 million in 2005 (see table 1/4).

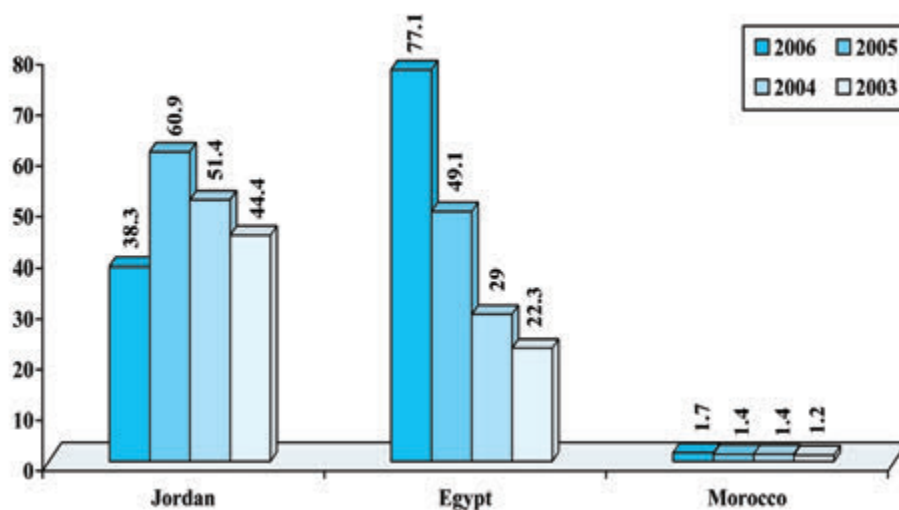
Table 1/4: Israeli Exports and Imports with Some Arab Countries
2003-2006 (\$ million)⁵⁹

Countries	Israeli exports to:				Israeli imports from:			
	2006	2005	2004	2003	2006	2005	2004	2003
Jordan	136.8	116.2	132.9	86.8	38.3	60.9	51.4	44.4
Egypt	125.8	93.8	29.4	26.4	77.1	49.1	29	22.3
Morocco	11.1	11.8	9	6.7	1.7	1.4	1.4	1.2

Israeli Exports to Some Arab Countries 2003-2006 (\$ million)



Israeli Imports from Some Arab Countries 2003-2006 (\$ million)



An Emirates delegation participated in the World Diamond Congress that was held in Tel Aviv on 26/6/2006. The diamond stock market of Dubai has become a chief competitor of its Israeli counterpart, whose headquarters is in Ramat Gan colony that is established in the middle of the Palestinian coastal plain. Israel did not object to the amalgamation of Dubai diamond stock market in the World Federation of Diamond Bourses (WFDB).⁶⁰

Meanwhile, an Israeli delegation, presided by a former Israeli ambassador and an expert in the affairs of the Horn of Africa, visited the Somali capital Mogadishu under the guise of fighting “terrorism.” The president of the Somali Union of Islamic Courts (UIC), al-Sheikh Sharif, protested against the visit of this delegation and the meetings and contacts that it had with several Somali officials. He also warned against the establishment of Israeli projects in Somalia.⁶¹

On 6/4/2006, the council of the North Atlantic Treaty Organization (NATO) and the political executives of its members held a unique meeting in the Moroccan capital Rabat to examine the existing cooperation within the Mediterranean Dialogue, and to explore its future prospects. The participants in this meeting were 26 representatives of NATO Council and seven representatives of the states of the Mediterranean Dialogue, who came from Mauritania, Morocco, Algeria, Tunis, Egypt, Jordan and Israel. They discussed the management of the crises in the region, means of reinforcement of the military forces of both sides and future joint projects.⁶²

According to some analysts, the USA and western powers strive to establish a joint security vision and system that guarantees the collective security and interests of the Mediterranean states in the Southern Bank, which would ultimately lead to the establishment of relations between Israel and the Arab countries. Thus, the normalization of the military relations between Israel and the Arab countries that Oslo Accords has failed to achieve could now materialize by this different, intelligent and less provocative NATO move and arrangements.⁶³

During the period 8-13/9/2006, Israel and six Arab countries (Jordan, Egypt, Algeria, Morocco, Mauritania and Tunis), as well as some NATO supervisors, undertook joint military training in the Greek Island Crete.⁶⁴

Moreover, five thousand Jews visited during the period 15-16/5/2006 the temple of *al-Ghureibah* in the Tunisian Island Djerba, where they organized a religious festival, and had the opportunity of meeting the Tunisian minister of tourism.⁶⁵

A delegation of three Israelis attended the Fourth Doha Conference on Religions Dialogue, held on 25/4/2006. The participants were 131 of whom 38 were Christians, 14 Jews and 79 Muslims.⁶⁶

Nonetheless, by and large, the Arab masses oppose normalization with Israel, and insist on the termination of relations with it, and to fully support the Palestinians. For example, the National Arab Conference, held in Casablanca during the period 5-8/5/2006, issued a declaration that urged the Palestinian resistance factions to be alerted to the numerous conspiracies that intrigue to drag them into the trap of internal fighting, and reminded them that “the Palestinian blood is forbidden and sacred.” In its final communiqué, the conference condemned the attempts of the American administration and its European allies to isolate the new Palestinian government, and to starve the Palestinian people just because of their democratic option. The communiqué demanded that the Arab and Muslim states honor their financial commitments towards the Palestinian people, even increase them as the prices of oil has been booming.⁶⁷

Most Arab countries witnessed massive demonstrations organized by the political parties, trade unions and professionals to protest against the Israeli aggression against the Lebanese and Palestinian people, and to collect donations to them.

An opinion poll in Egypt indicated that the Egyptians consider Israel, Denmark and the USA to be the most antagonistic states to Egypt. Notwithstanding the peace treaty between the two parties, the opinion poll showed that 92% of the Egyptians consider Israel as an enemy, while not more than 2% of them view it as a friendly state.⁶⁸

The secretary-general of Arab Parties Conference condemned the stand and the conspicuous silence of some Arab states towards the Israeli aggression on Lebanon, and called upon Arab governments to activate Arab solidarity in order to abort the dubious imperialist plans to partition the region and control the resources and wealth of the Arab Nation. Furthermore, it asked the Arab governments to resume the boycott of Americans goods, resist normalization with Israel, and strive to lift the Israeli blockade on the Lebanese and Palestinian people.⁶⁹

Conclusion

The Palestinian issue is still one of the primary concerns of the Arabs. Hence, the Arab states have demanded its resolution through an Israeli withdrawal from all the Palestinian territories occupied in 1967, and the establishment of a Palestinian state. They also emphasized on the Arab Peace Initiative that had been rejected by Israel. No doubt, the Arab confrontational states know more than the others that no security and stability will prevail in the region without the settlement of the Palestinian issue. Hence, is the official Arab interest in the establishment of a Palestinian state because this will serve their purpose and achieve stability in their own territories. The crucial victory of Hamas and its repercussions, as well as Hamas' new political discourse that insists on the fundamentals of the Palestinian issue, has delayed some of the American-Israeli imperialist plans in the region. The year 2006 came to its end without progress towards a settlement in the region because of the Israeli procrastination in withdrawal from the Palestinian and Arab occupied lands.

The Arab countries did not succeed in uplifting the tight blockade imposed on the Palestinian people. In fact, they did not exert serious effort to break it, and some of them have dealt with the government of Hamas cautiously, at times antagonistically. The Arab weakness and disintegration adversely reflects on the Palestinian situation, and provide a broader margin for Israel to impose its programs and visions. Although some Arab states have admittedly continued their political and economic ties with Israel, but the overwhelming majority of the Arab masses still reject and fight normalization. Though the bleeding wound in Iraq has caused further Arab disarray, the strong Iraqi resistance and the quagmire in which the Americans are trapped in Iraq has strengthened the hope of the Palestinian people that the American hegemony and plans in the region, which serve the Israeli project, will eventually be weakened and aborted.

Endnotes

- ¹ See the Arabic site of the British Broadcasting Corporation (BBC), 27/1/2006, http://news.bbc.co.uk/hi/arabic/middle_east_news/newsid_4649000/4649168.stm
- ² Site of Aljazeera.net, 27/1/2006, <http://www.aljazeera.net/news/archive/archive?ArchiveId=309388>
- ³ *Al-Quds al-Arabi*, 16/11/2006.
- ⁴ *Addustour*, 11/3/2006.
- ⁵ *Al-Quds al-Arabi*, 26/4/2006.
- ⁶ Aljazeera.net, 27/1/2006, <http://www.aljazeera.net/news/archive/archive?ArchiveId=309388>
- ⁷ Ibid.
- ⁸ *Albayan*, 26/3/2006.
- ⁹ *Al-Hayat*, 30/3/2006.
- ¹⁰ See Arab Summit Declaration, 18th session, Khartoum, 28-29/3/2006, League of Arab States, official documents, http://www.arableagueonline.org/las/arabic/details_ar.jsp?art_id=4173&level_id=202
- ¹¹ See *Okaz*, 30/3/2006.
- ¹² *Alquds*, 19/7/2006.
- ¹³ *Alittihad*, 27/7/2006.
- ¹⁴ *Al-Quds al-Arabi*, 2/10/2006.
- ¹⁵ *Okaz*, 29/10/2006.
- ¹⁶ *Al-Khaleej*, 3/5/2006.
- ¹⁷ PIC, 30/5/2006.
- ¹⁸ *Assafir*, 13/7/2006.
- ¹⁹ *Asharq Alawsat*, 4/8/2006.
- ²⁰ *Al-Hayat*, 2/2/2006.
- ²¹ *Al-Quds al-Arabi*, 16/3/2006.
- ²² *Al-Quds al-Arabi*, 27/4/2006.
- ²³ *Asharq Alawsat*, 18/6/2006.
- ²⁴ See Arabs 48, 1/11/2006; and *al-Khaleej*, 11, 17/11/2006.
- ²⁵ *Al-Akhbar* newspaper, Beirut, 3/10/2006.
- ²⁶ *Albayan*, 26/12/2006.
- ²⁷ *Asharq Alawsat*, 27/12/2006.
- ²⁸ *Assabeel* newspaper, Amman, 26/12/2006.
- ²⁹ *Al-Khaleej*, 22/3/2006.
- ³⁰ Quoted from *Yedioth Ahronoth*, 7/6/2006.
- ³¹ *Al-Hayat*, 5/3/2006.
- ³² *Al-Sharq* newspaper, Qatar, 30/3/2006.
- ³³ *Al-Hayat*, 24/5/2006.
- ³⁴ *Assafir*, 4/7/2006.
- ³⁵ *Al-Hayat*, 25/9/2006.
- ³⁶ See the Arabic site of BBC, 9/10/2006, http://news.bbc.co.uk/hi/arabic/middle_east_news/newsid_6034000/6034403.stm
- ³⁷ *Al-Khaleej*, 13/10/2006.
- ³⁸ *Albalad*, 6/11/2006.
- ³⁹ *Albayan*, 24/11/2006, quoted from the Spanish newspaper *ABC*.
- ⁴⁰ *Assafir*, 3/1/2006.
- ⁴¹ *Almustaqbal* newspaper, Beirut, 30/1/2006.
- ⁴² *Al-Hayat*, 6/3/2006.
- ⁴³ *Albayan*, 27/3/2006.

- ⁴⁴ *Annahar*, 1/4/2006.
- ⁴⁵ *Asharq Alawsat*, 16/4/2006.
- ⁴⁶ *Al-Hayat*, 1/2/2006.
- ⁴⁷ *Al-Hayat*, 23/9/2006.
- ⁴⁸ *Asharq Alawsat*, 24/9/2006.
- ⁴⁹ *Al-Hayat*, 10/12/2006.
- ⁵⁰ *Al-Khaleej*, 19/3/2006.
- ⁵¹ See <http://www.zionism-israel.com/log/archives/00000256.html>
- ⁵² *Asharq Alawsat*, 23/12/2006.
- ⁵³ *Assabeel*, 18/4/2006.
- ⁵⁴ *Al-Khaleej*, 22/10/2006.
- ⁵⁵ Quds Press, 30/10/2006.
- ⁵⁶ *Al-Akhbar*, 5/12/2006.
- ⁵⁷ *Arabs* 48, 21/6/2006.
- ⁵⁸ Quds Press, 12/12/2006.
- ⁵⁹ Helen Brusilovsky, *Israel's Foreign Trade by Countries - 2006*, 17/1/2007.
- ⁶⁰ Quds Press, 26/6/2006.
- ⁶¹ *Al-Khaleej*, 22/3/2006.
- ⁶² *Assafir*, 6/4/2006.
- ⁶³ Quds Press, 10/5/2006.
- ⁶⁴ *Assafir*, 5/9/2006.
- ⁶⁵ See *Addustour*, 12/5/2006; and *al-Quds al-Arabi*, 16/5/2006.
- ⁶⁶ *Al-Hayat*, 27/4/2006.
- ⁶⁷ *Al-Khaleej*, 12/5/2006.
- ⁶⁸ *Assafir*, 2/11/2006.
- ⁶⁹ *Al-Khaleej*, 8/9/2006.

Chapter Five

The Palestinian Issue and the Muslim World

The Palestinian Issue and the Muslim World

Introduction

With its distinguished Islamic status and sanctity, Palestine plays a major role in arousing the emotions of the Muslims and in determining their attitudes towards various issues. Hence, the countries of the Muslim world constitute an important source of support to the Palestinians and their struggle against Israeli aggression and occupation. However, the degree of response to the Palestinian issue varies from one Muslim country to another because of several factors of which the most prominent are the following:

1. The different ideologies, be it Islamic, secular or national, that are patronized by the ruling regimes.
2. The relative human, economic and political strength of a ruling regime, and the degree of its regional and international impact.
3. The nature of the relations, loyalties and alliances concluded by these regimes, and the degree of their independence or association with the major powers, particularly the USA.
4. The geo-strategic factor, i.e., the geographic and strategic locations and their roles in determining the responses of various countries to the Palestinian issue.
5. The interest and priorities that govern the position of the ruling regimes towards the Palestinian issue.
6. The ability of the organizations and the popular and Islamic parties in generating interest in the Palestinian issue, and to rally popular support behind it.

This chapter surveys the Islamic dimension of the Palestinian issue, with special emphasis on the Organization of the Islamic Conference (OIC), and three of the major Muslim states, namely, Turkey, Iran and Pakistan.

First: The Organization of the Islamic Conference (OIC)

Like in previous years, the record of the OIC in 2006 is full with bombastic declarations and statements, but void of concrete actions and achievements. However, the new secretary-general of the OIC, Ekmeleddin Ihsanoglu, tries to activate the organization and to make it more dynamic within his limited authority and the limitation of the OIC itself. In particular, the political, economic and social differences between the organization's 57 member-states restrict the chance of having common strategies, and, in many cases, make them void of content.

The OIC sent a delegation to participate in the monitoring of the Palestinian legislative elections, and its General Secretariat issued a day after the elections a declaration in which it congratulated the Palestinian people for their democratic achievement.¹ Following the victory of Hamas, the secretary-general of the OIC issued another declaration that congratulated the Palestinian people and the leadership of the PA for the success of the election exercise, but urged Hamas to be realistic and pragmatic in order to maintain the rights and achievements of the Palestinian people. The declaration had, moreover, called upon the international community to refrain from prior judgments, respects the outcome of the elections that reflects the democratic option of the Palestinian people, and continue its support to the peace process to enable the Palestinian people to liberate themselves from occupation, and to establish, on the basis of the resolutions of the UN, their independent state with Jerusalem as its capital.²

Neither in this nor in subsequent declarations did the OIC congratulate Hamas for its victory, but it kept urging the organization to form a government of national unity, and to be pragmatic in dealing with the realities of the situation. The secretary-general of the OIC reiterated this position on 14/3/2006 to a Hamas delegation, led by Khalid Mish'al, that discussed with him the developments of the Palestinian issue, particularly after the legislative elections.³

However, after the formation of the new Palestinian government, the OIC congratulated in person Premier Isma'il Haniyah and his Foreign Minister Mahmud al-Zahhar.⁴ The overwhelming international pressure and opposition to Hamas and the progressive weakness and disintegration in the Arab-Muslim world was behind this reserved attitude towards Hamas and its government, which had, anyhow, reflected the position of the majority member-states of the organization.

The OIC stated that it “looks forward to cooperate with the Palestinian government in a manner that consolidate the role of the organization to serve the Palestinian just cause.”⁵ This basic difference in outlook was further demonstrated when the secretary-general received in the organization’s headquarters in Jeddah on 19/4/2006 the Palestinian Foreign Minister Mahmud al-Zahhar who was in his first Arab tour. While Ihsanoglu dismissed the explosion of a restaurant in Tel Aviv on 17/4/2006 as a “terrorist act,” al-Zahhar described the operation “a legitimate right of the Palestinians,” and a source of “pride to any person struggling to liberate his land.”⁶

After the meeting, Ihsanoglu renewed the OIC demand of respect to the democratic option of the Palestinian people, who should not be punished for exercising this right. He urged the international community to open a channel of dialogue with the new Palestinian government, and undertook that his organization will strive to end its isolation.⁷

The OIC had repeatedly expressed, in its declarations and activities, support to the Palestinian people and condemnation of Israeli violations. It also asked the international community for the end of the Palestinian sufferings, and threw more than once the idea of sending an international force to the occupied Palestinian territories.

The Palestinian issue was on the agenda of all the OIC meetings, even the organizational ones, and those of its various institutions, and the secretary-general had highlighted it in most of his official and social functions. Though mere declarations and condemnations do not change the realities on the ground, they had in this case at least reflected the keenness of the organization to permanently interact with the issue. It is worth noting that the secretary-general kept issuing declarations of this kind on different occasions, such as during the memorials of *al-Israa’ wa al-Mi’raj* (the night of Prophet Muhammad’s ascension to the seven heavens), the Jewish arson of *al-Aqsa* Mosque, and the Land Day, and on the occasions of the closure of the embassies of El Salvador and Venezuela in Jerusalem. Such declarations were also issued on the release of some kidnapped journalists, and on the blockade imposed on the Palestinian people and the general misery that it generated...⁸

During the summer of 2006, Israel launched a major military operation in GS in retaliation for the kidnapping of the Israeli soldier Gilad Shalit, and under

the pretext of Hizbullah's arrest of two Israeli soldiers, it waged a full-scale war against Lebanon. In collaboration with the Islamic Development Bank (IDB) and the Islamic Chamber of Commerce and Industry (ICCI), the OIC organized on 25/7/2006 a humanitarian campaign to support the Palestinian and Lebanese people.⁹ It also held on 1/8/2006 an emergency meeting of all the humanitarian and philanthropic relief institutions working in Istanbul to develop a mechanism for collecting and distributing donations to the two people. For this very same purpose, the OIC also held on 3/8/2006 a Special Meeting of the Extended Executive Committee in Malaysia, and contacted international and European officials.

These contacts between the secretary-general and international officials formed a prominent aspect of the OIC activities during the year 2006. Through them, Ihsanoglu tried to discuss the Palestinian issue, and to emphasize the organization's support for the fundamental rights of the Palestinians, and its demand not to discontinue aid to them. Amongst those important meetings was the one that took place between Secretary Ihsanoglu and Javier Solana, EU high representative for the Common Foreign and Security Policy (CFSP), on the occasion of the latter's visit to the OIC headquarters on 13/2/2006. Others were with Jack Straw, the British foreign secretary, and Terje Roed-Larsen, the representative of the secretary-general of the UN, on 8/3/2006 and 19/3/2006 respectively. Moreover, on the invitation of the Russian government, Secretary Ihsanoglu visited Moscow on 7-8/6/2006. While participating in the UN General Assembly 61st Session in New York, Secretary Ihsanoglu had meetings with Solana, Nicholas Burns, the American under secretary of state for political affairs, on 22/9/2006, and, three days later, with Kofi Annan, the secretary-general of the UN.¹⁰

The OIC contributed in the endorsement by the Human Rights Council (HRC) of a resolution presented by the Arab and Islamic blocks on the violations by Israel of human rights in the occupied lands.¹¹ The OIC-UN Coordination Meeting held in Rabat on 11-13/7/2006, succeeded in formulating a Memorandum of Understanding (MOU) between the two organizations on human rights,¹² and the UN had patronized on 4/12/2006 a resolution that consolidated the international role of the OIC.

On the economic and cultural fields, the OIC had initial contacts with the IDB and the PA to take preliminary measures to implement the special resolution to establish *al-Aqsa* University in Jerusalem, which was part of the 10 year program

approved by the Third Extraordinary Session of the Islamic Summit Conference, held in Mecca in December 2005. The Coordination Meeting of the OIC Subsidiary Organs and Institutions on 5/3/2006, held in Jeddah, discussed the establishment of *al-Aqsa* University and how the Research Centre for Islamic History, Art and Culture (IRCICA) will execute projects to preserve the Islamic identity of Jerusalem through (*al-Quds* 2015) program.¹³

On 1/6/2006, the president of the IDB, Ahmad Muhammad ‘Ali, declared the allocation of \$100 million to establish some vital projects in the Palestinian lands during the coming 12 months. Of this sum, \$70 million were given by the Arab economic funds and the rest, \$30 million, by *al-Aqsa* Fund. The president added that this fund is exclusively for funding the projects, and not for the payment of salaries.¹⁴

By the end of 2006, the OIC tried to bridge the widening gap between the Palestinian factions. Since October 2006, it conducted numerous contacts with the Palestinian leaders, and repeatedly called the Palestinian factions and political forces to be patient, avoid bloody intra-conflicts and resume the negotiations on the formation of a government of national unity. Under the patronage of Secretary Ihsanoglu, and during a visit that he paid to the Palestinian land in which he met both President Mahmud ‘Abbas and Premier Isma‘il Haniyah, a three-point agreement was concluded to calm the situation on 19/12/2006,¹⁵ but it soon broke down. Nonetheless, this showed Ihsanoglu’s concern about the deteriorating security conditions in Palestine, and his activities and mediation were, in fact, welcomed and commended by Haniyah¹⁶ and the Palestinian factions.¹⁷ Subsequently, in his drive for a truce, Ihsanoglu met Khalid Mish‘al in Damascus and discussed with him the internal Palestinian affairs.¹⁸

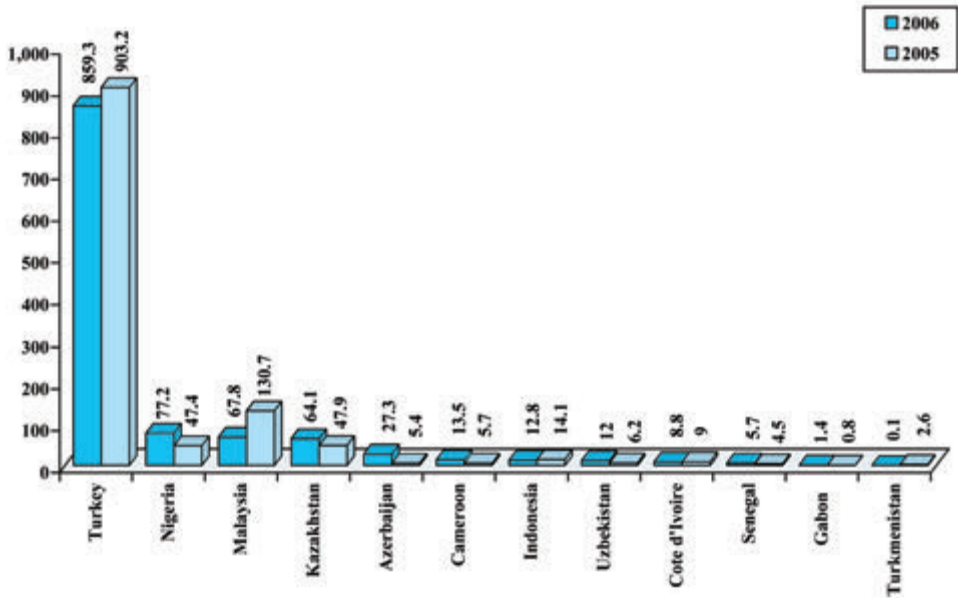
The OIC announcement of the forthcoming meeting of the Islamic Office for the Boycott of Israel, which is part of the organization’s infrastructure, led to an outcry in the Israeli press. But Ihsanoglu responded by saying that the OIC position on the issue of boycotting Israel is based on the decisions of its 57 members-states.¹⁹ Though some Muslim countries have political and economic relations with Israel, the overwhelming majority of the Muslim masses consider Israel to be a staunch enemy of the Muslim nation (*Ummah*), and adamantly oppose normalization with it. Indeed this is the major predicament for any development of diplomatic or commercial relations with Israel.

However, Turkey is the major Israeli trade partner in the Muslim world. Its imports from Israel totaled \$859.3 million in 2006 compared to \$903.2 million in 2005, while its exports to Israel in 2006 amounted to \$1.27 billion compared to \$1.22 billion in 2005. Israel also have a fairly strong trade relations with Nigeria, Malaysia, Indonesia, Kazakhstan and Azerbaijan as well as with some Arab countries. The following table records the volume of Israeli trade with a number of non-Arab Muslim countries as provided by Israeli sources:

**Table 1/5: The Israeli Trade with a Number of Non-Arab Muslim Countries
2003-2006 (\$ million)²⁰**

Countries	Israeli exports to:				Israeli imports from:			
	2006	2005	2004	2003	2006	2005	2004	2003
Turkey	859.3	903.2	813.5	470.3	1,272.7	1,221.1	1,166.9	951.5
Nigeria	77.2	47.4	43	28.4	0.3	0.7	0.8	5.1
Malaysia	67.8	130.7	203.7	276.8	53.8	41	32.6	26
Kazakhstan	64.1	47.9	38.5	28.5	2.3	3.6	0.5	1.1
Azerbaijan	27.3	5.4	5.3	2.9	0.7	0.4	0.1	0.5
Cameroon	13.5	5.7	4	2.8	0	0	0	0
Indonesia	12.8	14.1	11.3	10	87.1	43.6	27.4	32.6
Uzbekistan	12	6.2	9.9	6.3	1.3	1.3	1.2	1.8
Cote d'Ivoire	8.8	9	10.5	8.4	2.2	5.5	4.1	2.9
Senegal	5.7	4.5	4.5	2.2	0	0.1	0	0
Gabon	1.4	0.8	0	0.1	1.5	1.4	1.8	2.7
Turkmenistan	0.1	2.6	9	6.8	1	1.7	1.6	1

Israeli Exports to a Number of Non-Arab Muslim Countries 2005-2006 (\$ million)



Israeli Imports from a Number of Non-Arab Muslim Countries 2005-2006 (\$ million)



Second: Turkey

The Turkish-Palestinian relations in the year 2006 had entered a rather different phase. The year had experienced some significant events that had their impact on these relations, particularly on the Turkish side where policies were reformulated and restructured, sometimes drastically.

The resounding victory of Hamas in the legislative elections, and its single-handed formation of the Palestinian government in 2006, after years of Fatah domination, had taken all other forces by surprise. This was particularly so in Israel and in the west, who decided to confront this important, and presumably dangerous, development through a tight blockade of the new government until its crawls and accepts to recognize Israel.

Being an offshoot of the Muslim Brothers that swept across the Arab-Muslim world, Hamas was in a way intellectually related to the Turkish Islamic Movement under the leadership of Necmettin Erbakan.

However, in August 2001, the “*Tajdidiyun*,” loosely rendered “the Revivalists,” led by Recep Tayyip Erdogan and ‘Abdullah Gul, disassociated themselves from the Erbakan Islamic trend, and formed their own party, the Justice and Development Party (*Adalet ve Kalkinma Partisi*-AKP). Notwithstanding the denials of its founders, this party is somehow conservative and Islamicly-oriented.

On its assumption of power in autumn 2002, the AKP initiated a new policy that opened up towards the Arab-Islamic world, particularly Syria, Iran and Saudi Arabia, but tangibly contracted Turkey’s relations with Israel. This was the first test of the Islamic orientation of this budding party whose leaders has, however, continued to persistently deny because of some internal sensitivities. However, what encouraged the party to pursue this line was the progress in Turkey’s plea to join the European Union that had been facilitated by the country’s common stand with some major European powers, like France and Germany, against the American occupation of Iraq. Indeed, western powers do have their differences over Iraq and some other foreign policy issues, but they are united on the Palestinian issue. Though giving the Palestinians practically nothing during the era of the so-called “moderates,” the west had now solidly rose against Hamas that have, ironically, come to power through democratic elections.

The AKP felt the time to be opportune for undertaken a leading role that will, if successful, multiply Turkey's influence in the region, and consolidate the Islamic base in the country. Hence, on 16/2/2006, the world was stunned by the presence of Khalid Mish'al, the head of the Political Bureau of Hamas, in Ankara, and his two meetings with the minister of foreign affairs, 'Abdullah Gul, and his top aides. A lot has been written about this controversial visit, and we need not to address it in details in this limited space. Suffice to say that this visit was a turning point in Turkey's foreign policy.

Below are some observations on this visit:

1. We do not know who had specifically extended the invitation to Mish'al. Is it the government through its Ministry of Foreign Affairs or the AKP, or had it been extended on the personal request of the quest or through the good offices of the premier's advisor, Dr. Ahmet Davutoglu? This indicates that the AKP was rather confused on the exact procedure to be adopted.
2. The visit's program, that had been announced just a few hours before Mish'al's arrival, had not been strictly observed by the Turkish government. The scheduled meeting with Prime Minister Erdogan did not at all take place, while the meeting with Minister Gul was not held at the headquarters of the Ministry of Foreign Affairs, but at the headquarters of the AKP in Ankara. Moreover, none of the party's officials participated in Mish'al press conference, and all the slogans that indicated that it was held in the party's headquarter were removed.

Obviously, the invitation had exposed the AKP to widespread criticism within the country and abroad, in Israel and the west, particularly the USA. However, the major impact of the visit may be summarized in the following points:

1. The unfortunate manner in which Mish'al was received in Ankara damaged the image of Erdogan's government, which was exhibited as weak and hesitant, even not in control of the internal affairs of the country to the extent that it could not bear the repercussions of such a visit. While on the other hand, Moscow and Tehran had officially received Mish'al and at highest levels.
2. The manner of reception portrayed Hamas as an illegitimate organ, which is a grave insult to both Hamas and the democratic process.

3. Conversely, the fact that the visit took place at the peak of the Israeli-western drive to tighten the isolation of Hamas is in itself an important step towards bypassing this isolation. The Turkish message that there is no way but to recognize Hamas and accept the outcome of the democratic elections was somehow propagated.

All in all, the government of the AKP was in this respect in conformity with the fundamentals of the Turkish policy. For the crux of the message that ‘Abdullah Gul addressed to Mish‘al was that Hamas should first and foremost recognize Israel and discard violence, which is the very essence of the Israeli position. Apart from offering a free of charge service to Israel, the Turkish demands were against the fundamentals upon which Hamas was elected to power. Even if Hamas agreed, what will the Palestinian issue get in return? Moreover, why had not Israel offered something to the PA that recognized Israel many years before Hamas won the elections?

Turkey tried to have an effective role in the Middle East through Hamas, thus was its double role and double talk with Hamas and Israel. No doubt, in the circumstances prevailing at the time, this has given an edge to the Turkish government. But Turkey’s maneuver was obstructed by the refusal of both Hamas and Israel to budge. While Hamas declined to accept the Turkish demand without concrete gains to the Palestinian issue, Israel and its patron, the USA, did not give a positive signal in case Hamas retreats from some aspects of its political discourse.

The Turkish role stopped at this juncture as Washington has not yet been prepared to pay the price of the settlement. The American position was apparently motivated by some regional considerations related to the insistence of the Bush administration not to show any sign of weakness at that time when it was striving to exercise pressure on Iran, Syria and Hizbullah.

Turkey had been exposed to massive pressure, first not to allow the visit to take place, then to give Mish‘al the “appropriate” message if and when he comes, and, finally, on the expiry of the visit without satisfying the Israeli-American agenda, a campaign was launched against the orientation of the AKP.

In fact, Turkey had changed course after the visit, and both its government and institutions had become more cautious towards Hamas government. Nonetheless, contacts between Hamas and the Turkish government continued. Premier Erdogan called his Palestinian counterpart, Isma‘il Haniyah, several times, and the Turkish

government capitalized on its relations with Hamas to penetrate and have a say in the region. Hence, on the kidnapping of the Israeli soldier Gilad Shalit, on 25/6/2006, Erdogan rushed to offer mediation between Hamas and Israel on this crisis. However, he demanded from Ehud Olmert, the Israeli premier, to show flexibility when negotiating with Hamas government.²¹

By this proposed intermediary, Turkey wanted to improve its image among the Israeli public that had been distorted by Mish'al's visit. After failing to draw Haniyah to its position, the government of the AKP tried the Syrian avenue. Erdogan's senior advisor, Dr. Ahmet Davutoglu, visited Damascus and met the Syrian President Bashar al-Assad and Khalid Mish'al. The Turkish government had at first denied that a meeting with Mish'al had ever taken place, but later, several days after the incident, it admitted the contact between the two men.

The new meeting with Mish'al was an indicator of Erdogan's desperate interest in a diplomatic breakthrough, even at the expose of contacts with the man whose earlier visit to the capital had led to a barrage of criticism of Erdogan's government. But to no avail.

It is interesting to note that the government of the AKP had been criticized for its rush to invite an individual who bears no official capacity in the PA. This may have been because by the time of the invitation the Arab and international responses to Hamas had not been clearly specified, and that Hamas government had not yet been formed.

However, the case of Isma'il Haniyah is different. In spite of his official capacity earned through democratic elections, the Turkish government never extended to him an official invitation to visit Ankara since his assumption of the premiership on 21/2/2006, and throughout the year 2006. Perhaps the government of the AKP did not have the stamina for another confrontation with Washington and Israel, particularly after the serious repercussions of Mish'al's visit had become visible, and the application of the blockade on Hamas' government gained momentum.

But this development hampered the struggle of Hamas to end the American-Israeli siege of its government. For the inability or unwillingness of the government of the AKP to invite Haniyah to Ankara encouraged the Turkish President Ahmet Necdet Sezer, to engage in a serious and negative precedent against the Palestinian people, namely when he met the Palestinian President Mahmud 'Abbas in the Palestinian occupied territories on 7-8/6/2006, but without seeing Premier Haniyah.

Though Sezer may be “very sensitive” towards all Islamic trends, particularly in Turkey and the AKP specifically, this is not a convincing justification for not meeting the premier of a democratically elected government. Moreover, Sezer’s charge that Hamas is a “terrorist” movement that targets civilians should have logically been extended to include Israel which occupies Arab lands and commits the worst acts of terrorism.

The refusal of Sezer to see Premier Haniyah is indeed an insult to the option of the Palestinian people, the Palestinian democracy and to Turkey itself if it was at all striving to gain the confidence of the Palestinian people in particular and the Arab masses in general. The failure of the government of the AKP to invite Haniyah and the decline of Sezer to see him are indeed interrelated and interconnected.

Thus Turkey, with all its shades of opinion and under such circumstances, is neither neutral nor qualified to play a balanced and an effective role in the Palestinian issue. In fact, the Israeli-American factor determines all its movements, at least on this issue.

No body doubts the sincerity of the leadership of the AKP to support the struggle of the Palestinian people, an objective that they had initially, and on their assumption of power, actively pursued directly and indirectly. But they failed to sustain this even-handed policy because of the massive pressure that placed them in a dilemma, namely, either to ignore this pressure and go ahead with their intention to support the Palestinians irrespective of the dire consequences, or to keep a low profile awaiting a more favorable environment. Thus, we can suggest the following on this topic:

1. It is generally believed that a change in the Turkish internal and external policies requires a long time. The first five years’ term of the AKP is not adequate to effect such a change, and another term of at least five years is needed, since the forthcoming elections, scheduled in the autumn of the year 2007. Pending this development, it is unlikely that the reserved Turkish attitude towards Hamas would change, if, of course, it continued in power.
2. It has become glaringly clear for the AKP that the “fundamentals” of the “Kemalist” state, which has been rooted for many decades, could not be easily changed. Thus has been the party’s retreat from the open policy that it adopted on assumption of power.

3. Amongst these fundamentals is the Israeli-Turkish military relationship, represented in treaties that provided for, *inter alia*, joint training and maneuvers, and cooperation in the field of military industry. Ankara have no option but to give due consideration to this reality.
4. Since the USA is Turkey's main supporter on issues related to Greece, Cyprus and Armenia, the Turkish government was bound to improve its relations with the Jewish lobby to face the Armenian and Greek lobbies in the American Congress. The key to this is to continue Turkey's good relations with the Hebrew state.
5. Hamas is generally viewed as a staunch representative of the so-called fundamental Islam, which is adamantly opposed by the extreme "Kemali" trend in Turkey that is represented by the Army, the Presidency and other state institutions, the Council of Higher Education and the Judiciary. These forces do their utmost best to obstruct any rapprochement between Turkey on one side and any Arab or Islamic partner on the other side. To confront the new policy of the AKP, they exerted all kinds of pressure on Erdogan, including threat of a military coup.

Nonetheless, by and large, the AKP succeeded in changing the official Turkish orientation (the masses are in total support) towards the Palestinian issue. After being exclusively one-sided, the AKP managed to steer Turkish foreign policy towards the Arab-Muslim world, notwithstanding Ankara's intense and long-standing secular and western fundamentals.

Several campaigns were launched in Turkey during the year 2006 to collect donations for the Palestinians, in which as much as 91 NGOs were sometimes involved.²² Demonstrations in support of the Palestinian cause were frequent, particularly after the Israeli attacks on GS following the kidnapping of the Israeli soldier by the end of June. The Turkish Felicity Party (*Saadet Partisi*), for example, organized on 9/7/2006 a huge demonstration in Istanbul that condemned the Israeli brutal attacks.²³ Moreover, several Turkish MPs resigned from the Israeli-Turkish Parliamentary Friendship Group in protest of the mounting Israeli aggression on Palestine and Lebanon,²⁴ and the opinion polls always reflect the hatred of the Turks to both Israel and the USA.

The significant Turkish pro-Arab and Palestinian policies that were masterminded by the AKP have, no doubt, constituted an unprecedented historical

achievement when compared to the previous ones. Judging by his repeated criticism of the Israeli barbaric practices against the Palestinians, which seems to have by far superseded those of some Arab leaders, Erdogan is, so to speak, much more “Arabist” than those Arab leaders.

Turkey was not satisfied by those verbal denunciations, but also took several measures to minimize the hardship imposed on the Palestinian people. According to press reports in some Turkish newspapers on 6/1/2006, Turkey planned to establish an industrial zone near Erez Passage to employ 6-10 thousand Palestinian workers. Both the PA and Israel agreed to this project in treaties concluded on 4-5/1/2006 respectively. The construction of this \$100 million project, which was funded and managed by the Union of Chambers and Commodity Exchanges of Turkey (TOBB), had actually started in the spring. But during their invasion of GS that followed the kidnapping of the Israeli soldier Gilad Shalit, the Israeli tanks completely destroyed all the infrastructure of the industrial zone that has been appropriately named “the baby of Erdogan.” Nothing is known about the future of the zone and the project.²⁵

To objectively assess the drive and efforts of the AKP to support the Palestinian people, we should understand the Turkish historical and political legacy, as well as the delicate internal balance of power that the party inherited, and which have robbed a democratically elected government the freedom of movement vis a vis the existing institutions. For the government of the AKP continued to adhere to the military treaties concluded with Israeli, and it attended the joint security meetings in which the USA, the UK and others had also participated.

Meanwhile, trade between the two countries continued, and its volume was almost the same as that of the preceding year, 2005. Turkish exports to Israel increased from \$1.22 billion in 2005 to \$1.27 billion in 2006. As for the Israeli exports to Turkey, they were reduced from \$903.2 million in 2005 to \$859.3 million in 2006.²⁶

But the most significant step was the initiation of the necessary conditions for extensive cooperation in the field of energy, as Turkey is an important corridor for the flow of natural gas and petrol from Russia, Qazvin region, Iran, and Iraq to Europe, Israel and others. On 15/12/2006, a treaty was signed by the energy ministers of both countries to extend a pipeline from the Turkish Ceyhan Port on the Mediterranean Sea to Israel. Its aim is to secure the flow of petrol and natural

gas to the port of Ashkelon, and from there across an existing pipeline to Eilat, and hence to the Indian and east Asian markets.²⁷

However, Turkey had not only endorsed the decision of the UN to consider 27 January of each year a memorial day of the Holocaust, but also undertook in early 2006 to organize yearly festival activities on this occasion. As mentioned earlier, Turkey usually support the Jewish lobby all over the world, but particularly in the USA, to help it to confront the Greek and Armenian lobbies in the American Congress.

Turkey followed throughout the year 2006 a delicate and dangerous policy that aimed at two rather contradictory goals, namely, to maintain a minimum, but courteous, expression of its Islamic identity, and to contain to the lowest possible level the negative attitude of the American administration towards Erdogan's government during the forthcoming Turkish presidential and legislative elections, scheduled in May and November 2007 respectively. Thus, the foreign policy of the government of the AKP is not expected to change, at least in so far as its courteous attitude towards Hamas government is concerned, before the conclusion of these two elections. This is particularly so because of the ongoing extremist policy of the Bush administration towards all its adversaries in Iraq and the region at large.

Third: Iran

With the assumption of Mahmoud Ahmadinejad to the Iranian presidency in the summer of 2005, the clear cut position of Iran towards the Palestinian issue and Israel has increasingly attracted world attention. While calling for complete support to the Palestinian people and their right to return to their land, President Ahmadinejad casted doubt on the viability of the existence of the Jewish state, and considered "its eradication from the world a foregone conclusion, its days are numbered, and the peoples of the world will be elated by the disappearance of a state that was founded on lies and aggression."²⁸ These declarations, coupled with Ahmadinejad's call on 11/12/2006 to revisit the issue of the Holocaust, and to convene an international conference to review the global vision of the Holocaust in Tehran, to explore the exaggeration and myth that were associated with this historical issue, led to an outcry in the West. The Israeli premier, Ehud Olmert, claimed that the proposed conference "provokes disgust,"²⁹ and the president of the

Knesset, Dalia Itzik, condemned Ahmadinejad as “a retarded person who wants to pursue Hitler policies.” She also called upon the presidents of world parliaments “to enact a decree that makes the denial of the Holocaust a criminal act.”³⁰

The Iranian president’s declaration and his antagonism to Israel gave many quarters a pretext to associate Ahmadinejad’s threats to abolish Israel with Iran’s “presumed acquisition” of the atomic bomb, and to call upon the international community to prevent Iran by all means to complete its nuclear program.

Another provocation against the Iranian nuclear program was based on the possibility that Iran provides “fundamentalist” Islamic movements, likes Hamas and Hizbullah, with atomic bombs that maybe used against the western states and Israel. Some detailed studies were conducted to explore the legitimacy of using this weapon from an Islamic point of view. They claimed that the Muslims had bypassed the “traditional jurisprudence,” and became more inclined to justify the so-called “suicidal operations” and the killing of civilians in cold blood as defense means. Contemporary Muslims are reflecting in their religious legacy to support this justification, and to ascertain how and when atomic bombs can be used.³¹

This extensive obsession with the Iranian nuclear program extended to claim that nuclear weapons might fall in the hands of non-governmental Islamic organizations that do not care a damn for the new, unexpected and increasing spread of the phenomenon of “self-immolation operations” during the last two decades.³² During a meeting with the Russian President Vladimir Putin, the Israeli premier, Ehud Olmert, warned that these weapons may fall in the “hands of the terrorists, the enemies of Israel.”³³

Israel and the world community do not lack excuses for this instigation against Iran and its presumed ability to pass conventional and nuclear weapons to radical Islamic movements. For Iran had consistently supported the Palestinian people and the resistance movements against Israel, and refused to recognize it. It is because of this very support that Iran is accused of supporting “terrorism.” The USA insisted on the condition that the Islamic Republic must discard “terrorism,” for any resumption of relations with Iran. The Iranian support to Palestine reached its nadir during a visit that Ahmadinejad paid to Damascus. After a meeting with all the leaders of the Palestinian resistance factions, Ahmadinejad declared his country’s full support to “the option of resistance,”³⁴ and promised to continue supporting Hamas until it “liberates all occupied territories.”³⁵

Thus, it is not surprising that this Iranian consistent support to the Palestinian issue, which the president had untirely repeated, be taken as a “suitable pretext” for the hypothesis of the transfer of nuclear weapons to the Palestinian resistance movements that fight Israel. With the support of the USA, Israel should then stop this threat before it becomes a reality by all possible means, including a military strike. Unlike the previous years, Iran had become the focus of the deliberations of the International Policy Institute for Counter-Terrorism (ICT) conference in Herzliya. It was there that the Israeli consultant on the fight against terrorism, Shlomo Mofaz, maintained that “Iran, not the Palestinians, constitute a strategic danger because it has the capability to threaten the existence of Israel.”³⁶

The other development that highlighted the relations between Iran and the Palestinian issue during the year 2006 was the victory of Hamas in the legislative elections in 25/1/2006. This presumed unexpected victory had confused Arab and international policies towards this new reality, and gave Hamas the opportunity to form the government and become a full partner in the PA. All the expectations that peace was on the gate after the demise of President Yasir ‘Arafat have now turned upside down. With the organization’s insistence on the resistance and its refusal to recognize Israel or directly negotiate with it, the presence of Hamas complicated the political equation. The world found itself confronting a new “stubborn problem” in Palestine. Though the international community had kept encouraging free and fair elections, but the result on the ground in the Palestinian case was the success of a political force that was unwanted by the USA and Israel. Rather than exploring the possibility of a peaceful settlement, the attention of the world community was now directed, read diverted, to look for measures to blockade Hamas, and to force it to change its fundamentals and priorities.

Rather than being a source of strength for Hamas, in the Arab and Islamic arena, some tried to make this victory a formidable liability and a burden on the movement. While in the past numerous invitations were extended to Hamas, and its delegations were cordially received in Arab capitals, no Arab state, except Qatar, had officially invited Premier Isma‘il Haniyah after the formation of Hamas government.³⁷

Nonetheless, Iran never ceased or hesitated to publicly declare its support to Hamas. On 19/2/2006, a Hamas delegation, led by Khalid Mish‘al, was received in Tehran, and the visit had synchronized with a parliamentary resolution to form a

committee to support the Islamic revolution in Palestine.³⁸ The assistant president of the Republic insisted that “the duty of the Arab and Islamic masses is to defend and continuously support the Palestinian people to continue the resistance.” He emphasized Iran’s support to Hamas “until it achieves the aspirations and ambitions of the Palestinian people...”³⁹ The Iranian government promised Khalid Mish‘al to compensate the suspension of the American-European aid to the Palestinian government by a sum of \$250 million,⁴⁰ and ‘Ali Khamenei, the guide (*Murshid*) and the Supreme Leader of the Islamic Revolution, declared, after a meeting with Mish‘al in Tehran:

The victory of Hamas is a fulfillment of God’s promise of victory to the *mujahidin*... All the doors had been closed in the face of Hamas, and what remains is one door, the door of the Jihad... The victory of Hamas is inseparably associated with the resistance and the defense of the rights of the Palestinian people.

Khamenei commended the position of Hamas and Mish‘al by saying, “They are principled and correct positions...”⁴¹

On the occasion of Haniyah’s visit to Tehran in 7/12/2006, Shimon Peres called for the expulsion of Iran from the UN, and a Likud Knesset member, Yuval Steinitz, demanded that the Palestinian leadership be expelled outside the country.⁴² However, Haniyah declared that his visit achieved tangible results, “around \$250 million and several projects, which constitutes direct economic and financial support to the Palestinian government and peoples, of which \$120 million were allocated for the year 2007.” He also said that Iran undertook to pay six months’ salaries of officials in three ministries, and the grants of the detainees and their families, which cost \$45 million. Haniyah added that Iran also undertook to allocate a sum of \$60 million to cover the cost of six months’ stipends of 100 thousand workers at a monthly rate of \$100 per worker. As for the fishermen who were deprived from going to the sea for months, Iran offered to fund three thousand of them by a monthly aid of \$100 each and for a period of six months, which cost \$1.8 million. Iran also undertook to allocate \$15 million to build the “Palestinian Cultural Palace” and national libraries, and other \$20 million for the maintenance of two thousand houses.⁴³

Following Iran’s visit that had slightly relaxed the imposed financial and political blockade on Hamas after its victory in the legislature elections, the movement was exposed to an extensive and widespread campaign of abuse and accusations by

some Israeli, Arab and Palestinian quarters. They propagated at times that Hamas is “an agent of Iran that implements its designs,” and at others that it “plans to make the PA a replica of the Iranian regime.” Some Israeli political and security sources expressed their “deep concern of the rapprochement between Hamas and Iran.” According to the Israeli newspaper *Haaretz*, the directors of the various security agencies in Israel held several intensive meetings to evaluate the bilateral relations between Tehran and Hamas, and that they come to the consensus that the regime in Iran aspires for a strategic alliance with Hamas..., and that Hamas’ action is a defiant step that had been jubilantly taken after the general enthusiasm for its success to reduce the damage of the siege on the Palestinian people.⁴⁴ A spokesman for the US Department of State said, “If Hamas accepts to have Iranian financial aid, this shows that it does not intend to discard terrorism.”⁴⁵ Moreover, Dan Gillerman, the Israeli ambassador to the UN, strongly attacked what he called the axis of Iran, Syria and Hamas that constitutes, in his words, “a new plague that grows the seeds for the First World War in the 21st century.”⁴⁶ The American-Israeli attack was “two-in-one” in the sense that it was directed towards both Iran and Hamas on the assumption that the former is “close” to the Palestinian territories, and the latter is “committed” to establish a state on the Iranian model in GS and the Palestinian territories under the jurisdiction of the PA.⁴⁷

We should point out here to some different readings of Hamas-Iran relationship after the former’s victory in the elections, and the formation of the new Palestinian government. An Israeli analyst, Amos Gilboa, wrote in *Ma’ariv* newspaper that Iran will fill the financial vacuum of the Palestinian government if Israel, the EU and the USA failed to transfer the funds..., but he expressed doubt in the “blind following” of Hamas to Iran because it “had maintained independence, and its work program is categorically different from that of Iran.”⁴⁸ The Israeli intelligence and some western analysts and diplomats had also felt that the “claim of a probable close relation between Hamas and Tehran is premature and exaggerated.” They based their analysis on Hamas “traditional refusal of any foreign intervention and its adherence to the national agenda.” Likewise, Anat Kurz of the Jaffee Center for Strategic Studies (JCSS) considered Hamas to be “first and foremost a national Palestinian movement, before being Islamic. Thus, any rapprochement with Iran is farfetched, as it may rob the movement its solid support in the Palestinian political arena.”⁴⁹



Thus, Mish'al and Haniyah's visits to Tehran had exposed Hamas to a barrage of criticism and accusation that focused on a presumable shift in Hamas' position to be a "tool" in the hands of Iran, and that its alliance with Iran constitutes a serious danger to the Hebrew state. Conversely, some Israeli security analysts and politicians argued that this presumed alliance is exaggerated because Hamas adamantly refuses to allow any external influence.

Meanwhile, Hamas' victory shocked American policy makers who has been planning for "a new Middle East" void of radical movements and "terrorism" that have threatened the American and Israeli security and strategic interests. Washington considered its occupation of Iraq a necessary preliminary step for the birth of this planned Middle East, and the expulsion, after the assassination of President al-Hariri, of Syrian forces from Lebanon to be the second step towards "the birth of democracy." The American officials kept repeating that their duty is to defend the weak and fragile governments in the Middle East, or what they call the "young democracies," in Iraq, Lebanon and Palestine. Hence, when Hamas achieved victory and it was asked to form the new government, the pro-American states were confused, and international attention shifted from them towards exploring ways and means to intensify pressure and tighten the siege on Hamas. The American administration declared that its confrontation with Hamas is part of its struggle against "the axis of the extremists," which includes Syria, Iran, Hamas, and Hizbullah. What was required from the international community, and even Arab official and public quarters, was to point fingers to this axis that should not be allowed to obstruct peace and stability in the Middle East. Thus, from the American point of view, Iran and Hamas are two sides of the same coin in the sense that they constitute one front against the American project. When Jordan accused Hamas of smuggling weapons into its territories, Iran was accused of being the source.⁵⁰ But, since the government of Hamas was in desperate need to open up towards the world, particularly in its Arab and Islamic neighborhood, it is farfetched that it would indulge itself in such an adventure that is "suicidal by all means and measures."⁵¹

Within this exaggerated tendency of a new axis composed of Hamas and Iran that constitutes an imminent threat to Israel, the Israeli newspaper *Ma'ariv* published in 10/2/2006 an article by Ben Caspit that spoke of a change in the fronts that surrounded Israel and threaten its security. He maintained that the

historical eastern front no longer exists, but there is a new eastern front of Iran, Syria, Hizbullah and Hamas. He added that these four hands emerge from one body, and receive their instructions from one head, the snake that lives in Tehran. To deal with the Palestinian side of this front, Caspit suggested total isolation of the Palestinians. He maintained that “since the Palestinian people had chosen Hamas, this is what they deserve.” During the deliberations of the leaders of the security apparatus, Dan Halutz suggested to stop paying the Palestinians the 300 million shekel (about \$68 million) of taxes that Israel collects monthly on their behalf because they will allocate this fund “to establish radical and ideologically committed schools. This will never take place and we will not help it because it will be an axis that connects Tehran with Damascus, Beirut and Gaza. We should destroy it now and right now.” Halutz added, “We should view Hamas and deal with it as if we are dealing with Iran.”⁵²

Meanwhile, the relative success of Hamas in breaking the blockade and its contacts with Iran increased the fear of the American administration that the organization will continue in power and its experiment proves to be successful. This was one of the reasons behind the American decision to wage the war via Israel on Lebanon in July 2006 to crush the resistance of Hizbullah, one of the most important allies of Hamas and Iran. From the view of America and its supporters, this will crush at an early stage this probable alliance between these “radical” forces that hamper peace and security in the Middle East. Thus, even after the Israeli failure to crush Hizbullah, Washington never separated the Palestinian and Iranian issues. For progress along the Palestinian-Israeli route will facilitate Washington’s effort to form a strong coalition against Iran and international “terrorism.”⁵³

But Israel seems to have its own concerns on this fusion between the Iranian and Palestinian issues. The vision of the “moderate” Arab states was to achieve a “satisfactory solution that restricts Iranian radicalism towards the Palestinian issue.” Yet, this “satisfactory solution” was still unacceptable to Israel.⁵⁴ However, these Israeli fears are unfounded in the foreseeable future, as the USA, particularly the administration of the neo-conservatives, have not exercised any pressure on Israel to surrender any meaningful concessions that prepare the stage for the resolution of the Palestinian issue. On the contrary, Washington has supported all the Israeli security, political and military policies, including the racist Separation Wall.

As far as the Palestinian issue is concerned, the year 2006 was the year of Hamas, which stood fast and never budged, and Iran, which persistently continued to support the Palestinian issue and Hamas. However, the insistence of President Ahmadinejad on the illegitimacy of the existence of Israel and the inevitability of its end had intensified western political and media campaign against Iran. Correspondingly, the year 2006 was the year of intensive pressure on Hamas and Tehran. The American administration seems to be determined to pursue this line of policy, and to press the Arab countries to view Tehran, not Tel Aviv, as their first enemy in order to tighten the grip on Iran and its allies and weaken their influence and prestige. Will this American strategy succeed? It remains to be seen.

However, in a famous article in *Foreign Affairs*, Richard Haass, the president of the Council on Foreign Relations (CFR), responded to the above query by writing, “The Middle East’s next era promises to be one in which outside actors have a relatively modest impact and local forces enjoy the upper hand, and in which the local actors gaining power are radicals committed to changing the status quo.” Haass argued that The Islamic Revolution in Iran had “brought down one of the pillars of U.S. policy in the region.” The factors that contributed to Washington’s loss of influence in the region are, in Haass’ view, the collapse of the peace process, the failure of Camp David negotiations of 2000, the weakness of ‘Arafat’s successor, the rise of Hamas and the unilateral Israeli measures and policies. Haass also opinionated that Iran will be a formidable power in the region, and that the Hebrew state seems to be in a more difficult situation than it had been before its war with Lebanon, which will further deteriorate if Iran developed nuclear weapons. Haass maintained that there is no tendency in the horizon for a real peace process, thus the “new Middle East” will not be as the USA and Israel want, rather it will be along the vision and the expectations of their adversaries.⁵⁵

Fourth: Pakistan

The Pakistani regime adopted on the Palestinian issue the general line of the pro-American Arab regimes. Thus, it endorsed the official declared policies that support the Palestinian issue and call for the right of the Palestinian people for self-determination, the establishment of their independent state in the WB and GS and the return of the refugees. Conversely, since the year 2005, the official, but

rather low-key Pakistani-Israeli contacts, which had been widely resisted by the masses, have come to the forefront. The Pakistani regime, under the leadership of Pervez Musharraf, saw in the country's relations with Israel a vehicle to improve relations with the USA, and to secure American financial help. Moreover, it will also be beneficial in the realization of some economic and military interests that are necessary to improve Pakistan's capabilities to face its historical adversary India, which maintains relations with Israel. Nonetheless, due to several interrelated internal factor, the Pakistani government approached this subject with considerable care and caution.

Thus, Tasnim Aslam, the spokesperson of the Pakistani Ministry of Foreign Affairs, welcomed the stage that will follow the Palestinian legislative elections and the victory of Hamas. In an official communiqué, she said, "The government and people of Pakistan welcome the fair and completely peaceful Palestinian legislative elections. This is the practical democracy that we welcome, and we hope that the outcome of the elections will lead to the continuation of the peace process in the Middle East." However, this carefully worded declaration did not include any word of congratulation to Hamas for its victory in these elections.⁵⁶

Pakistan's stereotyped and routine relations with the Palestinian side continued during the year 2006. The only important development was the visit of Mahmud al-Zahhar, the Palestinian foreign minister, to Islamabad on 7-8/6/2006, when the Pakistani government declared a grant of \$3 million to the Palestinian people, undertook to build at its own expense an embassy for Palestine in Islamabad and to increase the scholarships offered to Palestinian students in the universities of Pakistan.⁵⁷

During a visit to Syria on 13/7/2006, Ehsan ul-Haq, the special Pakistani envoy to the Middle East, condemned the Israeli continuous aggression on the Palestinian and Lebanese people, and emphasized his country's rejection of all forms of aggression.⁵⁸ Pakistan also condemned the Israeli aggression on Lebanon, and declared its full support to the Lebanese people. After the Lebanon war, both the Pakistani Premier Shaukat 'Aziz, and the Foreign Minister Khurshid Kasuri, visited Lebanon in a show of support and solidarity.⁵⁹

Meanwhile, the relations of the Pakistani government with Israel during the year 2006 was even more cautious because of the mass protests of the peoples of Pakistan against any kind of contact with Israel. However, during the occasion of

Davos Economic Forum, the Turkish Premier Erdogan had reportedly discussed with President Musharraf the possibility of “an Islamic initiative,” under the auspices of the OIC, that as mentioned by Erdogan “will allow us” to undertake a form of intermediary role between the Palestinians and Israel.⁶⁰ If these reports are true, this move indicates a dangerous retreat on the Pakistani side at least, as it shifts the country from being part of the front that supports the Palestinian right to a mere neutral intermediary.

During his visit to Islamabad, al-Zahhar seems to have been assured that Pakistan will not establish any form of relationship with Israel before the Palestinian people secure their rights. As for the contacts between the governments of Pakistan and Israel during the past few months, al-Zahhar was told that they do not mean that Pakistan will stop supporting the Palestinian people. It was also declared that a scheduled visit by a Pakistani delegation to the Palestinian territories had been postponed to a later date after September 2006, when the Palestinian side will assume full control of the Rafah crossing on the expiry of the treaty that vested on the European supervisors the authority to supervise the security arrangements in Rafah Passage.⁶¹ But no official Pakistani visit to the Palestinian territories appears to have taken place, as Israel continued its closure of the passage and the blockage of the Palestinian people.

However, Pakistan repeated several times its rejection of normalization before the establishment of a Palestinian state.⁶² In a report published by the American newspaper *Los Angeles Times*, of which a resume was given in the Israeli newspaper *Yedioth Ahronoth*, President Musharraf explicitly recorded the position of his government by saying that it “will eventually have to recognize Israel, but it would be political suicide to do so today.” He added that “his considerable skills at walking a tightrope’ would not enable him to negotiate the firestorm that recognizing Israel would cause, particularly after its recent attacks on Lebanon.” He mentioned that “his country would consider formally recognizing Israel only after the creation of an independent Palestinian state.”⁶³

According to the *Foreign Policy* magazine, Musharraf currently avoids to publicly address these issues, instead he talks about general topics like “moderate Islam” and a just and comprehensive settlement, whatever this may mean. The president reserves serious issues to closed doors meetings.⁶⁴

Before the end of the year 2006, there were indications of a secret meeting between the foreign ministers of Pakistan and Israel. A report published in *The Jerusalem Post* of 27/12/2006 mentioned that the Pakistani foreign minister, Kasuri, told Geo TV, a local Pakistani television station, that he lately met his Israeli counterpart Tzipi Livni. When asked on the issue, the newspaper added, the spokesperson of the Israeli foreign minister responded by evasively saying, “no comment.”⁶⁵

Under the umbrella of normalization, and on the invitation of the American Jewish Congress’s Council for World Jewry, which strives to improve Israeli-Pakistani relations, an eight-member delegation of the Pakistanis in the diaspora, selected from amongst the members of the American Muslim Peace Initiative, visited Israel. They met top Israeli officials including the president of the Supreme Court Aharon Barak, the Foreign Ministry Director-General Aharon Abramovitch, and senior officials of the ministry as well as the Israeli Defense Forces Coordinator of Government Activities in the Territories General Yusef Mishlav, and the Knesset members Silvan Shalom, Efraim Sneh and Ghaleb Majadle. On the Palestinian side, the delegation met Sa’ib ‘Urayqat and Sari Nusseibeh.⁶⁶

A member of the delegation, ‘Umar ‘Atiq who lives in Arkansas state, in the USA, said, “We don’t have an iota of doubt that there should be relations between Pakistan and Israel and between Israel and the entire Arab world.” He added, “The ice has been broken. It’s just a matter of time. It’s not if, it’s when. It’s around the corner, despite what is going on in the news.”⁶⁷ Though imbued with normalization, this visit is of marginal impact as the delegates come from America, and the popular refusal of normalization with Israel inside Pakistan is as strong as ever.

In the economic field, the Israeli newspaper *Yedioth Ahronoth* reported in its issue of 8/2/2006 that a delegation of Pakistani businessmen will participate in the Israeli annual fair for agricultural technology, Agritech ’06, scheduled May 2006. The source mentioned that “Members of the delegation have already informed the fair’s organizers that they plan on examining the possibility of purchasing advanced agricultural equipment and new technologies for cultivating mountainous and desert regions.” The newspaper added that the delegates also expressed interest “in signing deals for the purchase of greenhouses, irrigation equipment and other innovations that may be useful to Pakistani crop farmers.” Agritech ’06 director

said, “The organizers were surprised by the fact that the Pakistani businessmen did not even attempt to hide their identity and submitted their names and the companies they represent.” However, the newspaper did not mention its source nor how did it get the information from the Pakistani businessmen, and it did not publish further reports or news on the subject. However, it is not clear whether any Pakistani businessman attended the exhibition or any commercial deal had been concluded between the two sides.

All in all, the strong and overwhelming Islamic sentiment in Pakistan and the deeply rooted and popular hatred to Israel and to normalization, coupled with the strong opposition to Musharraf’s regime, make it very difficult for the government of Pakistan to venture at this juncture on a serious step to cultivate good relations with Israel.

Conclusion

Israel had not been able throughout the year 2006 to achieve a meaningful breakthrough in the area of normalization with Muslim countries. Besides, its tight siege on the Palestinian people, its attempts to overthrow their democratically elected government and its war on Lebanon and Hizbullah, have provoked intensive anger against it in the Muslim world. But the governments of the Islamic states and their umbrella organization, the OIC, are not up to this standard. They are impotent and disabled to have an impact on the ground. As usual, they were below the standard to deal with the Israeli blockade, and to employ their huge material and diplomatic capabilities to support the Palestinian cause. However, amongst the non-Arab Muslim countries, Iran played a decisive material and moral role in supporting Hamas and its government, and the Palestinian people in general. The nature of the Iranian regime, the threat that it may be exposed to from America and Israel and its nuclear ambitions had consolidated this Iranian pro-Palestine policies. As for Turkey, it continued its distinguished relations with Israel. Though popular and enjoys a substantial parliamentary majority, the AKP was unable to effect tangible changes in the country’s relations with Israel, because the entrenched and influential army, as well as the secular forces that support it, insist that the relations continue and flourish. The reception of the AKP to Hamas delegation in Ankara and the modest financial aid that it extended to the Palestinians

was an expression of support, and an attempt to play a more balanced role towards the Palestinian issue. Apparently the ruling regime in Pakistan had diluted its enthusiasm for establishing diplomatic relations with Israel when it realized the massive popular opposition to any form of normalization with Israel. Additionally, the shaky position of the regime and the formidable internal problems that it is facing make it difficult for Musharraf to venture on such a risky adventure.

While the Muslim world has shown enthusiastic support to the Palestinian people who are suffering from occupation, oppression and the blockade, the intra-fighting in GS and the WB have negative impact that diluted the Islamic positive interaction with the Palestinian issue. Hence the Palestinian leadership should bear their national responsibility to consolidate national unity and effective contact with the Muslim world that provide a real strategic reservoir that should not be at all neglected.

Endnotes

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Chapter Six

The Palestinian Issue and the International Setting

The Palestinian Issue and the International Setting

Introduction

The overall international response to the Palestinian issue during the year 2006 had been triggered by three developments. First, is the victory of Hamas in the Palestinian general elections and its formation of the Palestinian government. Second, is the impact of the Israeli-Lebanese war, particularly the ability of the Lebanese resistance to abort the Israeli invasion and to obstruct the American-Israeli strategic plan. Third, the impact of the structural change in the American authority on the Palestinian issue, which was caused by the USA failure in Iraq, and represented by the victory of the Democratic Party in the Congress elections.

The mainstream international reaction to the Palestinian issue has been focused on these three developments, be it on the level of individual powers or collectively in international conferences, or at the level of all kinds of international organizations. Naturally, the reactions of the powers to these developments were connected with their historical political orientation, where each and every one of them strove to adapt these developments to serve its own strategic interests on and around the Palestinian issue. Thus, we cannot isolate these developments from the historical political orientation of the powers under study.

Since, no doubt, America plays the most important role in shaping these reactions, we have to explain its position in details. Then we will look into the positions of other relevant powers as well as the international organizations, highlighting the focal issues that concern each and every one of those powers. By the end of the day, we will earmark the communalities between all these reactions, bearing in mind that the time span between all these developments was almost the same. For Hamas victory took place early in 2006, the Israeli aggression in July and the victory of the Democrats towards the end of the year.

First: The United States of America

1. Hamas' Victory and the Formation of the Palestinian Government

The USA had consistently claimed its utmost respect to the will of the peoples in selecting their governments worldwide and in the Middle East in particular. Besides, it kept urging the Palestinian people, to indulge themselves in the democratic process to such an extent that Secretary of State Condoleezza Rice declared just before the last Palestinian elections, conducted on 25/1/2006, "It is a duty that everybody should be able to participate."¹ Nonetheless, the USA government took a completely different position towards these elections, and refused to deal with Hamas' newly-elected government, though all observers, including former President Jimmy Carter, had unanimously testified the fairness of the elections.²

The USA seemed to have encouraged Hamas to participate in these elections on the assumption that it will change its policy once it comes to power. Jimmy Carter supported this view in a lecture that he gave in Herzliya in which he said, "I hope that Hamas will transfer into a non-violent movement and change its attitude towards Israel, as happened with the PLO and Egypt after the conclusion of Oslo and Camp David Accords respectively."³ Moreover, as much as 69% of some surveyed prominent American thinkers and strategists were of the opinion that Hamas' assumption of power will tempt it to be less militarily inclined and more peace-oriented.⁴

Nonetheless, after these elections, the American administration set for itself a strategic objective based on the implementation of the Quartet conditions, and on the call upon Hamas to surrender its political program. In an address before the American Jewish Committee, dated 4/5/2006, President George Bush openly said that they will not support elected representatives who are not committed to peace, and that they will not deal with Hamas as long as it is in the "terrorist camp." He added that they will never work with Hamas unless it recognizes Israel.⁵ In its first comment on the Palestinian elections, the Quartet Committee (the USA, EU, Russia and the UN) confirmed this position, and emphasized that the flow of aid is conditioned on Hamas' commitment to all international agreements concluded by the PA.⁶

Thus, in dealing with political systems, America's priority is not whether or not a government is democratic in nature but rather how far its policies are in conformity with the American policy. This is, in fact, compatible with American political behavior worldwide.

The content of the American call for Hamas "to change its program" was expressed in a policy statement that says, "Declaration by Hamas that it accepts all treaties concluded by the PA and the PLO, including the Road Map, recognition of Israel, and the discard of violence." These conditions have been repeatedly repeated since January 2006 by American officials in particular, and in the declaration of the Quartet Committee and the G8 countries (major industrial countries: the USA, Russia, France, Britain, Germany, Italy, Canada and Japan) in general.⁷

To compel Hamas to accept the American demand of "changing its program," which is essentially to recognize Israel, the USA pursued a series of direct political and economic pressures as well as indirect military pressure through Israel, as follows:

a. Political Pressure: It took different forms amongst which were the following:

1. Continuous support to the policies of President Mahmud 'Abbas that are different from those of Hamas. *The New York Times* reported that "The [American] administration resolved, in turn, to support Mr. Abbas's political party with whatever diplomacy or resources it could."⁸ Conversely, some unofficial American quarters advocate encouraging what they consider a moderate sector in Hamas at the expense of a more radical one on the assumption that the former will ultimately recognizes Israel.⁹
2. To put pressure on Arab and Islamic countries to shrink their political contacts with the Palestinian government, or to impose restrictions on its members' travel abroad. Besides, is the continuous call upon some countries, like Syria, to close down the offices of the Palestinian organizations in their territories.¹⁰
3. To put pressure on the international community to prohibit receiving representatives of the Palestinian government by both official organs and civil institutions.
4. To continuously emphasize that Hamas is a "terrorist" organization who has lost support because of its policies.¹¹ The pro-neo-conservatives American

media keeps claiming a close association between Hamas and the violent extremist forces in the region.¹²

5. Support to President 'Abbas's call for an early legislative and presidential elections in the hope that this will lead to the collapse of Hamas' government and the return of Fatah to power. The American government allocated the sum of \$42 million to support 'Abbas's bid for full power, a development that 'Abbas had personally admitted in December 2006, though he evasively claimed that the objective of the aid was to support "the objective to create democratic alternatives to authoritarian or radical Islamist political options."¹³ However, it is unlikely that a future elections will be transparent or free from rigging if its prior declared objective is the return of Fatah to power. In line with this position, the American administration obstructed the formation of a national government, and, instead, advocated a government of technocrats. Secretary Rice hoped that this alternative will quietly but effectively exclude Hamas from the Palestinian strategic decision making process.¹⁴
6. To intensify American-Israeli coordination. In this respect, Silvan Shalom recorded that 103 American Senators visited Israel in 2005, and the Congress passed 15 pro-Israel resolutions during the same year.
7. To continue diplomatic pressure on the Palestinian government in all international organizations. This took the following forms:
 - a. The hint that Washington will support the Israeli position to unilaterally demarcate the frontiers of the WB by the year 2010. Secretary Rice reiterated this position,¹⁵ which was further emphasized during a meeting between President Bush and Ehud Olmert, and by a statement that the latter gave in the Knesset after he won a vote of confidence on 4/5/2006.¹⁶
 - b. The role of the USA in obstructing a call by the Yemeni government to convene an Arab summit to discuss the Israeli aggression on GS and Lebanon.¹⁷
 - c. The American obstruction to international effort in the Security Council to stop the Israeli aggression on GS, which was clearly demonstrated in the opposition of the American administration to a draft resolution to this effect proposed by Qatar.¹⁸

- d. The employment of the veto twice, in July and November, 2006, against draft resolutions condemning Israeli attacks on GS.¹⁹

b. Economic Pressure: This took the following forms:

1. The stoppage of financial aid to the Palestinian government, even the withdrawal of some amounts approved prior to the elections. The campaign in this direction had, in fact, started before the elections when 73 Senators petitioned President Bush “to stop aid if Hamas won the elections.”²⁰ Subsequently, in May, the House of Representatives passed a resolution by a majority of 361 members to stop all aid to Hamas government.²¹ This campaign culminated in the “Palestinian Anti-Terrorism Act of 2006,” and the denial of the Palestinian diplomats entrance to the USA.
2. To put pressure on Arab and other countries to refrain from extending financial aid to the Palestinian government. Secretary Rice raised this issue in her February tour to the Middle East during which she visited Egypt, Saudi Arabia, Lebanon and the UAE. It was then said that the discussions addressed several issues including “the guarantee that no aid should reach Hamas government.”²² In her response to a question on Arab aid to Hamas, Rice implicitly supported this position by saying, “It is imperative for any person who wishes that peace prevails in the Middle East to make sure that support should only be extended to a person who have the same objective in mind.”²³ ‘Amr Musa, the secretary-general of the Arab League, admitted the inability of his organization to transfer via banks funds to the PA because of American and international pressure.²⁴
3. To put pressure on Arab and non-Arab banks to refrain from transferring to the Palestinian government and Hamas contributions paid to them by individuals and non-government organizations. Efforts in this direction started before the elections, and with such banks as the British National Westminster Bank or NatWest and the French Credit Lyonnais Bank.²⁵ According to Treasury Department spokesperson Molly Millerwise, “If an organization or individual is facilitating direct fund-raising for Hamas, they open themselves up to action by the United States.”²⁶

A number of Arab banks, particularly the Arab Bank, were exposed to this pressure that required them to uphold the financial siege on the Palestinian government. They had to agree, particularly as some of them were fined in

the USA because of transactions related to “terrorist” and similar issues.²⁷ Reports in the American press enumerated these incidents in details.²⁸ This pressure was extended to American philanthropic organizations that extended aid to the Palestinians, such as the American Near East Refugee Aid (ANERA) and Kind Hearts Organization, who were prohibited from sending contributions to the Palestinian people.²⁹

4. Allowing the transfer of some funds to the Palestinian presidency, and not to the Palestinian government; in order to enlarge the influence of the president on the account of the government to negatively affect its popularity.
5. Encouraging the media coverage of demonstrations and general strikes that were conducted by different governmental sectors, to create a negative picture on the situation in the Palestinian community.

c. Military Pressure: It took the following forms:

1. To turn a blind eye to wide and limited range Israeli attacks on Palestinian targets. For example, the operation Summer Rains on GS in late June, attacks on Beit Hanun in November, and support of Israeli attack on Jericho Prison on 14 March in which the secretary-general of the Popular Front for the Liberation of Palestine, Ahmad Sa‘dat, was arrested. Commenting on the latter attack, the Israeli Premier Olmert boastfully said that it was fully supported by Washington and London.³⁰ These and other attacks got the American green light under the guise of self-defense against “terrorist” operations.
2. Another aspect of the military pressure was represented by the American initiative to strengthen President ‘Abbas’ security forces, and to increase their numbers from 3,500 to 6,000.³¹ Meanwhile, *Haaretz* newspaper says that the Bush administration dispatched General Keith Dayton, American Security Coordinator in the Palestinian territories, to London to report to the Road Map Quartet on the US plan to arm and train the forces of ‘Abbas “for a potential violent confrontation with Hamas forces in the Gaza Strip.”³² This position was further emphasized by a declaration by Secretary Rice on 17 December to the effect that she will “ask the Congress to allocate tens of millions of dollars to support President ‘Abbas’ security forces.”³³

The American and European stance towards the embargo glaringly reveal their double standard. While claiming keenness and determination to spread democracy and reform in the world, the USA and Europe showed no respect whatsoever to the outcome of the ballot box in the Palestinian case. Politically and theoretically, they have thus lost their credibility in this respect.

Conversely, however, some American quarters and personalities adopted a completely different position from that of their government. They cultivated contacts with Hamas and advocated respect to the will of the Palestinian people. Reverend Jesse Jackson, the prominent US civil rights activist, met Khalid Mish'al, the head of Hamas' Political Bureau, in Damascus on 28/8/2006.³⁴ The Catholic Church, whose relations with the USA were already strained because of its condemnation of the American Iraqi invasion, criticized the Israeli siege on the Palestinian people, though it simultaneously condemned the kidnapping of Israeli soldiers by Hamas and Hizbullah.³⁵

2. The Israeli-Lebanese War of July 2006

Without indulging in the local, regional and international dimensions of the Israeli-Lebanese war, we will concentrate in this part on the American position towards this war in as far as the Palestinian issue is concerned. The USA saw in the Islamic Lebanese resistance a formidable ally of its Palestinian counterpart. Hence, it strove to, at least, weaken it, and, if possible, completely eradicate it. The Lebanese resistance has, in fact, become a model to its sister movement in Palestine, particularly after the former's success to liberate Southern Lebanon in 2000, and force the Israeli occupation forces to withdraw from Lebanese territories unconditionally.

A number of American reports showed that the USA had actively cooperated with Israel against the Islamic resistance in Lebanon. It even participated in the preparation of offensive plans that ultimately aimed at the total destruction of this resistance,³⁶ which would hopefully achieve a number of what was viewed to be strategic advantages to both countries. The decision to launch a war against Lebanon had been taken some months before the arrest of the two soldiers, and Israel was just impatiently waiting for an opportune time.

But this 33 days war had been strategically counter productive for America in as far as the Palestinian issue is concerned. This is represented in the following:

- a. The consolidation of the notion of the peoples resistance and guerilla warfare among increasing sectors of the Palestinian people, as well as the Iraqi and Lebanese resistance and even some Arab countries, like Syria, who benefited from this successful experience. To the USA, this is a negative development because it popularized Hamas' unwanted strategy.
- b. The failure to disarm the Lebanese resistance, based on Resolution 1559, will correspondingly obstruct the American-Israeli plan to disarm the Palestinian forces in Lebanon. This concern was reiterated by Secretary Rice who said that there is no place in the political process for groups and individuals who refuse to recognize Israel and discard violence and "terrorism." She added that they must be disarmed.³⁷
- c. The failure of Israel in Lebanon obstructed the American drive towards "a new Middle East" that, according to Secretary Rice, would emerge from the Lebanese war. It should be noted here that the project of the new or greater Middle East is a central issue in American foreign policy, as reiterated by the US permanent representative to NATO, Nicholas Burns, who said in an address before the conference on "NATO and the Greater Middle East" in Prague, in October 2003, "We have to deploy our conceptual attention and our military forces east and south. NATO's future, we believe, is east, and is south. It's in the Greater Middle East."³⁸ NATO had, furthermore, convened a meeting in Rabat in April 2006, in which Israel, Egypt, Mauritania, Jordan, Tunis, Algeria and Morocco were represented. The declared objective of the meeting was "to confront common threats and challenges."³⁹ According to USA these challenges had resulted from the success of Hamas, the steadfastness of the Lebanese resistance and the acceleration of the Iraqi resistance. At NATO's November 2006 Riga Summit, NATO had thus emphasized the necessity of cooperation with the Arab countries to face these challenges.⁴⁰
- d. From the American point of view, the failure of the Israeli war on Lebanon will consolidate an alliance between Iran, Syria, Hizbullah and the Palestinian organizations, which, in the words of the US annual report on terrorism entitled Country Reports on Terrorism, is represented by the support of Syria and Iran to the "terrorist" Palestinian organizations.

- e. The linkage between the issues of the Israeli soldier kidnapped by Hamas in GS and those arrested by Hizbullah. This tallies with the positions of the G8 countries and the Vatican, Pope Benedict XVI, which condemned in July 2006 the kidnapping of Israeli soldiers by Hizbullah and Hamas.⁴¹
- f. The USA was seriously concerned that its quandary in Iraq and the Israeli failure in Lebanon could shake up the balance of power in the region. Hence, it strove to build an Arab front from the so-called “moderate countries against terrorism.” The American diplomat Dennis Ross called for the formation of “Arab umbrella” for “bolstering the Lebanese government, its prime minister, Fuad Saniora, and Palestinian President Mahmoud Abbas.”⁴²

The USA obstructed the efforts to issue an international resolution that orders a ceasefire between Lebanon and Israel because it assumed that the Israeli forces would achieve formidable strategic successes against the Lebanese resistance. Thus, President Bush refused the call of the secretary-general of the UN, Kofi Annan, for a ceasefire, and Secretary Rice reiterated this position in Rome Conference that convened on 26 July to discuss the war on Lebanon. The USA had even aborted the attempts of the Security Council to issue a resolution that condemns the Israeli massacre of civilians in the Lebanese town Qana, and, towards the end of the war, Bush declared that his country “is still at war with the Fascist Muslims,”⁴³ a position that does not distinguish between Hamas and Hizbullah.

3. The Victory of the Democrats in the Congress Elections

Most of the experts and analyst of the Congress partial elections maintain that the failure of the American policy in Iraq was the underlying factor for the victory of the Democrats in these elections. Particularly so as the American administration failed to achieve in this country a reasonable measure of political stability, economic development and democracy, and violence had, in fact, consistently increased.

Meanwhile, Baker-Hamilton Commission Report was released, which called for dialogue with Syria and Iran, and their involvement in the resolution of the Iraqi crisis. Such a cooperation will, no doubt, have its impact on Lebanon and the Palestinian issue, specifically on Hizbullah and Hamas. For example, the members of Baker-Hamilton Commission Report argued, dialogue between the USA and these countries will limit the options of Hamas,⁴⁴ a development that would in totality be favorable to the Palestinian issue.⁴⁵ The estrangement between the USA on one side and some Middle Eastern countries and organizations, like Iran, Syria,

Hamas and Hizbullah, is, in the opinion of these experts, the prime mover of the tension in the region.⁴⁶

Studies show that the differences between the Republicans and the Democrats are focused on the Iraqi issue, while the two parties are closer to each other on the Palestinian issue. Opinion polls indicate that support for Israel among the Democratic nominees is 58%, and that of their Republican counterpart is 78%.⁴⁷

The American conquest of Iraq reflected on the Palestinian issue in various ways. In this respect, three major and inter-related developments emerged during the year 2006, which deserve to be reflected upon:

- a. Baker-Hamilton Commission Report: 10 prominent American politicians were asked to review American policy in Iraq, and suggest future options. Their report maintained a close linkage between the Iraqi crisis and the Palestinian issue by recording:

The United States cannot achieve its goals in the Middle East unless it deals directly with the Arab-Israeli conflict and regional instability. There must be a renewed and sustained commitment by the United States to a comprehensive Arab-Israeli peace on all fronts: Lebanon, Syria, and President Bush's June 2002 commitment to a two-state solution for Israel and Palestine.⁴⁸

The report urged the American administration to negotiate with those who accept Israel's right to exist, which implicitly means no negotiations should be conducted with Hamas. It added, "There is no military solution to this conflict. The vast majority of the Israeli body politic is tired of being a nation perpetually at war." The resolution of the crisis, the report maintains, lies basically in the Security Council's resolutions 242 and 338, the principle of land in return for peace. The report confirmed that "No American administration—Democratic or Republican— will ever abandon Israel."⁴⁹

On the issue of Hamas, the report maintains that its suggested vision would strengthen the moderate forces in the region, including the Palestinian authority under the leadership of Mahmud 'Abbas. The report also asked Syria to use "its influence with Hamas and Hezbollah for the release of the captured Israeli Defense Force soldiers." It demanded "a verifiable cessation of arms shipments from or transiting, through Syria for Hamas and other radical Palestinian groups;" and "a Syrian commitment to help obtain from Hamas an acknowledgment of Israel's right to exist."⁵⁰

Though exhibiting interest in the report, President Bush dealt with it selectively, and there is no guarantee that he will implement its recommendations. Most likely, he will give priority to the Iraqi crisis and the Iranian nuclear issue.

- b. The study of John Mearsheimer and Stephen Walt:⁵¹ The significance of this study, prepared by two prominent American academicians, is that it criticizes the Israeli lobby, and argues that Israel is gradually becoming a strategic liability on the USA. It also emphasizes the importance of a revision of the American-Israeli relations, and a more balanced policy towards the Palestinians. The study, which provoked great interest among American academicians, also maintains:

Backing Israel was not cheap, however, and it complicated America's relations with the Arab world... Israel's armed forces were not in a position to protect US interests in the region... The US could not, for example, rely on Israel when the Iranian Revolution in 1979 raised concerns about the security of oil supplies, and had to create its own Rapid Deployment Force instead... The first Gulf War revealed the extent to which Israel was becoming a strategic burden... Denying the Palestinians their legitimate political rights certainly... has empowered extremist groups like Hamas, and reduced the number of Palestinian leaders who would be willing to accept a fair settlement.⁵²

- c. The book of the former President Jimmy Carter,⁵³ entitled: *Palestine: Peace Not Apartheid*. Carter criticized Israel for building what he described as an imprisonment wall in the WB. He described the hardship suffered by the Palestinians under Israeli occupation, and refused the claim that Israel gave tempting concessions to the Palestinians during 'Arafat-Ehud Barak Summit in Camp David. Naturally, this book was brutally criticized by pro-Israeli forces, and by the Jewish lobby in the USA.

What is interesting about these three developments is that they were all rejected by Israel. It rejected Baker-Hamilton Report, and criticized the special study on the role of the Jewish lobby in the USA as well as Carter's book. Notwithstanding their limitedness, these developments should be closely monitored to see whether they would lead in the long run to significant changes in the American policy, and whether Mearsheimer-Walt Study indicates an increase in the opposition to the accelerating influence of the Jewish lobby on the USA strategic decisions.

From the above, it is clear that the American government and the neo-conservatives faced four major setbacks during the year 2006: the victory of Hamas, the

steadfastness of the Lebanese resistance, failure in Iraq and the victory of the Democrats in the Congress elections, which prepared the way for a confrontation between the presidency and the Congress during the coming two years. Admittedly, the American administration achieved a notable success in cornering Hamas politically and economically, but it was unable to overthrow its government or achieve the objectives behind this tight siege, which is, anyhow, progressively weakening. By the end of 2006, the balance of power in the region and the world at large was not much in favor of the USA and Israel. To check this imbalance from developing into situations that favor the forces of resistance and rejection in Palestine, Lebanon, Iraq and the region at large, the year 2007 may witness intensification of the conflict along all the fronts.

Second: The European Union

1. Hamas' Victory

The European position towards Hamas' victory is, on the whole, different in form from that of the Americans, but not in content. All the declarations issued by the EU, collectively or individually by member states, are in line with the general orientation of the American position that asks Hamas to accept all treaties concluded by the PA and the PLO, and hence give up its program.

However, contacts between Hamas and the European powers continued before the elections. The reports of the International Crisis Group (ICG) give details of such contacts with European officials from Germany, Britain and other powers.⁵⁴

A few days after her election victory, the German Chancellor Angela Merkel, urged, after a meeting that she had with the Israeli acting Premier Ehud Olmert, the president of the PA, Mahmud 'Abbas, to call upon Hamas to accept the treaties in order to guarantee the continuation of the aid.⁵⁵

To support this position, the EU declared the release of 120 million euros (about \$142.8 million)⁵⁶ to cover the cost of the Palestinian fuels exported from Israel, and announced its support to the UNRWA on condition that these funds never reach the hands of Hamas government.⁵⁷ Nonetheless, this position relaxed the intensity of the siege, which was planned to be comprehensive, and thus corner Hamas or lead to the downfall of its government.

The position of the EU was glaringly exhibited in a decision issued by its General Affairs and External Relations Council (GAERC), dated 10/4/2006, that ordered the stoppage of aid to the Palestinian government. This was in line with the Quartet declaration of 29 March, which required Hamas to commit itself to all peace principles.

The EU stopped its political contacts and temporarily shelved direct aid to the new Palestinian government under the guise of protecting the financial interests of the Union. However, the Union declared that, meanwhile, it will support the humanitarian and emergency needs of the Palestinian people, and resume its contact and aid to a Palestinian government that accepts the principles laid down by the Quartet.⁵⁸

This European orientation was further emphasized by a proposal that the French President Jacques Chirac made after meeting President 'Abbas in New York, and which he submitted to a meeting of the Quartet Committee held in the UN headquarter on 9/5/2006. In an attempt to meet the day to day needs of the Palestinian people and, at the same time, force Hamas to accept international treaties, particularly recognition of Israel, Chirac suggested "to channel aid to Palestinians via an international mechanism such as the World Bank."⁵⁹

Chirac's proposal was endorsed by the EU, and translated itself in June 2006 in what was called Temporary International Mechanism (TIM), which stipulated the transfer of funds to the Palestinians through banks but without passing via the Palestinian government,⁶⁰ that had, anyhow, coolly received this arrangement. However, the declaration of the Quartet that it will review the situation in three months time,⁶¹ indicates a European attempt to distinguish its position towards the issue of the siege of Hamas government from that of the American-Israeli one.

A report by the International Crisis Group saw in this European mechanism an acceptable alternative solution, but suggested that it should be accompanied by a high level diplomatic channel in which a representative of the UN would act as an intermediary to explore Hamas' willingness to compromise, and convey to it the extent of the concessions that the Quartet would offer in return.⁶²

The European humanitarian and emergency aid, that was in line with the orientation of the Quartet, totaled in 2006 the sum of 329.16 million euros (about \$411.45 million), in addition to 184 million euros (about \$230 million) extended to the UNRWA.⁶³

The European siege imposed on Hamas government took a diplomatic dimension when several important European countries, like France, rejected visa applications submitted by some Hamas leaders. France had even criticized the Swedish government for its refusal to observe this diplomatic boycott.⁶⁴

The French position during 2006 was, in particular, comparatively negative when compared with the traditional attitude of the “de Gaullist” towards Middle Eastern issues. Beside supporting the blockade, and participating in the American effort against Syria and Hizbullah, France had become more willing to excuse the Israeli military attacks. The Qatari draft resolution to condemn the Israeli July attack on GS was opposed by both the USA and France,⁶⁵ and the French Foreign Minister Philippe Douste-Blazy, had gone to the extent of saying that he understands the security reasons that impelled Israel to build the Separation Wall in the WB.⁶⁶ However, President Chirac tried to dilute the implications of this statement by saying that Israel’s right to build the Wall that guarantees its security should not be denied, but this Wall should not separate the Palestinian territories.⁶⁷

The European position culminated in a peace initiative declared by France, Italy and Spain in November 2006. It called for an immediate and mutual Palestinian-Israeli ceasefire, exchange of prisoners, the dispatch of an international mission to GS and the formation of a Palestinian government recognized by the international community.⁶⁸ Once more, this initiative, which was rejected by Israel, indicates a measure of difference with the American-Israeli position, though both positions are essentially in conformity content wise.

Meanwhile, European powers were hesitant to accept the Israeli plan to unilaterally and permanently draw the frontiers between the Palestinians and Israel. In this respect, the EU ambassador in Israel, Ramiro Cibrian-Uzal, said, “Since the Union is not aware of the details of this plan, it is difficult to express agreement to it.”⁶⁹

Nonetheless, despite the official diplomatic boycott of major European powers to the Palestinian government, some European political forces did not abide by it. However, the attitude of the European public opinion on the issue, as reflected in the reports of the European press, indicates considerable disparity between European political trends.⁷⁰

Other reports show that this extreme position is not unanimously endorsed by all powers. Some European countries, like Sweden and Finland, as well as

experts in the European Commission (EC) and the Council of the European Union, expressed the need for flexibility in dealing with the Palestinian government, and the Belgian Senator, Pierre Galand, recorded his conviction that the siege does not “reflect the sentiments of the Europeans.”⁷¹

However, political contacts were secretly conducted between Hamas government and some European powers,⁷² and public meetings were convened between the organization and some European parties. For example, Gerry Adams, the president of Sinn Fein (the political wing of the Irish Republican Army (IRA)) met a number of representatives from Hamas and Fatah. While declaring that aid to the Palestinian people should not stop, Adams indicated that “it was vital to offer an alternative to “armed action.” This is what happened in the Irish peace process and it transformed “a militarised society” into one where ex-thugs have been transformed into workers for NGOs.”⁷³

The leftist organization, Rosa Luxemburg Foundation (RLS), convened a conference in Berlin, in November 2006, in which representatives of some leftist organizations participated. In its final communiqué, the conference emphasized the necessity of the negotiations with the Palestinian government.⁷⁴ Likewise, many European humanitarian organizations continued their aid to the Palestinians, but this move had extremely limited impact in reducing the tight grip of the financial and diplomatic siege on the Palestinian government.

2. The Israeli-Lebanese War

Some European powers played an indirect role in this war through the following activities:

- a. During the war, British civilian ports were accessible to American planes loaded with intelligent bombs and armaments to Israel.⁷⁵
- b. The EU participated in the UNIFIL forces by around seven thousand soldiers recruited from a number of European countries, notably Italy and France.⁷⁶ Subsequently, others joined from Belgium and Spain,⁷⁷ an operation described by the German Chancellor as a task which would help in defending Israel.⁷⁸
- c. The existence in Lebanese territorial waters of European military warships (from France, Italy, Greece and later Germany) that supervised the Lebanese shores,⁷⁹ in order to prevent supply of armament from abroad to the Lebanese resistance.

- d. Participation in the reconstruction of some sectors of the infrastructure that were extensively destroyed by the Israeli bombardment. Tony Blair, the British premier, referred to this effort during a visit to Beirut after the war in which he offered his country's help to reconstruct some of the bridges destroyed during the war.⁸⁰
- e. The support given by European countries to the G8 declaration of 17 July that called for the stoppage of Hizbullah's missiles against Israel, and the release of the two Israeli soldiers kidnapped by the party.⁸¹ It is important to mention here that various sources had then indicated that Hizbullah might conclude a deal to release these two soldiers in return for freedom to Palestinian, Arab and Lebanese detainees and prisoners in Israeli jails.

Europe had also connected the outcome of the Israeli-Lebanese war with the Palestinian issue, in the sense that it maintained that disarmament in Lebanon should be extended to include all the Palestinian organizations there. By this, Europe emphasized that its position is in harmony with that of the UN, as explained by Terje Roed-Larsen who said that the disarmament of the Palestinian organizations is an integral part of Resolution 1559.⁸²

However, what distinguishes the European position in this respect from its American counterpart is that the former is more inclined to the notion that the Palestinian issue is the major source of instability in the region, an idea that was ascertained after the Israeli-Lebanese war. Tony Blair emphasized that priority should be given to the Middle East "not to Syria or Iran, we have to start with Israel and Palestine, this is the crux of the problem."⁸³ Similarly, the president of the French Socialist Party, Francois Hollande, said, "As long as the Palestinians are deprived from having a state and their rights, there will be no stability in the region."⁸⁴

The above discourse shows that Europe participated during the year 2006 in the financial and diplomatic siege imposed on the Palestinian government, though with a degree of difference from the American position on the issue, while the European civil forces were less extremist in this respect. However, Europe was politically more inclined to give the Palestinian issue priority over other Middle Eastern issues, and had occasionally criticized Israeli policies and actions, as demonstrated by the opposition of the European Parliament to the Israeli operation in Jericho Prison and its attacks on GS.

Third: Russia

The Russian and Arab positions towards the Palestinian issue were generally less apart than those of other forces. The invitation that the Russian President Vladimir Putin extended to Hamas leadership immediately after their organization's victory in the elections was an important breakthrough in the positions of the big powers. The delegation reached Russia at the beginning of March 2006, and met several officials and notables, including the Russian Minister of Foreign Affairs Sergey Lavrov, the chairman of the Russian Parliament's Foreign Affairs Committee (the Upper House); in addition to the Russian Patriarch and the head of the Russian Council of *Muftis* (plural of *Mufti*, an official interpreter of Islamic Law) for Russia,⁸⁵ a development that was criticized by many of the big powers, particularly the USA.

However, with the exception of this different diplomatic position towards the new Palestinian government, the Russian attitude and political orientation was, on the whole, not basically dissimilar from its American-European counterpart. This could be detected in the activities of the Palestinian delegation in Russia as follows:

1. President Putin did not meet the Palestinian delegation
2. The Russian foreign minister emphasized to the delegation the necessity of "respect to all decisions of the Quartet, rejection of violence and the recognition of the right of Israel to exist," ideas that had been previously reiterated by Russian officials and praised by the Americans.⁸⁶

Though generally in agreement with the American demands from the Palestinian government, Russia doubted American sincerity to resolve the crisis in the Middle East, as Lavrov had said that some developing countries do not exhibit seriousness in resolving the Middle Eastern crisis, as is their case with the Korean and Iranian nuclear issues.⁸⁷

Nonetheless, Russia was keen to be in uniformity with other members of the Quartet, as can be seen in its support to all the declarations of the Quartet and the G8, which insisted on the commitment of the Palestinian government to the resolutions of the Quartet.⁸⁸ Thus, the Russian position is complex and complicated, and should not be read in a simple and simplistic manner.

Thus, all around Russia had taken a middle of the road position. While declining to boycott the Palestinian government diplomatically and had offered it an aid of \$10 million,⁸⁹ Russia had, on the other side, committed itself to the conditions of the Quartet. Moreover, the Russian list of terrorist organizations, as prepared by the Russian Federal Security Service (FSB), does not include Hamas and Hizbullah, as the Russian law confines definition of such organizations to those who undertake terrorist operations inside Russia. Through its spokesman Lavrov, the minister of foreign affairs, Russia had even called in September 2006 for the involvement of the two organizations in the peace process.⁹⁰ But, on the other side, the Russian envoy to the Middle East, Alexander Kalugin, emphasized in February 2006, the importance of Hamas' commitment to the resolutions of the Quartet by recognizing Israel, rejection of "terrorism" and accepting all treaties.⁹¹

The Russian middle position is due to many considerations of which some are listed below:

1. Motives for the dialogue with Hamas: Russia seems to have wanted to use this dialogue for internal purposes related to the problem of the Chechnya. For dialogue with a distinguished Islamic organization like Hamas would strengthen the Russian claim that their country does not fight the Chechens because of antagonism to Islam. Nonetheless, the Russian Minister of Defense Sergey Ivanov, linked "the violence on the West Bank and Gaza to the Taliban's increased activities in Afghanistan and Central Asia, and to extremist activity in Chechnya."⁹² Subsequently, however, this orientation was bound to change, as Russia have become in July 2005 a supervisory member of the OIC, coupled with its known disfavor to the notion of clash of civilizations that may have repercussions within its own territories.⁹³ Moreover, through its dialogue with Hamas, Russia wanted to ascertain its political presence in the region. Particularly so as some sectors within the Russian administration, the so-called "Arabized" in the Ministry of Foreign Affairs, the Security Organs, the Rosoboronexport (the Russian agency for the export and import of military products) and among the communists and nationalists, were in favor of this dialogue.

The Russian public opinion may also have its impact on the government in this respect, as the opinion polls indicated a decrease, in the usually high support of the Russians to Israel, which reached its lowest ebb, 9%, after the Israeli-Lebanese war.⁹⁴

2. Motives for adherence to the conditions of the Quartet: Russia was keen to adhere to these conditions in order to maintain its mutual interest with America, and to guarantee its interests in Israel, its second largest trading partner in the Middle East after Turkey. The volume of trade between the two countries rose during the year 2006 by about 7.6%.⁹⁵ Israel, on the other hand, was keen to secure into its territories the free and safe influx of Russian Jewish emigrants, to obstruct the flow of Russian arms to the Arab region and nuclear equipments to Iran, and to use Russia's good offices with Syria as a channel of communication with that country.

All in all, Russia tried to distinguish itself from other European powers and America on the issue of the new Palestinian government, but, at the same time, it aspired to be in conformity with the orientation of other international forces towards this government.

Fourth: China

To properly understand the attitude of China towards the victory of Hamas and the new Palestinian government, we should comprehend the four-points program of modernization that the country had actively adopted since 1978. For this program have significantly transformed the country's political and economic infrastructure, and, at the same time, shaped its foreign policy in a largely pragmatic form.

The four basic considerations that formulate China's contemporary policy towards the Middle East are:⁹⁶

1. China increasing need for oil, where Arab oil covers 44% of its needs.⁹⁷
2. China's needs a working relationship with Israel, which it had already recognized in 1992, to serve as a vehicle to acquire western technology through joint Israeli-Chinese projects, and Jewish capital for investment in China, in addition to the support of the Jewish lobby in the American Congress, particularly to voice the Chinese position on controversial issues with the American administration. However, this relationship suffered some setbacks as was in the case of the abrogation of some commercial deals and military projects between the two countries, and on the occasion of the visit of the Tibetan spiritual leader Dalai Lama to Israel in February 2006.⁹⁸

3. China's extreme concern with the rising Islamist wave in the Arab region, and its repercussions on the heavily Muslim populated and tense western Chinese provinces.
4. China's reluctance to engage itself in a strategic competition with other powers, at least in the foreseeable future, and, instead, to concentrate on promoting its trade with the Arab region, which totaled \$71 billion in 2006, to \$100 billion in 2010.⁹⁹

Having these considerations in mind, China adopted a balanced policy towards the victory of Hamas. It welcomed the outcome of the Palestinian elections, and the Chinese Ministry of Foreign Affairs called in February the international community "not to take any measures that might worsen the living situation of Palestinian people at this current stage."¹⁰⁰ Moreover, the Chinese government declared in March that it will continue to offer unconditional aid to the Palestinians, and that it is not in favor of political isolation or economic siege.¹⁰¹ Simultaneously, however, it tried, through diplomatic means, to exhibit that the Chinese position is in essence coherent with that of the major powers. This is seen in the following indicators:

1. The declaration of the Chinese Premier Wen Jiabao in Cairo in June that his country supports the Road Map.
2. The conclusion in June 2006 of a ministerial Chinese-Arab agreement "to step up anti-terror cooperation in bilateral, regional and multi-lateral fields." Interestingly, this agreement was signed during the Second Ministerial Meeting of the China-Arab Cooperation Forum, which was established in Beijing in 2004.
3. China's expressed hope that the participation of the Palestinian Foreign Minister Mahmud al-Zahhar in the Ministerial Meeting of the China-Arab Cooperation Forum of June would not affect Chinese-Israeli relations.
4. China's emphasis on the "humanitarian" nature of its aid to the Palestinians, a position that was reiterated by the Chinese envoy in the Stockholm International Donor Conference on the Humanitarian Situation in the Palestinian Territories held in early September to extend aid to the Palestinian people.¹⁰²

These indicators should be read within the context of the Chinese position that wanted to have a margin of distinction in its relations with the Palestinians, and, at

the same time, avoid at the present stage conflicts with America, though it predicts that the USA might direct its enmity to it in the future.

Notably, Chinese diplomacy had maintained continuous dialogue with different Palestinian factions and organizations. For example, several Fatah leaders had a meeting in July 2006 with representatives of the Communist Party of China (CPC). Furthermore, Bassam al-Salihi, the head of the Palestinian People's Party (PPP) (*Hizb al-Sha'b al-Filastini*), met in Beijing on 23 March Ismail Amat, vice-chairman of the Standing Committee of China's National People's Congress (NPC).¹⁰³

As for Hamas, the Chinese government never extended a public and direct invitation to the Palestinian government nor to any of its members. Contact with the Palestinian government was kept at a low and minimum level, and through broad contacts as was the case during the above mentioned ministerial meeting.

The visit of the Palestinian minister of foreign affairs to Beijing had been accompanied by a measure of confusion. The Chinese Ministry of Foreign Affairs had at first, on 6 April, denied that an invitation had been extended to the minister, but on 18 May, maintained that he is coming within an invitation to attend the above mentioned China-Arab Cooperation Forum. This reserved and shy position was further ascertained through some official declarations:

- A declaration by the Ministry of Foreign Affairs maintained, "We don't necessarily agree with Hamas's policies, but as it is chosen by the Palestinian people, we should respect their choice."¹⁰⁴
- Another communiqué by the same ministry recorded, that "economic assistance" was not discussed with al-Zahhar, although "humanitarian aid" was.¹⁰⁵ This indicates that China wanted to avoid confrontation with the American-Israeli policy, though it was not a member of the Quartet Committee.

Thus, China had, on the one hand, continued its pragmatic policy in an attempt to maintain its "specialty," but, on the other hand, strove to swim with the international tide with regard to the Palestinian-Israeli conflict, which is largely determined by the USA. However, due attention should be given to this Chinese distinct position, but without magnifying it or betting on it.

Fifth: Japan

The Japanese policy in the Middle East is on the whole characterized by four characteristics:

1. Not to be directly involved in the strategic competition in the region.
2. To give priority to the mercantile dimension in its international relations, and to pursue the diplomacy of “multiple directions” that it had adopted since 1973, which means to deal with all countries and political trends irrespective of the differences between, or within, them.
3. To emphasize the political settlement for the conflicts in the region.
4. Not to provoke or offend the USA.

Japan addressed the Palestinian issue within these guidelines. Its first official contact with the PLO was in December 1988, less than eight hours after America expressed its readiness for dialogue with the PLO, when the Japanese Foreign Minister Sosuke Uno, met a representative of the PLO.¹⁰⁶

In conformity with these principal guidelines of the Japanese foreign policy, we may enumerate the country’s moves in the Middle East during the year 2006 in the following:

1. No direct involvement in the strategic competition in the region. This is glaringly reflected in the limited coverage of the Japanese media to the Israeli-Lebanese war,¹⁰⁷ and in the fact that none of the Japanese premiers had visited the region for over 15 years, during the period 1991-January 2006, though 90% of the country’s petrol comes from it. Japan did not go beyond the limits of “mercantile diplomacy” except in some aspects like the Fourth Seminar on Dialogue Among Civilizations between Japan and the Islamic World that was held in Tunis in January 2006.¹⁰⁸

2. The active pursuit of the “mercantile diplomacy” and the multiple diplomacy. A review of the Japanese declarations on the problems of the region shows that they continuously emphasize and remind of the Japanese aid to the region, including that extended to the Palestinian people, and to Japan’s projects and investment there. This diplomacy culminated in 1999 in Japan’s patronage, in cooperation with the UN Secretariat, of the policy of “Human Security” that catered for the provision of the essential needs to the Palestinian people.

On reviewing the Japanese activities in the region, particularly towards the Palestinians, we note that the Japanese presence in economic projects is clear and vivid, while the country's position on political projects is usually concealed behind that of the American.

Within these general aspects of the Japanese policy, we may track the Japanese attitude towards the elected Palestinian government. It is worth noting that a Japanese group, under the presidency of the deputy minister for foreign affairs, Shintaro Ito, had participated in the supervision of the Palestinian elections, and that the Ministry of Foreign Affairs issued an official declaration on 26/1/2006 that welcomed these elections, but expected that the PA "will make efforts for peace in accordance with the Roadmap, such as to control the extremists." However, the general orientation of the Japanese policy has become clear on 3 February, that the Special Envoy of the Government of Japan for the Middle East, Tatsuo Arima, will not meet Hamas officials, in his forthcoming visit to the region.¹⁰⁹

In coherence with the American position towards the Palestinian government, the Japanese Premier Junichiro Koizumi, declared during a visit to the PA on 13 July that he will extend support to it and promote the efficiency of the president's office by increasing the Japanese aid to \$3.1 million,¹¹⁰ but without any reference to the Palestinian government.

During the deliberations of the World Economic Forum on the Middle East, held on 21/5/2006, the Special Envoy of the Government of Japan for the Middle East, Tatsuo Arima, highlighted his government's position in the following points:

- a. Hamas should continue the quest for peace and 'Abbas and Olmert convene a meeting.
- b. Israel should take no measures that affect the status of the final negotiations.
- c. Israel should release the returns from the Palestinian taxes.
- d. To support the dialogue between Palestinian-Israeli elitist groups, in continuation of the elitist meetings held in Japan in 2003, and which culminated in what was known as Geneva Initiative.¹¹¹
- e. Japan comes second, after the USA, in offering aid to the Palestinian people. Its aid during the period 1993-2005 totaled \$840 million, i.e., 9.9% of the total international aid to the Palestinians.¹¹²

In its website, the Ministry of Foreign Affairs of Japan mentioned that it extended \$3.72 million aid to the UNRWA in 2006, and that it offered about \$11.42 million to the WB and GS.¹¹³ Junichiro Koizumi, the prime minister of Japan, in his visit to the Middle East in July 2006, proposed the concept called the “Corridor for Peace and Prosperity” which is based on regional cooperation, supported by Japan, in the Jordanian valley. During this visit, it was agreed that a “consultative unit,” composed of representatives from Jordan, PA Israel and Japan be established, and Japan will contribute \$2 million for the feasibility study to be conducted by the World Bank, on the construction of a Red Sea-Dead Sea water conveyance; as Japan forecasted it as important in developing the Jordan River rift valley and securing water resources.¹¹⁴

3. Emphasis on the peaceful settlement of conflicts in the region. This policy was clarified in a series of declarations by which Japan kept an equal distance between itself and both of the Palestinian and Israeli sides, i.e., what may be called the equal distance declarations.

This orientation is clear in the declarations that the Special Envoy of the Government of Japan for the Middle East, Tatsuo Arima, issued after a visit that he paid during the period 5-11 November to Israel, Palestine and Syria. It is also noted in the declarations which addressed the Israeli attack on Beit Hanun in November 2006 where Japan expressed its “deep concern” towards the Israeli operations in this town, particularly the bombardment of houses of the civilians, and called upon Israel to conduct an investigation on the matter. Conversely, the declaration called upon the Palestinians to control their attacks from Gaza on Israel. It also welcomed the ceasefire between the two sides, and called for a meeting between the Israeli premier and the president of the PA.¹¹⁵ This policy “of equal distance” was reiterated in a declaration by the Ministry of Foreign Affairs on 30 June on the issue of kidnapping by Hamas of an Israeli soldier on 25 June. The declaration pointed to the necessity of the release of the Israeli soldier and exhibited its concern on the Israeli arrest of members of the Palestinian government.¹¹⁶

Some Japanese analyst maintain that the attitude of their government towards Hamas takes into consideration the impact of the rising role of the Islamic forces worldwide, but particularly on its neighboring countries that has a Muslim population like Indonesia, Malaysia, Thailand and the Philippines.¹¹⁷

During the year 2006, Japan was thus committed to the political orientation of the other major powers, though it tried to dilute the impact of this policy on the Arab street through its “cheque book diplomacy,” and by constantly reminding of its sizeable aid to the Palestinians in particular. Nonetheless, it is indeed worthwhile to track this increasing Japanese interest in the region, never belittle the importance of establishing communication channels with Japan directly and indirectly, and to encourage this country to pursue comparatively independent policies from those of the American administration.

Sixth: International Scenario

1. The International Organizations

a. The United Nations

The will of the UN should supposedly be determined by its member states. But, in reality, the Secretariat had chosen to be under the control of the central powers of the Security Council, particularly America and major European countries. Hence, the position of the international organization on the central issue in the year 2006, namely the financial and diplomatic blockade, was in conformity with that of these powers.

The first declaration of the Security Council on the Palestinian elections called for respect to the concluded agreements, and the Road Map. It also recorded the concern of the council on the extension of the settlements and on the route of the Separation Wall.¹¹⁸

In coherence with the international policy of the blockade, the UN imposed restrictions on contacts with the Palestinian government. The UN dictated that political contact with the Palestinian government will be undertaken on a case to case basis,¹¹⁹ and the secretary-general reiterated in different occasions that the Palestinian government should abide by the international agreements concluded between the PA and Israel.

The UN advised its aid agencies to “avoid meeting with Hamas political leaders and to limit contacts to technocrats in the new Palestinian Government.” The UN also advised its aid agencies “to avoid political contact” with Hamas leaders. UN

spokesman, Stephane Dujarric, said the following in this respect, “working contacts for aid agencies and other UN officials with the new Palestinian Government are permitted to ensure continuation of humanitarian programs... The issue of political contacts will be dealt with as it arises.”¹²⁰

In private briefings:

Bush administration officials have told UN agencies and non-government organisations to ensure that they do not provide any American funding to the Palestinian Authority, its ministries or local municipalities. The United States has also asked the agencies and groups to abide by its strict no-contact policy when working on projects funded by US taxpayer dollars.¹²¹

Meanwhile, the UN General Assembly continued to issue resolutions condemning Israel, such as the one passed on 17/11/2006, which condemned the Israeli attack on Beit Hanun. But the Security Council failed twice to condemn Israel because of the American veto.

The assistant secretary-general for political affairs, Tuliameni Kalomoh, warned against the unilateral solutions that Israel intends to pursue as this will weaken the two-state solution.¹²²

During the Iraqi crisis, the UN High Commissioner for Refugees (UNHCR) drew attention in March to the dangers that face the Palestinians in Iraq, including the assassination operations against some of them.¹²³ This impelled the Shi'i leader Ayatollah al-Sistani to issue a religious edict (*fatwa*) demanding protection to the Palestinians and their property in Iraq, which was welcomed by the UN.¹²⁴

It should be mentioned that the accusations of corruption against Kofi Annan had weakened his position vis a vis the American administration to such an extent that he did not dare to disagree with it except during the last two months of his secretaryship when he criticized the American war in Iraq, and considered it to be illegal.

b. The Other International Organizations

In coherence with the American-European stand, the NATO secretary-general, Jaap de Hoop Scheffer, excluded, even before the formation of the Palestinian government, the possibility of conducting any contacts with Hamas. Moreover, he reiterated the conditions drawn by the member states of the NATO, namely discard of violence, recognition of Israel and acceptance of the treaties that Israel concluded with the PA.¹²⁵

On 10/2/2006, he openly said, “It looks impossible to me that NATO as an Alliance would enter into any form of contacts with Hamas unless Hamas... and you know the conditions. But it’s an absolute impossibility NATO have any dealing with Hamas by NATO.”¹²⁶

Conversely, in the Ministerial Meeting of the Coordinating Bureau of the Non-Aligned Movement in Malaysia in late May, the ministers of foreign affairs condemned the continuation of the Israeli occupation of Arab lands.¹²⁷ Moreover, the Non-Aligned Movement, composed of 118 members, asked, in its summit meeting in Havana in September 2006, for the stoppage of the Israeli aggression on the Palestinian people, criticized the suspension of financial aid to the Palestinian government and called for immediate economic and financial aid to the Palestinian people.¹²⁸

A press release issued by the African Union condemned the Israeli attack on Beit Hanun, called upon the Security Council to take the necessary measures to stop the Israeli violations, and on the Quartet Committee to urge the conflicting parties in the Middle East to resume negotiations.¹²⁹ Incidentally, four African non-Arab countries, Chad, Guinea, Mali and the Niger, do not—to this day—have diplomatic representation with Israel.

Conversely, the Organization of American States (OAS) has been comparatively more concerned with the region after the Arab-Latin American Summit that was held in Brazil in May 2005, notwithstanding the poor Arab participation in it. The position of the OAS towards the Palestinian issue had been traditionally fixed by its acceptance of the Quartet’s conditions. But significant changes have swept the OAS, which were triggered by rising anti-Americanism, increasing understanding of Arab-Islamic issues and strong opposition to globalization and its devastating impact on the peoples of Latin America. This transformation was reflected in the condemnation of the OAS secretary-general, Jose Miguel Insulza, to the Israeli attack on the Lebanese city Qana on 31 July, and the killing shortly afterwards of several of the UN observers in Southern Lebanon.

However, in an address on 7/5/2006, Insulza maintained that he kept cordial relations with the Jewish lobby since his days as the foreign minister of Chile, and that he opposes “terrorism” and condemns all manifestations of anti-Semitism.¹³⁰

On the Asian level, the 14th Asia Pacific Parliamentary Forum (APPF), composed of 23 member states of which one is an observer, and the Asian Development Bank

convened a meeting on 20/1/2006, which issued a declaration that welcome “the holding of legislative elections in Palestine this month and hoped it could advance the implementation of the Roadmap for Peace.”¹³¹

In Europe, an international conference, attended by 35 states and 20 international organizations, was held in Stockholm in early September 2006 to extend support to the Palestinian people.¹³²

As for non-government organizations, like Amnesty International, they had warned against the blockade and its humanitarian repercussions in the Palestinian regions. They called the “governments of states who are High Contracting Parties to the Fourth Geneva Convention,... to take action to prevent a further dramatic worsening of the human rights situation of Palestinians in the West Bank and Gaza Strip.”¹³³

But, as mentioned by James Wolfensohn, Quartet Special Envoy for Disengagement, who resigned on 30 April in protest of the restrictions imposed on his role, the American-Israeli pressure on these organizations made it impossible for them to replace the international aid that had been suspended from the Palestinians.

2. Other International Forces

The international position was on the whole in conformity with that of the major powers and the Quartet Committee of which the UN was a partner. This was clearly reflected in the Quartet’s declaration, issued one day after Hamas’ victory in the elections, which pointed to “a fundamental contradiction between armed group and militia activities and the building of a democratic state,” and demanded that all members of the forthcoming Palestinian government should be committed to the discard of violence.¹³⁴

The total annual international financial help to the Palestinians was estimated as \$1.6 billion.¹³⁵

Canada was among the first countries that stopped aid to the Palestinian government after the victory of Hamas.¹³⁶ However, its foreign minister, Peter Mackay, emphasized that his country will continue humanitarian aid to the Palestinians through President ‘Abbas’ office, non-Hamas members of the Legislative Council and mid rank officials of the PA who do not support Hamas. He added that Hamas’ commitment to the principles of the international community is a primary condition for the resumption of the aid.¹³⁷

The representative of Ghana in the Security Council criticized the kidnapping of Israeli soldiers by Hamas and Hizbullah, but, at the same time, criticized the Israeli operations against the civilians.¹³⁸

Switzerland associated its cooperation with the Palestinians to the availability of a Palestinian leadership that bases its activities on dialogue and peaceful means.¹³⁹ However, on the other side, some countries had openly and clearly supported the Arab-Palestinian stand. Venezuela went to the extent of withdrawing its ambassador in Israel in protest against the Israeli aggression on Lebanon, and its president, Hugo Chavez, labeled the Israeli attack on Lebanon as a “typical Hitlerian” operation.¹⁴⁰

Conclusion

In some of its aspects, the year 2006 may be described as the year of the blockade, and the USA and the EU as its chief proponents. The central objective of this siege was to impose political concessions, of which the most important is the recognition of Israel, and the acceptance of all the treaties that Israel had concluded with the PLO and the PA. Meanwhile, the American-Israeli axis had faced during the year 2006 many difficulties that tarnished its image and weakened its authority, particularly the failure of the aggression on Lebanon, the failure to topple Hamas’ government and the American quandary in Iraq.

The blockade failed to extract the required political concessions, but it led to an acute economic crisis that the Palestinian government was unable to get away with except on a very limited scale, as emphasized by all the reports of international economic organizations. The siege also generated internal political tension between Hamas and Fatah on one side and between the Palestinian presidency and government on the other. Most of the international community supports the former at the expense of the latter.

Meanwhile, it was increasingly felt, particularly in Europe, that the resolution of the Palestinian-Israeli conflict is the key to resolving the region’s problems, as Tony Blair had repeatedly maintained.¹⁴¹ This position gained momentum with the increasing violence in Iraq and the outbreak of the Lebanese-Israeli war.

But the American side is still less inclined towards this orientation. Instead, it opts to make the resolution of the Palestinian-Israeli conflict the final rather than the first stage, as James Wolfensohn, Quartet Special Envoy for Disengagement, mentioned in his last report of May 2006 (after which he resigned), in which he called not to postpone the effort to end this conflict.¹⁴² The USA hopes that the political, military and economic structural changes that it triggered in the region would lead to the liquidation of the Palestinian issue. In fact, this tendency had started with Oslo Accords, then the Israeli patronizing of the abolition of the right of return, and, finally, the unilateral resolution of the conflict initiated by Sharon and pursued by Olmert, which guarantees the drawing of the Israeli frontiers by gnawing the larger part of the WB, including Jerusalem, a plan that is expected to be completed in 2010.

Many reports and political analyses indicate that in the year 2006 most of the powers were, in one way or another, inclined toward this orientation.

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Chapter Seven

The Land and the Sanctuaries

The Land and the Sanctuaries

Introduction

The year 2006 had glaringly exhibited the insistence of the Palestinians to have their rights and sanctuaries in spite of the spiral of suppression and deprivation that they suffered under the Israeli occupation. Concurrently, the year had demonstrated the determination of the Israeli occupation to actively pursue its policy of Judaization of the Palestinian land and sanctuaries. During the year, Israel accelerated the pace of Jewish settlements, and went ahead with its project to Judaize Jerusalem, expel its citizens and transgress its Islamic and Christian endowments. Israel also continued its practice of fait accompli through confiscation of Palestinian lands to build the Separation Wall, isolation of towns and cities, obliteration of houses, uprooting of trees, destruction of agricultural lands and stealing of water. While adopting these practices, Israel successfully engaged world attention with the issue of Hamas' recognition of Israel as a pre-condition for lifting the blockade that it imposed on the Palestinian government and people. Meanwhile, the Arab-Muslim world and the world at large failed to confront these and other Israeli violations. This chapter focuses on the district of Jerusalem as well as the rest of the WB, but, within the available literature, it also indicates the oppressive Israeli measures in GS and in the 1948 occupied lands (Israel).

First: Jerusalem and the Sanctuaries

The primary objective of all the Israeli occupation governments on the issue of Jerusalem is to totally control and Judaize the town. They tried to do this through the demographic factor, and the topographical too. Towards the goal of having a Jewish majority in the town, the Israeli successive governments, as well as non-government institutions, adopted a variety of oppressive measures against the Arab inhabitants of Jerusalem. The Israeli Ministry of Interior, the Municipality of Jerusalem, the National Insurance Institute of Israel (NII) and the Ministry of Finance had all participated in this anti-Arab drive. The ulterior aim behind this well planned

campaign is to increase the pressure and burden on the Arab inhabitants to such an extent that they will have no option but to quit the city. It is worth mentioning here that the official Israeli statistics indicate that the population distribution in the Old City included 89,042 Muslims, 8,042 Armenian Christians, 9,625 Christians in the Christian quarter and 8,232 Jews in *al-Sharaf*, or Jewish, quarter.

As for East Jerusalem, its population in 2006 totaled 413 thousand of whom 231 thousand were Palestinians, and 182 thousand were Jewish settlers.¹ By early 2007, the total inhabitants of Jerusalem, i.e., both East and West Jerusalem, is expected to be 720 thousand, of whom the Jews constitute 475 thousand, i.e., 66%, and the Arabs 245 thousand, that is 34% of the total population.² The Israeli plans strive to sharply reduce the numbers of the Arab population in both parts of Jerusalem to a mere quarter or one fifth of the total population.

Amongst the Israeli measures to Judaize Jerusalem and transgress its sanctity are the following:

1. Displacement of the Palestinians through the Withdrawal of the Right to Stay in Jerusalem

The policy of migration, or the quiet transfer, started as early as the year 1967, and is continuing until today. It had effectively stripped the right of citizenship from many Palestinian families who lived in Jerusalem. During the period from January 1995 to March 2000, the Israeli Ministry of Interior adopted a new way to sharply reduce the number of the Palestinian inhabitants of Jerusalem, namely to withdraw the citizenship card of any of them who fails to ascertain his place of residence in Jerusalem in the past or now, and to compel him/ her to leave the town. In this case, he or she will lose all rights.

The occupation authorities had also withdrawn the Israeli identity cards from the Palestinians of Jerusalem who moved from the town to live in the artificial frontier towns of the Municipality of Jerusalem, i.e., the towns of the WB that surround Jerusalem, under the guise that these suburbs are outside Israel by virtue of paragraph (1) of Article (11) of Entry into Israel Regulations, 1974. This law limits the cases in which the identity card may be withdrawn to three:

- a. If a person lives outside Israel for at least seven years.
- b. If a person earned the right of residence in another country.
- c. If a person got a naturalized nationality of another country.

Thus, the Palestinians of Jerusalem were deprived of their rights to stay outside the country to study, work or to have dual nationality. More dangerous was their deprivation of the right of family reunion and to register their offsprings. Since the year 2000, the Israeli government froze all the applications of family reunion, and on 31/7/2003 it issued the so-called Citizenship and Entry into Israel Law, which deprived all the inhabitants of Jerusalem and the Palestinians who bear the Israeli citizenship (the 1948 Palestinians) from the right of family reunion if they married spouses from the WB. This Law, which imposed on these Palestinians to live separately, was endorsed by the Israeli High Court of Justice (Supreme Court) on 14/5/2006, and hence becomes legally binding. Though Israel had allowed the Palestinians of Jerusalem to participate in the legislative elections of 25/1/2006, the Minister of Interior Ronnie Bar-On, issued a decree on 29/5/2006 that withdrew the right of stay from all the representatives of Jerusalem in the PLC if they do not submit their resignations within a month.³

The available statistics indicate that the Palestinian inhabitants whose identification cards were withdrawn since 1967 and until 2004 totaled 6,396. In an interview published in the summer of 2006, Muhammad Tutah a member of the PLC, had, however, maintained that their numbers were far more than this figure, i.e., more than seven thousand.⁴

This campaign of withdrawal of identity cards was particularly intense in the year 2006. According to the statistics of the Israeli Information Center for Human Rights in the Occupied Territories (B'Tselem), the number of the Palestinian inhabitants of Jerusalem who were stripped of their identity cards in that year alone was 1,363, the highest ever since the occupation of Jerusalem. Their total number from 1967 to 2006 reached 8,269. The following table shows the accelerating rate of the Israeli drive to empty the holy town from its Arab inhabitants.⁵

Table 1/7: Statistics on Revocation of Residency Rights 2003-2006⁶

Year	No. of Palestinians whose residency was revoked
2003	272
2004	16
2005	222
2006	1,363
Total	1,873

To achieve their objective in sharply reducing the number of Arabs in Jerusalem, Jerusalem Municipality evaded extension of services to the original inhabitants of the town. By virtue of the Israeli law, the Palestinian inhabitants of Jerusalem were required to pay to the municipality and the state all the taxes and the dues, such as the income and house taxes and for the national insurance, notwithstanding their low income and the poor services that they receive compared to those extended to the Jews. This had further increased the hardship and misery of the Arab inhabitants of Jerusalem.

The Israeli policy does not seem to be heading towards relaxing the pressure on the Palestinians of Jerusalem, particularly as far as the identity cards are concerned. On the contrary, Israel is continuing its oppressive policies, and the participation in the government in late October 2006 of the extreme and racist party “Yisrael Beitenu,” which calls for the expulsion of the Arabs, is an indication of further and more suppression and extremism towards the Palestinians and their land.⁷

2. Refusal of Building Permissions to the Palestinians of Jerusalem

The size of Jerusalem has been multiplied more than 10 times since the occupation in 1967. But the Israeli occupation is the sole beneficiary of this extensive increase in the town's area that had been usurped either by the Ministry of Housing, the Ministry of Finance or the Jerusalem Municipality. It was used for the establishment of settlements that surrounded the town, or declared “reserved” land or confiscated under the pretext of reserving it for future public usage. But the real motive is to deny the Palestinians the right of building there.⁸

In fact, it was almost impossible for a Palestinian to have a building permission. Apart from the high cost of such a license, up to \$30 thousand, and the long time that it takes, the land must be registered in the name of the licensee. If the land is inherited from a father to son or daughter, then the issuance of a license becomes extremely complicated.

The whole idea behind these laws and restrictions is to restrict population increase and constructional development by the Palestinian inhabitants of Jerusalem. Hence, they had no option but to build without permissions which exposed their houses to the danger of obliteration.

These oppressive measures compelled many Palestinians to quit Jerusalem and live in the WB or in the diaspora, which automatically stripped them of their right

of citizenship in the town. But others have stuck to the town to live in difficult, even tragic, conditions.

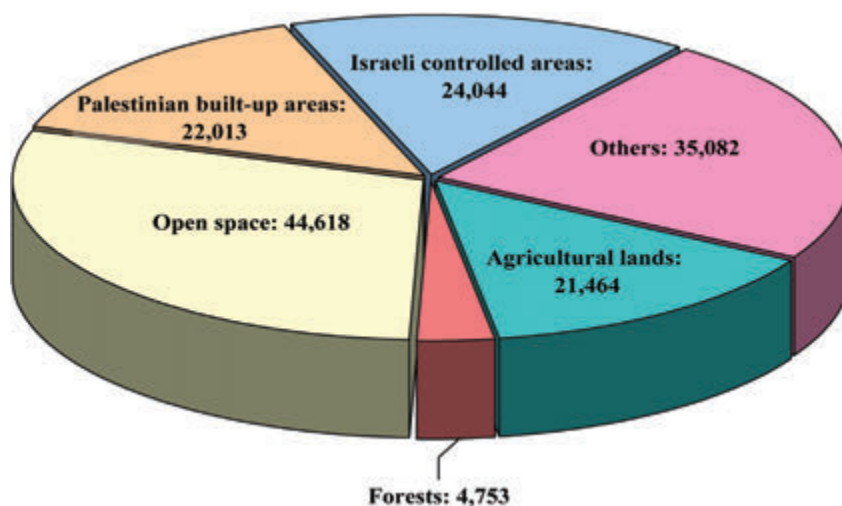
3. The Impact of the Separation Wall on Jerusalem

By the completion of the Separation Wall project, the isolated area in Jerusalem will total 151,974 donum, i.e., 43% of the total area of Jerusalem Governorate. According to various reports on the impact of the Wall 231 thousand Palestinians, about 56% of the inhabitants of Jerusalem, will negatively be affected by the construction of the Wall. The below table explains the varieties of land that will be isolated by the Wall, according to the quality of land and its area.

Table 2/7: Classification of Landuse/ Landcover Area Isolated behind the Separation Wall in Jerusalem Governorate⁹

Land type	Area in donums (1 donum=1,000 m ²)
Agricultural lands	21,464
Forests	4,753
Open space	44,618
Palestinian built-up areas	22,013
Israeli controlled areas	24,044
Others	35,082
Total	151,974

Classification of Landuse/ Landcover Area Isolated behind the Separation Wall in Jerusalem Governorate



During the year 2006, the Israeli occupation built new sections of the Separation Wall around Jerusalem, wherein the construction of 89 km, about 55% of the total length of the Wall, had already been completed. The building of the rest was either in progress or already approved.

Table 3/7: Construction Progress of the Separation Wall in Jerusalem¹⁰

	Length (km)	Percentage of the Wall length (%)
Completed construction	89	54.9
Under construction	16	9.9
Construction not yet begun	57	35.2
Total	162	100

As emphasized by the National Office for Land Defense and Resisting Settlements, the completion of the building of this Wall in Jerusalem will have serious repercussions. For the clear objective behind this Wall around the frontiers of the so-called Greater Jerusalem was to reduce its then 35% Palestinian inhabitants to 22% only, which clearly shows the extensive dimension of the project to Judaize Jerusalem, and its far-reaching and dangerous economic and socio-political impact on the life of the Palestinians. The Palestinian Central Bureau of Statistics (PCBS) in collaboration with the BADIL Resource Center for Palestinian Residency & Refugee Rights conducted a household survey on the impact of Wall on the forced displacement in Jerusalem, during the period 15/5-10/6/2006. The results of the survey revealed that 72.1% of the households with students in higher education were forced to be sometimes absent from university, because of the closure, compared with 69.4% for households with students enrolled in basic/ secondary education. The results also showed that access to health centers was a difficulty for 34.5% of the households in Jerusalem Governorate (5.8% inside the Wall and 88.3% outside the Wall). In addition, the inability of medical staff to reach health centers was an obstacle for 31.3% of the households (4.4% inside the Wall and 81.8% outside the Wall).

The results of the survey showed that about 21.4% of the Palestinian households, reported to have at least one member who was separated from relatives (15.5% inside the Wall and 32.6% outside the Wall). In addition, 18% of the Palestinian households in Jerusalem Governorate were separated from the father (14.3% inside

the Wall and 26.2% outside the Wall), whereas 12.7% of the households were separated from the mother (12.9% inside the Wall and 12.3% outside the Wall).

The results of the survey revealed that 32.9% of the Palestinians of Jerusalem changed their previous place of residence because of the Separation Wall, of whom 53.9% changed their place of residence for the first time after the beginning of constructing the Wall in 2002. Moreover, 63.8% of the individuals aged 16 and above were seriously thinking to change their current place of residence because of the Separation Wall and its associated regime, and 86.7% needs to have appropriate services, particularly jobs and social security, to motivate them to stay in their homes.

It is worth mentioning that 94.7% of the households bitterly complained that the long time spent to pass checkpoints was an obstacle for them, and that 84.6% maintained that their social relations and visits to relatives were adversely affected by the Wall. Moreover, the ability of 40% of the households to visit religious and holy sites was also affected, and that 69.4% of the households object to have their married partners from the other side of the Wall, though this percentage was much lower, about 31.6%, before the construction of the Wall.¹¹

The town of *al-‘Aizariyah* east of Jerusalem is a living example of these devastating effects of the Separation Wall. Khalid al-‘Azzah, the director general of Counter-Settlement and Separation Wall Construction Department in the Ministry of Local Government, mentioned that the Wall have entrapped the town that lies four kilometers east of Jerusalem and along the main road Jerusalem-Jericho. Al-‘Azzah continued to say that the Wall will isolate the only cemetery in the town as well as hundreds donums of lands owned by the Palestinians and by the Christian endowments. The Wall is also a formidable predicament to tourism in these and other regions.

The Wall will close the only way leading towards Jerusalem, and the owners of the land and houses cannot enter or exit across the Wall except with the prior permission of the Israeli authorities, which is normally governed by many considerations.

When completed, this Wall will isolate *al-‘Aizariyah* from neighboring villages and towns like *al-Tur*, *al-Za‘im* and *al-‘Isawiyah*. The Israeli government strives to bypass *al-‘Aizariyah* and to include one of the largest Jewish settlements that lies near to this town, namely Ma‘ale Adummim, and another Jewish settlement, Kidar,

to the Municipality of Jerusalem. Hence, it changed the route of the Separation Wall to guarantee the annexation of these two colonies, and to further tight the siege of the towns *al-‘Aizariyah* and *Abu Dis*, through which the Wall passes, and to dismember their different parts.

The former Palestinian Premier Ahmad Quray‘, tried to build the headquarters of the PLC in *Abu Dis*, which was occasionally dubbed “a Palestinian Jerusalem.” But this plan was subsequently aborted as the Wall had annexed the area in which the building was scheduled to be constructed.

A report issued by the Palestinian Agricultural Relief Committees (PARC) showed that the execution of the Wall project around Jerusalem will lead to the isolation of at least 50 thousand of the inhabitants of Jerusalem and thousands of the Bedouins, in addition to the uprooting of thousand trees.

Another repercussion of the Wall is the isolation of some quarters from several villages in Jerusalem Governorate, e.g., *Wad al-Hummus*, *Dayr al-‘Amud*, *al-Mintar* and *al-Salalim* in the region of *Sur Bahir*. The area of this region is 1,661 donums, and the quarters in question are inhabited by one thousand of citizens, amongst whom are 150 students who all bear the Jerusalem identity card. The Wall also isolates the village *al-Sheikh Sa‘d* of Jerusalem Municipality, and the isolation extends to the region of *Wadi Abu ‘Ali* that is rich with olive trees, and include 1,500 bearers of Jerusalem identity cards.¹²

4. The Violations and Excavations in the Sanctuaries

In their strive to destroy the character of Palestine and its people, and to complete the Judaization process, the occupiers took several measures in the occupied Arab territories that aimed at striping them of their religious, cultural and civilizational heritage. This was particularly so in Jerusalem whose sacred position, archaeological sites and civilizational legacy challenge the Israeli project and emphasize the Palestinian right.

a. The Excavations Underneath *al-Aqsa* Mosque

Since their occupation of Old Jerusalem, the Israeli occupiers embarked on a persistent and organized campaign to steal the archaeological, religious and cultural remains of the town, including the transfer of the rare Lachish Letters, the Dead Sea Scrolls and the most important treasures of the Palestine Archaeological Museum to the Israeli Museum.

However, the most dangerous aspect of this cultural theft was the excavations under the fences of *al-Aqsa* Mosque. In a press conference on 3/1/2006, al-Sheikh Ra'id Salah disclosed the existence of a double store Jewish synagogue, of which one floor was a prayer place for women and the other for men, near the Dome of the Rock (*Qubbat al-Sakhrah*) about 97 meter from its center. Salah added that there are seven rooms under *al-Aqsa* Mosque and that the excavations are ongoing.¹³

In the presence of Uri Lupolianski, the Mayor of Jerusalem, and the most important Rabbis of the Jewish state, the president of Israel, Moshe Katsav, opened on 13/3/2006 a new prayers room in the Western Wall of *al-Aqsa* Mosque, known as *Ha'it al-Buraq* or as called by the Jews the Wailing Wall courtyard that was established under the famous building named the Islamic Court in Jerusalem. Kastav called during this opening session for the construction of a road that connects *al-Buraq* Wall (the Wailing Wall) courtyard with David Basin, which means further excavations under *al-Aqsa* Mosque. In its issue of 30/6/2006, *Haaretz* newspaper reported that Israeli archaeologists will start excavations and the removal of the dust barricade that lead to the bridge of the Moroccans Gate (*Bab al-Magharibah*), one of the doors of *al-Aqsa* Mosque. On 13/8/2006, the occupation authorities placed a tenure to destroy the ways of the Moroccans Gate,¹⁴ and allocated \$1.1 million for this purpose.¹⁵ Moreover, a nearly completed project is available for the construction of a tunnel that connects Silwan with *al-Marwani* Prayer Hall (*al-Musallah al-Marwani*) in preparation for the establishment of the Israeli dream of a synagogue over it.¹⁶

All this is part of a grand design to divide *al-Aqsa* Mosque through the application of Clinton Plan that claims what is above the ground is for the Muslims and what is beneath it is for the Jews. In fact, this plan is being implemented on the ground, though some Islamic institutions and personalities had warned against its dangerous consequences.¹⁷

Some Israeli societies actively pursue projects to Judaize Jerusalem. News were revealed on 21/6/2006 of an agreement between the Ateret Kohanim Association and Jerusalem Municipality to open a tunnel between Suleiman Grotto in the Damascus Gate (*Bab al-'Amud*) and a house that the society controls for 20 years behind *al-Maylawiah* School.¹⁸ If connected, this tunnel will lead to the control of the Islamic quarter in the Old City, specifically *al-Sa'diyah* quarter and the

Red Minaret. We should add here that this project is part of the 2020 Jerusalem project to Judaize the Old City.¹⁹ Probably this will consolidate a plan that was a cooperation between the Jerusalem Municipality and the Jewish Quarter Development Company in the Old City. It aims at establishing an 18 thousand square meter four-storey parking lot south of *al-Aqsa* Mosque, that includes commercial centers and hotels.²⁰

On the advice of some religious leaders and archaeologists, the Israeli leaders fixed the objectives of Jerusalem excavations in the following:

1. To conduct archaeological excavations on the southern and western walls of *al-Aqsa* Mosque along a distant of 485 meters in preparation for the discovery of *al-Buraq* Wall (the Wailing Wall).
2. Destruction and obliteration of all the adjacent Islamic buildings that are established over the area of excavations, and are connected, or neighbor, to this Wall all along its length.
3. Subsequently the control of *al-Aqsa* Mosque and the construction of "Solomon Temple." However, archaeological excavations conducted over more than a century failed to provide concrete and convincing evidence in support of this temple, or of the remains of the town of Prophet David, or even the era in which Solomon ruled.

Though employing scientific archaeological methods, these excavations are directed to serve the cause of Israeli fanaticism and the Israeli occupation and not to discover the objective truth. What these excavations aim at is to establish the right of the Jews to return to the sacred land, and to deliberately ignore other civilizations. In other words, they use their archaeological findings, whatever they are, to support the Jewish religious and historical claims. Additionally, these excavations are accompanied by systematic theft and selling of the Islamic archaeological remains that are the cultural possession of the Muslim-Arab peoples, and should not be transferred outside the occupied region.²¹

These excavations are essentially in the Old City and in *al-Aqsa* Mosque in particular, though some less important ones are undertaken outside it in Mount Zion and in the lower parts of Mount of Olives. They are still carried on in clear defiance of the several declarations of the United Nations Educational, Scientific and Cultural Organization (UNESCO) and the UN that prohibited them. They are

undertaken under the cover of scientific exploration, though their real objective is to satisfy a primary Israeli ambition, namely to shake the foundations of the above residential, commercial, religious and heritage buildings, and cause their downfall, hence obliterating them and evacuating their residents. It had been established that these excavations constitute a serious danger to the very survival of many great historical buildings such as *Ribat al-Kurd*, *al-Jawhariyah* School, Ottoman School, Cotton Merchant's Gate and Qaitbay Minaret, as well as the foundations of *al-Aqsa* Mosque and its underground residential quarters.

b. Aggression against the Endowments and the Sanctuaries in Jerusalem

The year 2006 witnessed further Israeli aggression against the sanctuaries. Under the patronage of the Israeli government and funded by the Los Angeles-based Simon Wiesenthal Center (SWC), the Jerusalem Municipality initiated a \$200 million project to establish the "Museum of Tolerance (MOT)" in the location of the historical, and, largest, Islamic cemetery Mamilla Cemetery (*Ma'man Allah* Cemetery), of about 200 donums, that lies west of Old Jerusalem about two Kilometers from Jaffa Gate (*Bab al-Khalil*).²² It is worth mentioning that this cemetery is an officially registered endowment, and contains the remains of several of the companions of the Prophet (*Sahabah*), followers of the *Sahabah (al-Tabi'in)* and many scholars and "martyrs." The history of this cemetery indicates the following:

- In April 1947, the British army controlled this Cemetery, made it its headquarters and destroyed some parts of its enclosure.
- Towards the end of 1985, the Israeli Ministry of Communication built a parking area in a sizable part of this Cemetery.
- During the years 1985-1987, works started to have a drainage system and to extend the parking area.
- On 15/1/2000, the Israeli Electricity Company undertook some digging works in the Cemetery under the guise of extending electricity lines below the ground.
- In September 2002, it was declared that a building for the Israeli courts will be established in the region of Mamilla Cemetery.

- In February 2004, the Israeli press reported the intention of their government to officiate the so-called “Center for Human Dignity-Museum of Tolerance Jerusalem” in what remains of the land of Mamilla Cemetery.
- In January 2005, the digging operations in the Cemetery started for the establishment of the so-called Museum of Tolerance.
- On 23/2/2006, the Israeli high court issued a precautionary order that prohibited work in Mamilla Cemetery except for the department of archaeology.²³

The Israeli violations included the Christian endowments. A Jewish quarter bought a church in East Jerusalem and converted it to a Jewish synagogue. This was part and parcel of the chain of unlawful and secret deals in Jerusalem. *Ma‘ariv* newspaper mentioned that this action provoked an acute diplomatic crisis with the Vatican and Germany, the patron of this church.²⁴

In an attempt to find a footing ground for the Jews in Jerusalem, a group of experts from the Jerusalem Institute for Israel Studies (JIIS) presented an initiative that claimed that the best way to settle the conflict over Jerusalem is through the internationalization of the sacred and historical sites in the town.²⁵

But the Islamic Movement inside occupied Palestine 1948 (Israel) categorically rejected this idea. In a declaration, it emphasized that Israel wants to distract attention from the fact that Jerusalem, the Old City and the *al-Aqsa* Mosque are under occupation. The declaration emphasized that the Jewish claim of a religious right in Jerusalem and *al-Aqsa* Mosque is scientifically and historically groundless.²⁶ On his part, al-Sheikh ‘Ikrima Sabri refused the notion of internationalization, and emphasized that *al-Aqsa* Mosque is beyond negotiations, bargain or concessions.²⁷

Along the same pattern, the Israeli authorities suggested, with the support of Jerusalem Municipality, the establishment of an electric train to transport tourists and visitors to *al-Buraq* Wall (the Wailing Wall), which was rejected by al-Sheikh ‘Ikrima Sabri on the grounds that this will avail to the fanatic Jews an opportunity to endanger *al-Aqsa* Mosque.²⁸

c. Aggression against the Sanctuaries

It is noted that there is an obvious harmony between the aggressive positions of the official Israeli institution and the Israeli public towards the Islamic sanctuaries in Jerusalem. On 15/5/2006, a group of settlers (men, women and even children) set

al-Manshiyah Mosque of Acre on fire. On the other side, Kadima Party transferred in March 2006 the historical Red Mosque in Safad to be the headquarters of its election campaign.²⁹

The sanctity of the Ibrahimi Mosque in Hebron had been frequently violated because of the existence of many Jewish settlers in the heart of this town. They had more than once prohibited the call for the prayer (*Adhan*) under the guise of having marriage festivals in the building during which loud music was played and dancing and the consumption of alcohol were freely practiced under the protection of the Israeli army.³⁰ The Israeli authorities continued their Judaization of Hebron.

By virtue of an agreement between the army and the settlers, the vegetable market (*al-Hisbah*), which the settlers controlled four years ago, was evacuated on condition that they return to it on a lease basis in order to legitimize their presence there, though the property that was used as a vegetable market belonged to Hebron Municipality since 1960.³¹

The Israeli aggression was not limited to the Islamic endowments but was extended to the Christian sanctuaries. On 3/3/2006 and during a hugely attended special prayer for the opening of Lent, a Jewish settler, his wife and daughter attacked with tear and explosive bombs the Church of the Annunciation in Nazareth,³² and burned part of it, particularly the prayer hall. Various sectors of the Palestinian society rallied in defense of the Church, and some were wounded during the protest demonstrations.³³ The response of the Vatican towards this incident was rather obscure. It pardoned the culprits, and the representative of the Vatican in the country told the offenders that his message as a man of religion was a message of peace.³⁴

The Israeli occupation authorities built a Jewish synagogue in Bethlehem, just one kilometer from the Nativity Church and near to Rachel's Tomb. They claimed that the location in which this synagogue was built was originally a house that they bought from its Arab owner. The latter categorically denied that such a deal had ever taken place, but he was ignored and the construction went ahead.³⁵

The Israeli attacks on the Islamic sanctuaries has become a regular and systematic policy. Since the establishment of Israel, 76 Muslim places of worship were destroyed, 18 mosques were converted to synagogues and 17 others were transferred to zoos.³⁶

Second: The Separation Wall

Through the isolationist Separation Wall, Israel strives to achieve a number of political, security, economic and social objectives. Chief among those are to obliterate material basis for the formation of a viable Palestinian state, and to destroy the social fabric of the Palestinian people, imprison them in isolated cantons, confiscate their lands and steal their water resources.

The Israeli government approved the project of the Wall in June 2002, but subsequently several amendments were made on its route across the WB. Initially the Wall was supposed to take 1,024 km², but after the several amendments on its route, of which the last was on 30/4/2006, the area that it is scheduled to isolate is 555 km², i.e., 9.8% of the WB.

Table 4/7: The Development of the Construction of the Separation Wall in the WB³⁷

Date	Area isolated for the Wall (km ²)	Percentage of the total WB area (%)	Length of the Wall (Km)	On the Green Line (WB-Israeli borders) (Km)
June 2002	1,024	18	734	-
June 2004	633	11.7	645 with some exceptions	83
February 2005	565	10	683	138
April 2006	555	9.8	703	128

According to the last amendment, the Wall extends for a distance of 703 km across the WB from the north to the south, of which 128 km only, a percentage of 18.2% of the total length of the Wall, lies in the Armistice Line (Green Line).

Though the several amendments on the route of the Wall had reduced the area that it isolates, the number of the Palestinian communities in the WB that it affects increased, from 76 in 2003 to 159 in 2006.³⁸ Additionally, the Wall will house 99 Israeli settlements inhabited by 408 thousand settlers, i.e., 85% of the settlers in the WB.³⁹ According to the statistics of B'Tselem, 408 km of the Wall were built, that is 58% of its total length.

It is worth mentioning that the military orders issued by the Israeli occupation forces since the beginning of the construction of the Wall in June 2002 and until 2006 totaled 264, of which the majority was in Jerusalem, Bethlehem and Ramallah Governorates.⁴⁰

Table 5/7: Construction Progress of the Separation Wall⁴¹

	Length (km)	Percentage of the Wall length (%)
Completed construction	408	58
Under construction	63	9
Construction not yet begun	232	33
Total	703	100

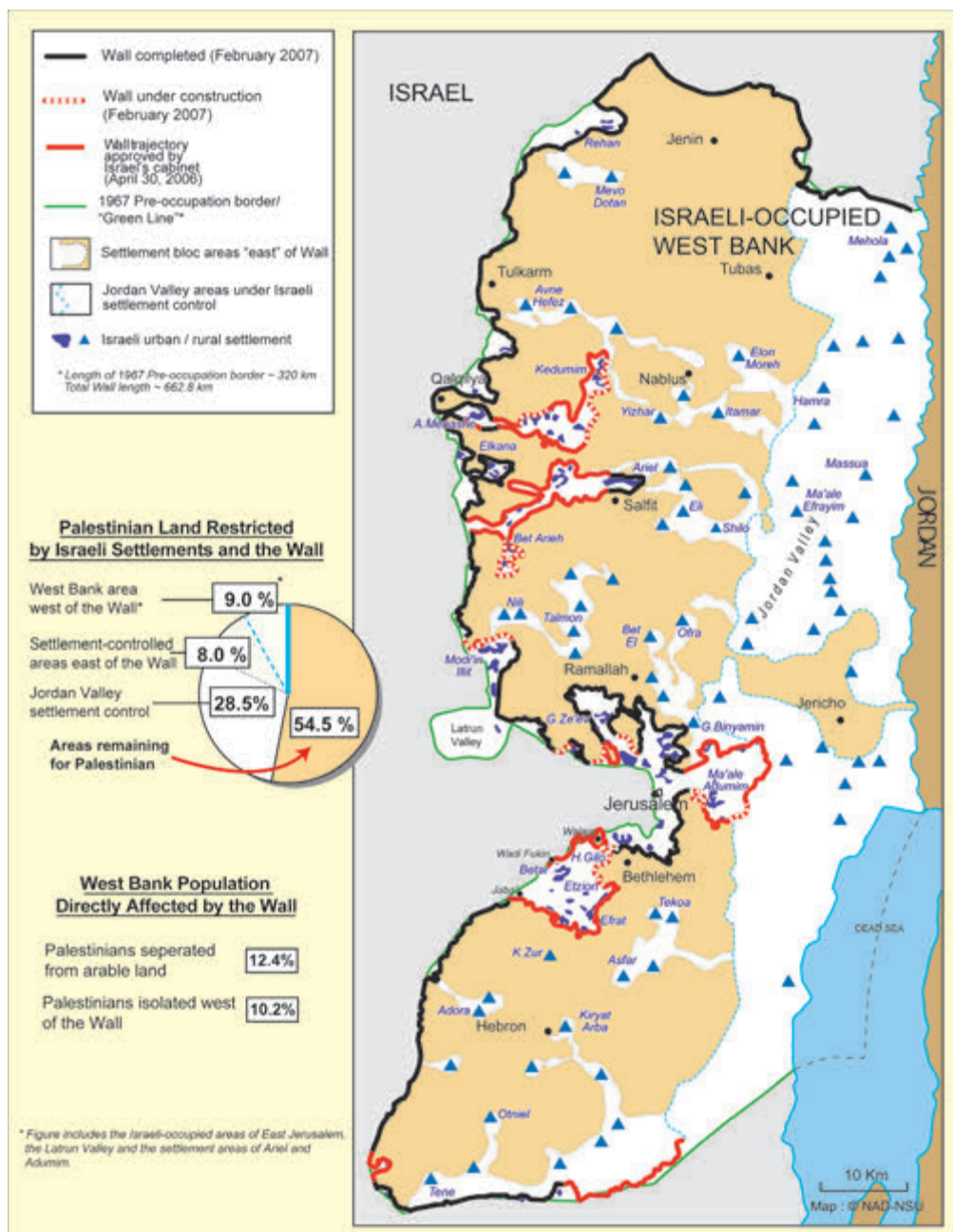
The most dangerous repercussion of the Separation Wall is represented by a number of facts that it founded on the ground, and which form a serious predicament to isolated, divided and besieged pockets (enclaves) of the WB.

According to a report conducted by Bimkom-Planners for Planning Rights, an Israeli organization that focuses on human rights in the field of planning, the Wall formulated not less than 21 closed pockets inhabited by 248 thousand Palestinians who are besieged by the Wall and placed under the complete control of Israel. Besides, the Wall besieges about 250 thousand Palestinians in Jerusalem. Thus, the Wall will directly besiege about half a million Palestinians.⁴²

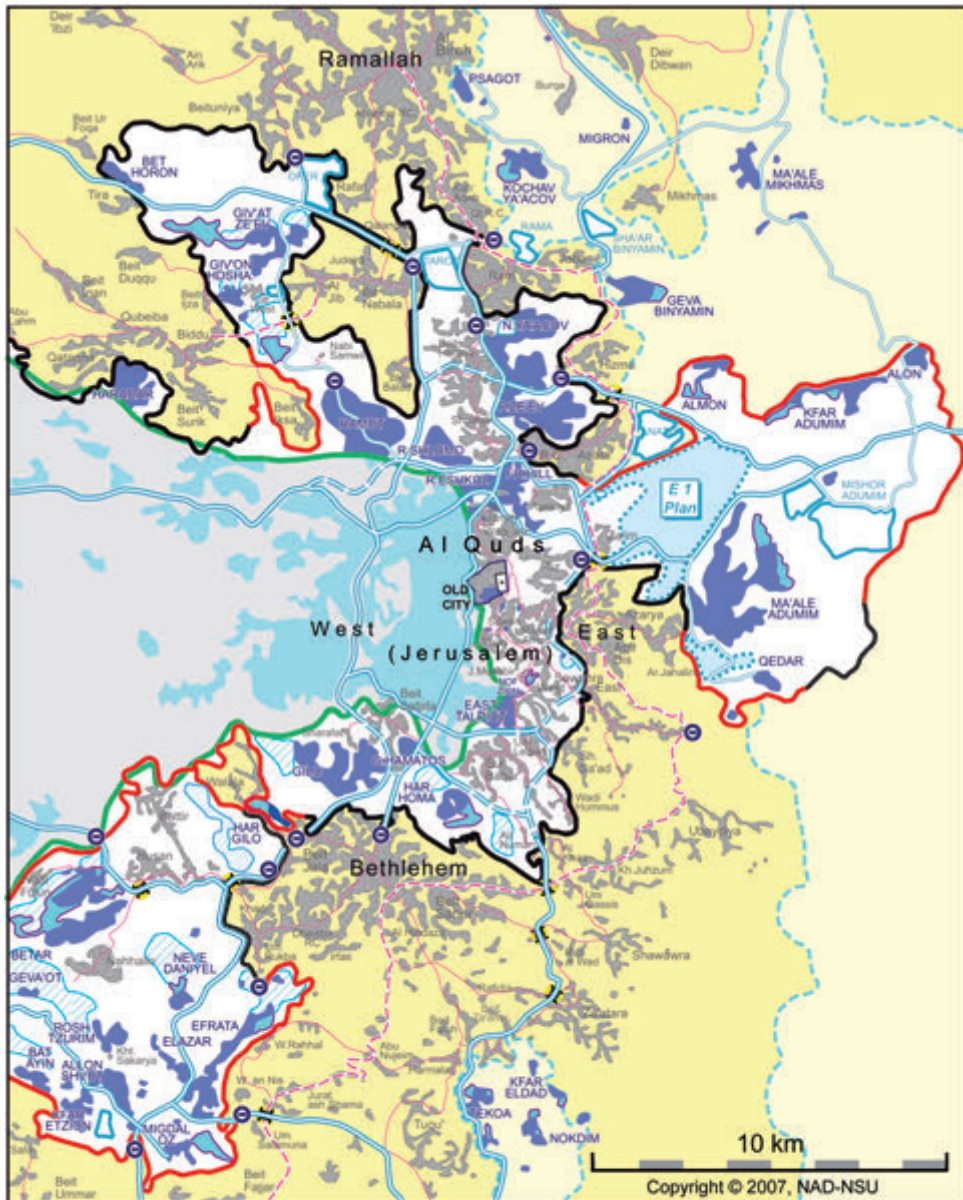
Bimkom's report enumerates a variety of pockets that the Separation Wall produced in compliance with the security needs and vision imposed by the Israeli army on the route of the Wall. One of them is called "seam enclave" where the Palestinian live on the Israeli side of the Wall. This means that the Wall separates them from the Palestinian region, but no barrier separates them from Israel. However, they are not, of course, allowed to cross the Green Line without special permits from the Israeli military authorities.

Other population pockets surround the Wall from the four sides, but they all have only one exist, e.g., the pocket of the Palestinian villages *Bayt Hanina al-Tahta*, *al-Jib*, *al-Judayrah* and *Bir Nabala*, which until lately were part of East Jerusalem. Currently, these villages are connected with the Palestinian society through a tunnel that had been constructed under the settlement route that connects Jerusalem with Tel Aviv. In this sole exist for the inhabitants of these villages, an Israeli military force is stationed, supervisory towers are established on both sides and a military barrier is erected to prohibit entry except for the Palestinian citizens of other villages and with special permits.

Israel's Wall and Settlements, February 2007



Israel's Wall and Settlements around Occupied East Jerusalem, February 2007



The very existence of these pockets causes tight zigzags in the Separation Wall itself. An example of this is the case of the town of Qalqilya north of the WB, which is inhabited by around 44 thousand persons. Being surrounded by the Wall from three sides, this town has one exist only towards the east which is supervised by a military barrier that squeeze the town and isolate it from the rest of the WB.

When completed, the Separation Wall will virtually imprison 46 thousand Palestinians who inhabit the villages of *Bayt Liqya* and *Bayt Surik* west of Ramallah and Jerusalem, and 12 others villages are located south of the street of *Modi'in* Jewish settlement. For they will be sandwiched between the Separation Wall that surround them from the south, east and west and the highway that they are prohibited to use, and which can be crossed from one point only.

As for the seven thousand Palestinian inhabitants of the villages *Barta'a* and *Khirbat Jbarah* north of the WB, they will experience a complicated life as they need temporary permits from the army of occupation and the Israeli authorities to stay in their own houses and lands.⁴³

The Separation Wall has 65 gates of which 38 only can be used by the Palestinians to move from one part of the WB to another. The 27 other gates are divided in two categories:

1. Daily gates for the movement of the inhabitants from their residences to other places in the WB. Some of them are open daily for 12 continuous hours, while others open twice a day and for specific hours. Few other gates open 24 hours but under strict Israeli army control.
2. Agricultural gates that open two or three time a day for the farmers who possess lands on the other side of the Wall that need daily attention. But the farmers should have prior permits from the Civil Administration that allow their bearers to pass through a specific gate. Other 11 gates are open on specific seasons, e.g., the seasons of olive and harvest for the farmers who own land on the other side of the Wall.

Table 6/7: The Gates of the Separation Wall according to Districts⁴⁴

Districts	Opened gates	Seasonal gates	Closed gates
Qalqilya	12	3	9
Salfit	1	0	1
Tulkarem	8	2	6
Bethlehem	0	0	4
Hebron	0	0	1
Tubas	1	0	0
Jenin	0	6	6

The Negative Impacts of the Wall

1. The Agricultural Sector

According to the statistics of The Applied Research Institute-Jerusalem (ARIJ), the Wall will separate about 1.05 million donums of the agricultural lands, i.e., 37.4% of the total agricultural land in the WB. Of these separated lands, 189 thousand donums and 863,879 others are respectively located in the western and eastern regions of the Wall. This directly denies the Palestinian farmers access to their lands, thus they lose their only means of livelihood.

The Wall also isolates 128,404 donums of forest and savanna lands in the western region of the Wall, in addition to 110,274 donums in the eastern region of the Wall, which represent 37.7% of the total forest and savanna land in the WB. The Wall also isolates 53.5% of the open land in the WB, of which 264 thousand donums are in the western region of the Wall and 610,723 donums in the eastern region.⁴⁵

2. The Water Sector

The Palestinian and the Israeli negotiators agreed in Oslo Accords to postpone the issue of waters to the negotiations of the final status. But Israel is striving through the construction of the Separation Wall to steal the sources of water. For the Wall enables it to annex these sources to its domain, and to isolate the Palestinians.

A study by ARIJ estimated the volume of water that will be isolated by the Separation Wall as follows:

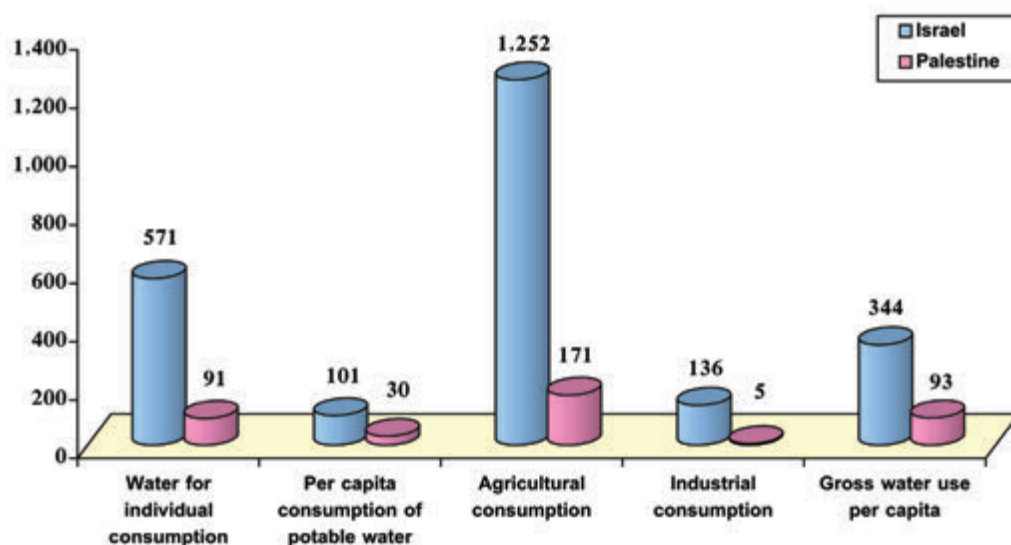
- The Eastern Segregation Zone lies over the eastern Jordan Valley water aquifer with a safe yield of 172 million cubic meters per year. The Western Segregation Zone lies over the northwestern and western aquifers with a combined safe yield of 507 million cubic meters per year.
- The overall number of water wells used by the Palestinian inhabitants in the isolated region is 134 wells with a combined average annual pumping rate of approximately 44.1 million cubic meters.
- The number of the isolated water springs in the western region is 62 with a combined average annual discharge of approximately 31 million cubic meters.
- The Wall isolates about 221 donums of the inland water and areas in the western region, in addition to 685 donums in the eastern region, which jointly represent 99% of the waterways in the WB.⁴⁶

The below table compares the volume of water consumption in the Palestinian and Israeli sides. We should note here that Israel tries its utmost best to get a sizable quantity of its water needs from the territories of the PA.

**Table 7/7: The Average of Water Consumption per Capita
in Palestine and Israel⁴⁷**

Quantity (m ³ /year)	Israel	Palestine
Water for individual consumption	571	91
Per capita consumption of potable water	101	30
Agricultural consumption	1,252	171
Industrial consumption	136	5
Gross water use per capita	344	93

The Average of Water Consumption per Capita in Palestine and Israel (m³/year)



With the construction of the Separation Wall, Israel has gone a long way to confiscate the Palestinian underground water supply. This fact was emphasized by the Palestinian Water Authority (PWA) which reported that by the construction of the Wall, Israel will deprive the Palestinian people of 12 million cubic meters out of the 22 million cubic meters of the water of the western basin, the most important water basin in the WB. i.e., what remains for the Palestinians is 10 million cubic meters only.⁴⁸ Israel also forcibly take more than 85% of the Palestinian underground water, which constitutes about 25% of the Israeli total consumption of water.⁴⁹

It is ironic that Israel steals the Palestinian water, and subsequently sells this very water to the Palestinians. According to the figures of the PWA on the major indicators of the water issue in the territories of the PA, the latter had purchased for the consumption of the WB only about 40 million cubic meters from Israel National Water Company, Mekorot, while the amount of water exploited by the Jewish settlements in the WB during the year 2006 totaled about 2.2 million cubic meters. Conversely, survey of the environmental household conditions in the WB and GS for the year 2006 showed that 70,103 households live in houses that have no access to the public water network. It is worth mentioning that the water quota of a Jewish settler equals nine times of a Palestinian individual, and the Israeli total consumption of water is 7.5 more than that consumed in the territories of the PA.⁵⁰

Third: The Israeli Expansionist Settlement

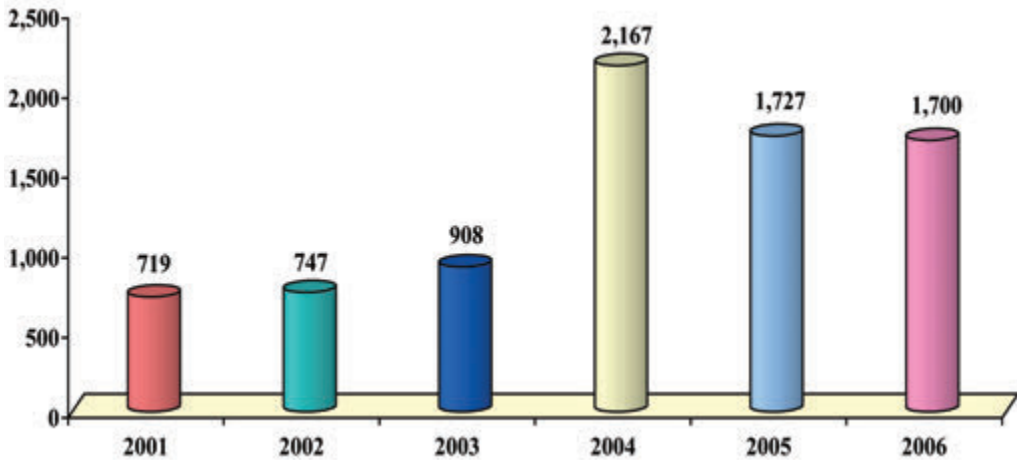
Israel actively pursued its settlement project. It extended the Jewish settlements to usurp extensive Palestinian lands through increasing the numbers of the settlers, and by building new settlements. The statistics published by the Israeli Civil Administration in the WB record an increase of 5.8% in the numbers of the settlers during the year 2006 to reach by the end of this year to 268,379 Jewish settlers in the WB compared to 253,748 in 2005.⁵¹ They are distributed in 155 settlements and 116 outposts. But these figures given by the Israeli occupation do not include the approximately 185 thousand settlers in Jerusalem, which raises the actual numbers of the Jewish settlers in the WB to 453 thousand.

The Peace Now annual report on settlements and outpost in the WB reported an increase of two thousand settlers in the outposts in 2006, and the continuation of the building of the settlements at the same rate of 2005. The Israeli Central Bureau of Statistics (CBS) shows that the number of the constructed settlements in the WB in the year 2006 were almost the same as those of 2005, 1,700 in the former and 1,727 in the latter. Moreover, tenders were published in 2006 for the building of 952 housing units compared to 1,184 in 2005.⁵²

**Table 8/7: Number of the New Housing Units in the Settlements
2001-2006⁵³**

Year	No. of the new housing units in settlements
2001	719
2002	747
2003	908
2004	2,167
2005	1,727
2006	1,700

Number of the New Housing Units in the Settlements 2001-2006



Israel is still driving to substantially extend the major Jewish settlement in the WB, Ma'ale Adummim. It hopes to increase the present 32 thousand settlers in this colony to 60 thousand settlers.⁵⁴

The PCBS records that the built area in the settlements reached 187,100 donums, i.e., about 3.3% of the total land of the WB, of which the largest was in Jerusalem Governorate, 44.4 km² that represent 12.9% of the total land of the Governorate. Next was Ramallah and *al-Birah* Governorate which reached 30.3 km², a percentage of 3.5% of the lands of the Governorate.⁵⁵ We should mention here that all the Israeli settlements in the WB are built on lands owned by the Palestinian people. Besides, the state lands (*Amiriyah*), 40% of the lands on which these settlements were established are privately owned by individuals or families.⁵⁶

The Jewish settlements are not built in the WB and Jerusalem only. In 2006, the National Council for Planning and Building (NCPB) approved a project of 30 settlements in Negev, and the increase of the inhabitants there from 535 thousand persons to 900 thousand individuals. Besides, the project provided for the exploitation of the extensive lands that are originally owned by the Arab inhabitants of Negev.⁵⁷

The areas of the Jordan Rift Valley is also exposed to the Jewish settlement project. The Palestinian Deputy Minister of Agriculture emphasized that Israel

allocated the sum of 200 million shekels for supporting agricultural settlements there during the coming three years.⁵⁸ Israel seems to be seriously entertaining the annexation of the Jordan Rift Valley in a future imposed settlement or by a unilateral withdrawal. The Palestinian expert Khalil al-Tufakgi mentions that the annexation of the Jordan Rift Valley will enable Israel to achieve the following five objectives:

1. The control of the eastern underground water basin.
2. The termination of the possibility of establishing an independent Palestinian state.
3. Prohibition of geographical contact between the WB and Jordan.
4. The termination of all potentialities for building, agricultural and industrial expansion.
5. Depriving the Palestinians from reaching the Dead Sea.⁵⁹

Fourth: Demolition of Houses

The policy of obliteration of houses is pursued by all Israeli governments, be it leftist or rightist, and has many faces. It aims at establishing facts on the ground in case issues of the final settlement are negotiated in future. Thus, the Israeli occupiers destroy all houses that are parallel to the zigzagging roads which they construct specifically for the settlers and the army. Nearby houses are also destroyed for many considerations such as the extension of the settlements, or for the acquisition sometime in the future of the areas in which they are established, otherwise the Palestinians may demand them in a subsequent negotiations on the ground that they are inhabited by Palestinians.

The Israeli occupation had also destroyed houses as a kind of revenge against the Palestinian resistance operations, and as a deterrent against future ones. During the period October 2001 to January 2005, Israel destroyed 668 houses as a kind of punishment to the Palestinians.⁶⁰ In 2006, they followed a new technique in this respect, namely to call in advance the owners of the targeted houses to immediately evacuate them as they will be bombarded from the air. As a counter to this strategy, the Palestinian resistance developed the tactics of human shields by which the inhabitants of the region will stay in the roofs of the targeted houses.

Though 454,697 Palestinians families need housing units during the next decade and that only 117,909, i.e., 26%, of them can afford the building cost, the Israeli occupation continue to actively pursue the policy of destruction of houses. According to the statistics of the PCBS, the houses of 29,314 Palestinian families were destroyed, either fully or partially, during the period 28/9/2000 to 15/6/2006, of which 15,267 families were in the WB and 14,047 were in GS.⁶¹

According to statistics given by ARIJ Institute, Israel destroyed 160 Palestinian houses and shops during the year 2006, which left more than 500 people homeless or without a source for living. Most of the destruction was concentrated in Nablus, Qalqilya, Hebron, Bethlehem and Jerusalem Governorates, in addition to over 200 houses in GS.⁶²

The reports of the Land Research Center (LRC) in Jerusalem indicate that the authorities of the Israeli occupation destroyed 78 houses in Jerusalem Governorate in the year 2006. Moreover, 40% of the total destroyed houses were in the region of *Bayt Hanina*, followed by *Jabal al-Mukabbir* (14%). The overall destruction during the period 2000-2005 was 622 houses of which 120 were destroyed in 2005.⁶³

Fifth: Bulldozing Agricultural Lands and Uprooting the Trees

The year 2006 witnessed many Israeli violations of the rights of the Palestinian civilians and their property across the WB and GS Governorates. By this Israel hoped to achieve several objectives of which the most important is the confiscation of the agricultural and open lands for the sake of building the Separation Wall, and the extension of the Jewish settlements. The total land confiscated in all the WB Governorates during the year 2006 was 7,313 donums, which was the only source of living for their Palestinian owners after they lost their jobs inside Israel. Additionally, about five thousand donums of agricultural lands were confiscated and bulldozed in north of GS.⁶⁴ In Jerusalem Governorate alone, 1,556 donums were confiscated till November 2006.⁶⁵ Statistics indicate that the total bulldozed area since the outbreak of the *Intifadah* on 28/9/2000 and until 31/7/2006 totaled 80,712 donums in the WB and GS, while the uprooted trees in both areas totaled about 1.36 million trees.⁶⁶

The Israeli violation extended to the agricultural sector, which represented the primary pillar of the Palestinian economy. The Israeli uprooting of productive trees and their destruction of agricultural crops was widespread in the year 2006. According to the statistics of ARIJ Institute, 20,300 productive trees were uprooted, bulldozed or confiscated during the year 2006, most of which were in the northern and southern governorates like Qalqilya, Nablus, Bethlehem and Hebron. This was a serious blow to the agricultural sector, particularly as most of the uprooted were olive trees that constitute the primary source of living for a Palestinian family. The negative impact of this uprooting and confiscation was not limited to the agricultural sector and the farmers, but it also led to serious environmental hazards, e.g., increase in the rate of air pollution, soil erosion and desertification.

Since the year 1993 and until mid 2004, the Israeli occupation uprooted more than 1.6 million trees, and during the *Intifadah* it destroyed many vegetable nurseries and bulldozed about 77 thousand donums of agricultural lands. Moreover, the Israeli practices harmed more than 26% of the agricultural possessions in the occupied Palestinian territories. The overall direct and indirect loss of the agricultural sector since the *Intifadah* totaled more than \$1.3 billion, which reduced the contribution of agriculture in the GDP by 55%.⁶⁷

To explain the extensive Israeli damage to the Palestinian agricultural sector, we may take as an example a period of 35 days from 26/6/2006 to 30/7/2006. Due to destruction of various farms, the agricultural sector lost \$27 million during this period, according to the PA Ministry of Agriculture. The Israeli massive destruction included the following:

- More than two thousand donums cultivated with trees.
- 279 donums and agricultural plastic houses.
- 1,391 donums cultivated with open vegetables.
- 169 donums of agrarian crops.
- 14 agricultural stores.
- 49,255 meters of water lines.
- 21,590 meters of walls.
- 35 water pools.
- 22 wells with their annexes.
- 2,529 donums of water networks.⁶⁸

Conclusion

During the year 2006, Israel increasingly continued its Judaization projects in Jerusalem, Negev and the Jordan Rift Valley, and intensified the building of the Separation Wall in order to fragment the WB, isolate the Palestinians in scattered pockets and increase their hardship. It also continued its policy of imposing more realities on the ground in flagrant violation of the decisions of the international community and the agreements that it signed with the PA. This ascertains that Israel is pursuing its policy of procrastination to prohibit any progress in the peace negotiations with the Palestinians until it manages to fix the final frontiers of Israel.

In the absence of any effective role of the Arab-Islamic world to defend the land and the sanctuaries, and with the continuous western and American support to Israel, no positive change in the Israeli policy towards the land and the sanctuaries appears to be on the horizon. On the contrary, more lands will be confiscated for the benefit of the Wall and the settlements, more excavations will be undertaken underneath *al-Aqsa* Mosque, and there will be future aggression on the Islamic and Christian endowments.

Endnotes

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- ⁵ See B'Tselem, http://www.btselem.org/english/jerusalem/revocation_statistics.asp
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- ⁸ Israel confiscated 40% of the land of Jerusalem that it considered to be green areas, in addition to another 35% that it placed under the authority of the Municipality and the Ministry of Housing for further building extensions and Jewish settlements.
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- ¹⁰ For more information about the construction progress of the Separation Wall, see B'Tselem, http://www.btselem.org/english/separation_barrier/statistics.asp
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- ²² See the site of *Al-Aqsa* Institution for Reconstruction of Islamic Sanctities, <http://www.islamic-aqsa.com/ar/modules.php?name=News&file=article&sid=917>; see also the report prepared by Land Research Center (LRC), *Tadmir Israel Maqbarat "Ma'man Allah" fi al-Quds Huwa 'Amaliyat Tathir 'Irqi li al-Mawta'*, (Destruction of Mamilla Cemetery in Jerusalem is an Ethnic Cleansing for Dead Bodies), 20/2/2006, http://www.poica.org/editor/case_studies/view.php?recordID=781
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- ²⁷ *Wafa*, 27/1/2006.
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- ³⁰ PIC, 18/5/2006.
- ³¹ *Akhbar Alkhaleej* newspaper, Bahrain, 8/3/2006.
- ³² *Albayan*, 4/3/2006.
- ³³ *Al-Khaleej*, 5/3/2006.
- ³⁴ *Assafir*, 7/3/2006.
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- ⁴⁰ See the report, prepared by ARIJ, about the Israeli violations in the WB and GS during the year 2006 in ARIJ, 29/1/2007, http://www.poica.org/editor/case_studies/view.php?recordID=993
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- ⁵⁰ See PCBS, press release, Coping With Water Scarcity, 21/3/2007, http://www.pcbs.gov.ps/Portals/_pcbs/PressRelease/WaterPress07E.pdf
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- ⁵⁶ See Peace Now's Settlement Watch Team report, Breaking the Law in the West Bank-One Violation Leads to Another: Israeli Settlement Building on Private Palestinian Property, October 2006, Peace Now, http://www.peacenow.org.il/data/SIP_STORAGE/files/9/2569.pdf
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Chapter Eight

The Palestinian Demographic Indicators

The Palestinian Demographic Indicators

Introduction

The brutal Israeli siege of the Palestinian people that characterized the year 2006 is still in place and at unprecedented levels. The occupation actively pursues policies of starvation and racial discrimination, and the Separation Wall, that extends across the WB from the north to the south, swallowed further Palestinian lands, isolated the population from each other, and made their social and economic life extremely miserable and unbearable. The occupation's ultimate objective behind these inhuman measures is to compel the inhabitants to quit their land.

The Israeli repeated penetration into GS during the course of this year, 2006, coupled with their tight land, sea and air siege, and the closure of the frontier passages, had virtually transferred GS into a big prison. Israel continued its old and new measures of assassination, forced emigration and arrest of the Palestinian citizens, confiscation and curettage of their land, uprooting of trees and crops, separation of inhabited areas and their transfer into isolated cantons, and the establishment of permanent and temporary road blocks that limited and obstructed peoples' mobility to their work places and farms. By these humiliating and suppressive measures, the occupiers intend to demoralize the Palestinians and force them to surrender to the de facto situation, and helplessly accept the Israeli "partial" solutions. Besides, the Israelis systematic work to put the Palestinians under such circumstances that may force them out to the diaspora in search of security, stability and decent livelihood, thus tilting the demographic scale in Palestine that has been consistently in favor of the Palestinian side.

The hardships and miseries that more than five million Palestinians in the diaspora were subjected to throughout the year 2006 had never deterred them from aspiring to return to their homeland, a right that they firmly adhere to notwithstanding the change in time and place. Meanwhile, the Palestinians of the interior have stuck to their land and rights in spite of the Israeli policies of emigration, siege and starvation. They, furthermore, staunchly and genuinely believe that no stability and peace can be achieved in the region without the realization of their rights, including return to their homeland.

First: The Palestinian Census Worldwide

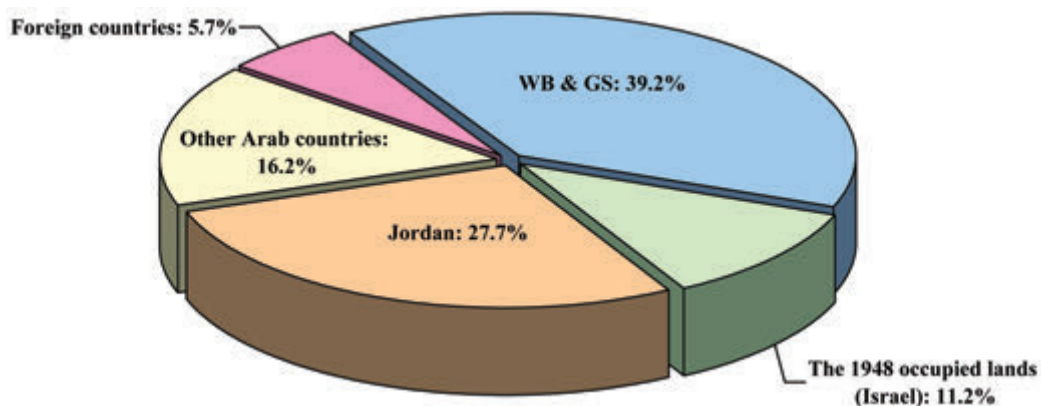
The updated figures of the PCBS estimated the total number of Palestinians in the world by the end of 2006 to be 10.1 million persons, of whom more than half, (50.4% to be exact, about 5.09 million persons) live in historical Palestine, and the rest (5.01 million) stay in the diaspora as refugees, displaced, voluntary or forced emigrants and vagabonds, who have been deprived by the Hebrew state from the right of return to their homes irrespective of the numerous decision issued by the international community that guarantee this right for them.¹

Of the Palestinians living in historical Palestine, about 1.13 million persons stay in the 1948 occupied Palestinian lands (Israel), and about 3.95 million stay in the 1967 occupied lands, GS and the WB, including East Jerusalem area that had been forcefully annexed by Israel in 1967. We should record here that Israel unlawfully considers the inhabitants of Jerusalem and the occupied Syrian Golan Heights as part of its population. The rest of the Palestinians stay in neighboring Arab countries, particularly Jordan that houses by the end of 2006 about 2.8 million Palestinians (i.e., more than half of the Palestinians in the diaspora), whose majority carries the Jordanian nationality. The other host Arab countries are Lebanon, Syria and Egypt, where 16.2% of the Palestinian live. As for the Palestinians living in foreign countries, they total about 573 thousand, i.e., 5.7% of those in the world, and concentrate in the USA, Latin America, Canada, Britain, Germany and other European countries. The following table shows the worldwide distribution of the Palestinians according to their places of residence.

Table 1/8: The Distribution of the Palestinian Population Worldwide according to their Places of Residence by the End of 2006²

Place of residence	No. of inhabitants (in thousands)	Percentage %
WB & GS	3,952	39.2
The 1948 occupied lands (Israel)	1,134	11.2
Jordan	2,799	27.7
Other Arab countries	1,636	16.2
Foreign countries	573	5.7
Total	10,094	100

The Distribution of the Palestinian Population Worldwide according to their Places of Residence by the End of 2006



We should record here the difficulty of ascertaining the exact numbers of Palestinians staying in foreign countries, and in the other Arab countries. Most likely they exceed the numbers given in several studies, as most of them had left Palestine before the 1967 war, even before the 1948 war, or have secured for themselves, their sons and grandsons the nationalities of these host countries; thus becoming their nationals rather than being Palestinians or Jordanians per se.

Moreover, several Palestinians had secured the nationalities of the Arab countries in which they stayed. This is particularly so in Jordan where the WB had been up to 1988 incorporated in the Hashemite Kingdom of Jordan. Besides, are the close and distinguished social and family ties between the inhabitants living across the two banks of the Jordan River along the borders between GS and Egypt.

Second: The Demographic Characteristics of the Palestinians

1. The WB and GS

The PCBS estimates the total number of Palestinians in the WB and GS by the end of 2006 as 3.95 million persons, of whom about two million are males and the rest (1.95 million) females i.e., a percentage of 102.8 males for every 100 females.³ 2.48 million of them are in the WB, while 1.47 million reside in GS, a percentage of 63 and 37 respectively. By the end of 2006, this population was distributed among 16 governorates, five in GS and 11 in the WB. Hebron Governorate, inhabited by

about 552 thousand persons, is the biggest and most densely populated of them all, followed by Gaza Governorate that housed 515 thousand, followed by Jerusalem Governorate that housed 412 thousand in the same year; while the least populated governorates, Jericho, Tubas and Salfit, housed 44 thousand, 49 thousand and 65 thousand persons respectively.

The Palestinian society in the WB and GS is characterized by its vigor and youth. By the end of 2006, 45.7% of its population were below 15 years of age, which means that the dependency ratio there is comparatively high, reached 94.2 towards the end of 2006. However, this ratio has progressively declined over time to be 101.3 in 1997 and 100 in 2001, mainly because of the gradual and slow decline of fertility in the WB and GS, which has correspondingly reduced the percentage of the below 15 years age group.

However, there is a significant difference between the percentage of this age group in the WB and GS, 43.9% in the former and 48.8% in the latter, which means that the dependency ratio is comparatively high in GS compared to that of the WB. Nonetheless, the percentage of this ratio had generally progressively declined in both regions, in the WB from 94.7 in 1997 to 88.5 in 2006, and in GS from 114.5 to 104.7 during the same period. This is primarily due to the significant rise in the fertility and birth rates in GS compared to the WB.

The statistics issued by the PCBS record an increase in the marriage contracts, from 23,492 in 1997 to 28,876 in 2005 i.e., an increase of 673 contracts per year. However, crude marriage rates were reduced from 8.4 per one thousand persons in 1997 to 7.7 only in 2005, though the number of marriage contracts during the *Intifadah* had significantly decreased to reach their lowest ebb in 2002, i.e., 22,611 only.

As for the cases of divorce, they increased from 3,449 in 1997 to 4,211 in 2005, while the crude divorce rates were reduced from 1.2 per one thousand persons in 1997 to 1.1 in 2005.⁴

According to the annual report of the office of Palestinian Supreme Judge for the year 2006, the marriage contracts for this year totaled 28,452, while divorce cases were 3,796 i.e., a percentage of 13.34.⁵

With regard to the family composition, official statistics indicate a progressive increase in the numbers of the nuclear families at the expense of the extended families. The percentage of nuclear families increased from 73.2% in 1997 to

83% in 2004, while their counterpart, extended families, dropped during the same duration from 23% to 12.6% only. The rest of the families during these two years were either single or complex families that had not been noticeably affected by these changes.⁶

Correspondingly, the size of the average family was reduced from 6.4 persons in 1997 to six persons in 2006. Hence, though fertility rates had decreased, the rates of family composition remained comparatively high because of this very decrease in the size of the family.⁷

2. 1948 Occupied Palestinian Lands (Israel)

Depending on Israeli sources, the PCBS estimates the number of the Palestinians living in the Hebrew state as 1.13 million persons. However, this figure does not include the Palestinians living in the Golan Heights, the J1 Area of Jerusalem Governorate and the Lebanese Arabs who temporarily reside in Israel, whom Israel usually include in its population.

The available statistics on the gender issue among the Palestinians in Israel indicate that by 2005 there were 103.7 males to every 100 females. Moreover, 40.6% of the population belongs to the below 15 years age group, while the elderly, those of 65 years and above, constitutes 3.2%. The total fertility rate in 2003 was 3.7 births per woman, and the crude birth rate was 28.6 per one thousand persons in 2005, while the average size of the Palestinian family was about five persons.

As for the crude death rate, it was 2.8 deaths per one thousand of the population in 2005, but it rose in the case of infant babies to eight deaths per one thousand surviving children. The illiteracy rate among the 15 years and above Palestinians in Israel was 6.2%, while that of those who received university and postgraduate degrees was 7.4%.⁸

3. Jordan

Depending on the statistics of the Jordanian Department of Statistics (DOS), and on the assumptions that the Palestinians constitute half of Jordan's population and that the annual rate of the country's growth is 2.3%, the PCBS estimates the number of the Palestinians in Jordan as 2.8 million.⁹

According to the statistics of the UNRWA, the Palestinian refugees in Jordan up to 31/12/2006 totaled about 1.86 million.¹⁰ However, we have to note that a sizeable numbers of the Palestinians in Jordan, including 13% of those in the

refugee camps, are, for different reasons, not registered as refugees with the UNRWA, and that 95% of the resident Palestinians in Jordan carry the Jordanian nationality.

Out of the total Palestinians in Jordan, 41.7% belong to the age group of below 15 years and 4.2% are senior citizens (65 years and above), while the total fertility rate is 4.6 births per woman and the dependency rate reached 85.4 in 2000.¹¹

4. Syria

Up to 31/12/2006, the number of the Palestinian refugees registered with the UNRWA was 442,363 persons, belonging to 106,062 families.¹² However, the PCBS records that 95.6% of the Palestinians in the refugee camps are registered with the UNRWA. The rate of the below 15 years age group there was about 33.1% in 2006 and that of the senior citizens (65 years and above) was 4.3%. The crude birth rate was 18 births per one thousand Palestinians, while the 2006 total fertility rate was 2.4 births per woman, and the average size of the Palestinian family in Syria was 4.9 persons.¹³

5. Lebanon

According to the statistics of the UNRWA, the number of its registered Palestinian refugees in Lebanon up to 31/12/2006 was 408,438, living in 105,041 families,¹⁴ and the average size of the Palestinian family there was 4.9 persons. The gender rate of the Palestinians in Lebanon was 98.5 male per 100 females, while the rate of the below 15 years age group was 33%, and that of the senior citizens (65 years and above) was 5.5%, a relatively high rate when compared with that of the senior Palestinian citizens elsewhere. In 2006, the crude birth rate was 16.3 births per one thousand of the population, while the total fertility rate was 2.3 births per woman.¹⁵

6. General Comparisons between the Palestinians

The following table gives a resume of the most important comparisons of some primary demographic indicators between Palestinians for the year 2006 (unless recorded otherwise between brackets):

Table 2/8: Selected Demographic Indicators for the Palestinians according to the Place of Residence¹⁶

Indicator	WB	GS	Total (WB and GS)	Israel	Jordan	Syria	Lebanon
Percentage of individuals 15 years and below %	43.9	48.8	45.7	40.6 (2005)	41.7 (2000)	33.1	33
Percentage of individuals 65 years and above %	3.3	2.6	3	3.2 (2005)	4.2 (2000)	4.3	5.5
Dependency ratio % (per 100 individual 15-64 years)	88.5	104.7	94.2	77.9	85.4 (2000)	59.7	62.6
Gender ratio % (male per 100 females)	102.8	102.7	102.8	103.7 (2005)	-	102.3 (2002)	98.5
Crude birth rate (1 birth per 1,000 of the population)	33.7	41.7	36.7	28.6 (2005)	-	23.3 (2001)	16.3
Crude death rate (1 death per 1,000 of the population)	4	3.8	3.9	2.8 (2005)	-	3.3 (2001)	-
Total fertility rate (1 birth per woman)	4.1 (2003)	5.8 (2003)	4.6 (2003)	3.7 (2003)	4.6 (2000)	2.4	2.3
Natural increase rate %	3	3.8	3.3	2.6 (2005)	-	2 (2002)	-
Average household size (an individual per each family)	5.7	6.6	6	5 (2005)	6.2 (1999)	4.9	4.9

(-): Means not available.

In spite of the difference in the time frame for some of the indicators, the following may be noted from the above table:

- a. The Palestinian society is a young society, but the distribution of the age groups glaringly differ according to the place of residence. Hence, the highest percentage of the below 15 years age group is in GS, followed by the WB, and the lowest is in Syria and Lebanon. This results in high dependency rate in GS and the WB, which increases the economic pressure on the families' breadwinners in the 1967 occupied Palestinians lands. Moreover, the highest percentage of senior citizens (65 years and above) is in Lebanon, and the least is in GS.
- b. The gender percentage in all of the Palestinian residential areas exceeds 100 with the exception of Lebanon, probably because of the higher percentage of male emigration compared to females, and the increase in the death rate among males during the last decades.
- c. The highest crude birth rate is in GS and the WB, and the least is in Lebanon and Syria, which, in particular, generates population explosion in the excessively populated GS, where the density of population reached by the end of 2006 about 4,032 persons per km². If this situation is allowed to drift, the density of population in GS will progressively accelerate, hence adding a further impetus for the return of the refugees, who constitute 69.2% of the total population in GS, to their homelands, and make it necessary to implement the right of return for all refugees in different places.
- d. The acceleration of the birth rate in GS will increase its population well over the total population in the WB and GS, hence planners and decision makers should seriously consider new initiatives in these regions. The percentage of the population in GS had increased from 35.7% in 1997 to 37.2% by the end of 2006.
- e. The crude death rate is almost similar in all regions, however the highest is in the WB and GS and the lowest is in Israel. This is primarily due to the oppressive and discriminatory policies that the occupation have persistently pursued over several decades in GS and the WB. Particularly so are its assassination operations and poor health services that cannot by any means be compared with those that Israel offers to its own citizens. On the contrary, there are viable indications that Israel adopts a policy of racial cleansing

against the Arabs in Palestine through such measures as the “transfer” that compels the Palestinians to reluctantly emigrate, or make it impossible for them to return. In addition to the Israeli drive to adversely affect the physiological ability of the Palestinian women to conceive and deliver babies.¹⁷

- f. The average size of the Palestinian family remains high in the WB and particularly in GS, besides Jordan, but it is at its lowest levels in Syria, Lebanon and Israel.
- g. The rates of the natural increase will remain high among the Palestinians compared to neighboring communities, and is expected to be more than 2.5% during the next decade.

Third: The Palestinian Refugees

Understanding the concept of the refuge among the Palestinian people and its measurement is indeed problematic,¹⁸ because of the frequent wars and conflicts that swept the region during the last century, particularly the wars of 1948 and 1967 and the consequential occupation of Palestine, and the Palestinian *Intifadah* of 1987-1990 and *al-Aqsa Intifadah* 2000-2005. Besides, there is the complexity of administration in the Palestinian regions since the time of the British Mandate and the incorporation of the WB in Jordan as well as the Egyptian control of GS during the period 1948-1967.

Moreover, there are the multiple reasons for the Palestinian exodus and population movements during different periods, e.g., the successive Israeli policies and measures to transfer the Palestinians either mandatorily or voluntarily, the continuous constraints that compelled Palestinian families to go into the diaspora in search of security and better life, and the variety of measures adopted by the host countries on matters related to nationality, residence and employment of the Palestinian refugees.

The Palestinians in the diaspora include individuals and families who voluntarily left Palestine before 1948, or during the period 1948-1967. As is the case in all other countries, some Palestinians went abroad for education and work, but were unable to return because of the occupation.

Some restrict the definition of refugees in the case of the Palestinians only to those who left the country after the 1948 catastrophe, but this is unacceptable as they should also include those who quitted after the 1967 catastrophe. Others view the refugees as those living abroad only, while a third group considers them to be those in the refugee camps only. But these are also limited definitions, because they do not include the Palestinian refugees in the WB and GS and those who reside outside the camps.

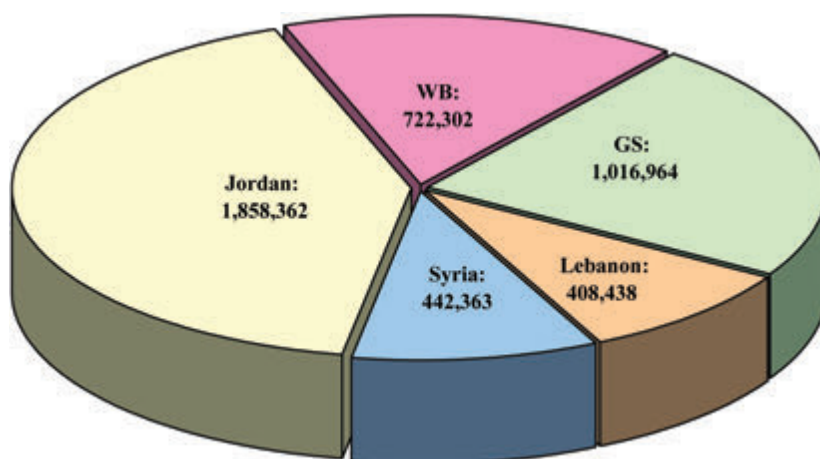
If we assume that the Palestinian refugees include those living abroad and in the WB and GS, then their total number, according to the statistics of the PCBS, is around 6.74 million persons (5.01 million in the diaspora and 1.73 million in the interior). This means that 66.7% of the Palestinians are refugees, who urgently need to return to the homes in which they, or their ancestors, lived in the lands occupied in 1948 or 1967.¹⁹

The following table shows the numbers of Palestinians in the registers of the UNRWA up to 31/12/2006. However, these statistics are not absolutely accurate as registration with the UNRWA is voluntary. Therefore the figures reflect only the numbers of refugees who regularly register themselves with the UNRWA.

Table 3/8: Number of Refugees Registered by UNRWA in Different Areas until 31/12/2006²⁰

Area	No. of individuals	No. of births	No. of families	No. of camps	No. of individuals in camps	Percentage of individuals in camps %
WB	722,302	7,802	180,003	19	186,479	25.8
GS	1,016,964	24,287	220,495	8	478,272	47
Lebanon	408,438	2,964	105,041	12	215,890	52.9
Syria	442,363	8,688	106,062	9	119,055	26.6
Jordan	1,858,362	22,620	362,528	10	328,076	17.7
Total	4,448,429	66,361	974,129	58	1,327,772	29.8

Number of Refugees Registered by UNRWA in Different Areas until 31/12/2006



We note from the above table that the total number of refugees registered with the UNRWA is 4.45 million persons, of whom about 41.8% stay in Jordan, 39.1% in the 1967 occupied lands (22.9% in GS and 16.2% in the WB) and the rest, 19.1%, in Syria and Lebanon.

However, due to several factors, the number of Palestinians living in any country in the world cannot be estimated with an acceptable degree of accuracy. The above figures could therefore change from time to time, based on the available information.

A close look at the statistics of the registered refugees for 35 years, 1970-2005, shows that their numbers rose from about 1.43 million in mid 1970 to about 4.28 million by mid 2005. By applying the reliable natural exponential model, the permanent annual increase in their numbers during this period will be 3.14%. This means that the numbers of the registered refugees will be doubled within 22 years.

Fourth: Population Growth Trends

We have sufficient evidence to maintain that the Palestinian population rate of growth is comparatively high when compared with those of other peoples. But it is slowly decreasing over time due to some interrelated demographic, economic social and political factors.

Research on the trends of population growth for the Palestinians worldwide is, indeed, problematic, as the rates of this growth vary according to the geographic location and standards of living for the Palestinians. Besides, there are differences between the sources of the data, and their methodologies and in the time frame, as well as in the degree of inclusivity and in some of the geographic concepts. Hence, we will concentrate here on the general indicators for this growth, with special emphasis on the WB, GS and historical Palestine.

Like in all countries and localities, the indicators of Palestinian growth are primarily determined by fertility, death rate and emigration. The latter do not affect the overall estimates of the numbers of the Palestinians in the world, but rather on their distribution in different localities, and on their places of residence.

The statistics of the PCBS indicate that the rates of fertility decreased in the WB and GS during the last decade of the 20th century. The population census of 1997 showed that the total fertility rate was 6.04 births, but, according to the demographic health survey of 2004, they decreased to 4.6 births in 2003.

The above sources also indicate differences in the rates of fertility in the WB and GS. In the WB, the total fertility rate decreased from 5.6 births in 1997 to 4.1 births in 2003, while the decrease for the same years in GS was from 6.9 births to 5.8 births. The mean number of children ever born to women (who had ever married) in 2004 totaled about 4.5 children, 4.3 in the WB and 4.9 in GS.

The natural increase rates of the population in the WB and GS decreased during the period 1997-2006 from 3.8% to 3.3%. Correspondingly, the crude birth rates decreased during the same period from 42.7 births per one thousand of the population to 36.7.

However, the negative impact of this decrease in fertility on the population growth has been partly compensated by the decrease in the crude death rates during the same period, from 4.9 deaths per one thousand of the population in 1997 to 3.9 in 2006. Additionally, is the corresponding increase in the life span for both sexes, from 70.2 to 71.7 years for males and from 71.7 years to 73.2 for females. However, during the course of the year 2006, there were differences in life expectancy between the WB and GS, 71.9 years for males and 73.6 years for females in the former, and 71.4 years for males and 72.5 years for females in the latter.

The outcome of all this is a slight annual decrease in the natural increase rate, from 3.8% in 1997 to 3.3% in 2006, and it is expected to be 2.8% in 2015. These statistics indicate a 0.7% decrease in the natural increase rate during the period 1997-2006. However, even if this tendency continues during the next decade, the annual natural increase rate will remain comparatively high, more than 2.5%.

If we presume the impact of emigration to be nil, the annual natural increase rate in the WB during the period 1997-2006 decreased from 3.6% to 3%, i.e., an annual decrease of 0.066%. In GS alone, the decrease is from 4.1% to 3.8%, i.e., an annual decrease of 0.033%. Notwithstanding this expected decrease in the population growth, we can safely maintain that the numbers and density of population in GS will continue to increase at comparatively higher rates than those in the WB.

As for the Palestinian population worldwide, estimated by the end of 2006 as 10.1 million of whom 50.4% live in historical Palestine, it is expected to markedly and continuously increase annually, and at rates higher than those of the Jews, though the annual natural increase rate will slightly decrease during the next two decades. Assuming an average annual increase of 2.8%, the Palestinians worldwide are expected to be about 13 and 15 million by the end of 2015 and 2020 respectively. On the basis of this modest hypothesis, the number of Palestinians in the world is thus expected to double to 20 million in the year 2030.²¹

Fifth: The Controversy over the Numbers of Palestinians in Historical Palestine, especially in the WB and GS

Investigation around issues related to population estimates should always be conducted cautiously and with a measure of reservation because the accuracy of any forecast depends on the degree of the realization of the hypotheses on which a study is based. This is particularly so in the Palestinian case, which is characterized by largely unforeseen changes in the security, political, economic and social realities, and by the de facto policies and measures undertaken by the occupation, which vary from stage to stage.

This issue of Palestinian population growth, and the duration during which the Jews will be of equal numbers to the Palestinians in historical Palestine constitutes a major concern, in fact an obsession, to some prominent Israeli thinkers.

A study conducted by the famous Rand Corporation expected an annual decrease in the natural increase rate of Palestinian population within a quarter of a century (up to the year 2030), from 4% to 2.2%. The study estimated the numbers of Palestinians in the WB and GS to be about five million within five years, a figure that is very close to the estimates of the PCBS.²²

The study also indicates that Israel will, by no means whatsoever, be able in future to control and determine the destiny of five million Palestinians, nor deprive them of their citizenship rights. Since the occupation cannot possibly continue forever, the only possible solution is withdrawal to frontiers accepted by the Palestinians and the world community. Quoting *Yedioth Ahronoth*, Sever Plocker said:

Rand researchers are convinced Palestinians must enforce development and construction efforts, and will discover the need to slow population growth, limit immigration and focus on raising their living standards. However, until this occurs, remember the prediction: Five million Palestinians within five years. Time is working against us.²³

Meanwhile, Israeli politicians, from both the left and right, have been more concerned by the entrenchment of the Palestinians in historical Palestine than by the quest for peace and security.

During debates and deliberations on the issue by a group of rightist Israeli-American experts during the first half of the year 2005, it was mentioned that by the year 2020 the Palestinians will outnumber the Jews in Palestine from the sea to the river,²⁴ and that the only solution would be to undertake a surgical operation of mass expulsion (transfer) of the Palestinians from Palestine.

On the other hand, another group of rightists argues that the Palestinians will not outnumber the Jews before the year 2050. Hence, they demand, the Israelis should cool down, continue the status quo, and never withdraw from the WB and GS. However, we should note here that in spite of their declared withdrawal from GS, the Israelis had made GS a virtual prison, and continued their policies of infiltration and assassination throughout the year 2006.

The Israeli leftists foresee a Palestinian demographic supremacy within a short period. Hence, to maintain the Jewish majority, they support the conclusion of a permanent settlement and withdrawal from the WB. Some even demand the incorporation of some of the 1948 heavily populated Palestinian areas, like the triangle (*al-Muthallath*), to the WB, and the annexation of some big Jewish settlements in the WB to Israel.

Meanwhile, the updated and most recent statistics of the PCBS estimate the number of Palestinians in historical Palestine by the end of 2006 to be 5.01 million persons, and the Jews to be 5.3 million. By 2010, the numbers of the Palestinians and the Jews is expected to be the same, 5.7 million each.²⁵

By 2020, the Palestinians in historical Palestine will be 7.6 million compared to 6.4 million Jews. Assuming that other factors remain constant, the Palestinians will then constitute 54% of the population in historical Palestine.

Since the establishment of Israel, the demographic Jewish-Palestinian struggle has provoked an apparently futile debate between different rightist and leftist Israeli quarters, who mix up politics with statistics, declared with concealed objectives, facts with half-facts, and fully substantiated scientific conclusions with weak or completely unfounded ones. Some quarters were occasionally so misled that they presumed that an Israeli side sympathize with the Palestinian cause and work for the attainment of Palestinian interests.

Meanwhile, the Israeli tendencies, hypotheses and policies have differed on the ground in accordance with the declared and undeclared objectives in each phase of the Palestinian conflict. For the leftists and rightists alike, this conflict constitutes a double-edged weapon wherein both sides are based on the Zionist ideology that strives to establish the predominantly Jewish state of Israel in the land of Palestine from the sea to the river.

Hence, Israel witnessed throughout the first half of the year 2005 a series of meetings, conferences and heated debates, that have been highlighted by the Jewish media, on the so-called “demographic danger” in Israel, which is actually related to the existence of the Palestinian population in the WB and GS. The discussions were based on a study conducted by the American-Israel Demographic Research Group (AIDRG), under the leadership of Bennett Zimmerman and Yoram Ettinger, and published in January 2005 under the title “Arab Population in the West Bank and Gaza: The Million and a Half Person Gap.” This study (more than 100 pages) starts with the dismissal of the hypothesis that the Arab population in the WB and GS constitutes a demographic threat to Israel, and argue that it should be profoundly reconsidered. The study challenged the 3.8 million estimate of the Palestinian population for the year 2004 that had been given by the PCBS, and claimed that the figure is actually 2.4 million only, i.e., with a decrease of 1.4 million persons.²⁶

We are not bothered here to give a detailed response to all the particulars of this study, but suffice to say that it lacks scientific methodology, and is based on some selective sources that are neither primary nor original. Furthermore, its ulterior political motive is to obstruct the unilateral Israeli withdrawal from GS, or, at least, to prevent a future similar withdrawal from the WB that would lead to the dismantling of the Jewish settlements there. The rationale for this presumption is that the Palestinians do not constitute a demographic threat to Israel, particularly if they are isolated in small cantons under tight Israeli control. Under such conditions, Israel may sanction the construction of modes of transportation between these isolated cantons, and redraw the hypothetical boundaries that would maintain a Jewish majority of Israel.

Besides advocating these ideas, the rightist groups had concurrently propagated the hypothesis that the Palestinians represent a real danger to the Hebrew state that could only be averted by their forceful expulsion (the so-called transfer).

These claims that center around the so-called one and a half million gap were propagated in Jewish newspapers, particularly in an article published by Shazar Ilan in *Haaretz* newspaper, which provoked some sensitive issues on the subject. But the PCBS, represented by its President Lu'ay Shabaneh, adequately responded to this press campaign, and convincingly dismissed the false claim of a one and half million gap.²⁷

To summarize the outcome of the controversy between the Israelis around the numbers of the Palestinians in the WB and GS, it may be appropriate to cite a report prepared by the Israeli CBS and published in the Israeli press under the heading "Demographically Correct," i.e., the Palestinians are right and the Israelis are wrong on the demographic statistics. The report, which was forwarded to the Knesset State Control Committee, explained the contradictions between the Israeli and Palestinian statistics, during the last decade, and addressed the claim of the new document of the AIDRG under the leadership of Bennett Zimmerman and Yoram Ettinger that the Palestinian population in the WB and GS in the year 2004 totaled about 2.4 million persons only.

This report frankly confirms the accuracy of the Palestinian census of 1997, and the rationality of its forecast on the population growth in the last decade, as well as its assumptions on the natural population increase. But it correctly dismissed as too exaggerated the Palestinian assumption of a positive impact of emigration during

the time of the *Intifadah* and the economic crisis. However, the Palestinian office had corrected its estimates of the emigration, and reduced the size of population from 3.8 million to 3.6 million. Nonetheless, the Israeli CBS was defective because it depended on erroneous standards and estimates and on the obsolete 1967 census. Hence, the Palestinian census was on the whole based on internationally recognized standards, and its figures were sound and correct.²⁸

From a professional statistic point of view, the falsity of the assumption of a one and a half million gap could be easily established. But we should indicate that this presumed gap, in the view of the writers of the study, is partly based on the 325 thousand diaspora Palestinians who were considered by the PCBS as part of the 1997 Palestinian population. But this is wrong as none of them was included in the overall census or the drop outs. Besides, the Palestinian drop outs included the Palestinians residing in Jerusalem, though Israel considers them to be part of its population. This is correct as Jerusalem is part of the land occupied in 1967, and Israel has no right to annex it to its territories. As for the “net positive emigration,” the PCBS had presumed some population drop outs after the 1997 census amongst which was the annual return of 45 thousand Palestinians during the years 2001-2010.²⁹ This was legitimate at that time when peace was on the air, and peoples were cautiously optimistic. But the continuous Israeli aggression during *al-Aqsa Intifadah* made these expectations beyond realization, which impelled the PCBS to correct their figures, and reduce the size of the Palestinian population in 2004 in the WB and GS from 3.8 million person to 3.6 million, and not 2.4 million as mentioned in the study. However, these forecasts would indeed be very low if political stability is achieved and the Palestinians in the diaspora were allowed to return to their homeland.

Sixth: The Israeli Repressive Measures and their Impact on the Palestinian Demography across the Green Line and in the WB and GS

Since its inception, Israel has adopted various repressive measures to affect the Palestinian demography across the Green Line. The heated controversy and differences among the Israelis over the issue of the numbers of Palestinians and

Israelis in historical Palestine, referred to above, has automatically taken different forms. Amongst them were the duration during which the Palestinians and Jews will be of equal numbers, the number of Palestinians on both sides of the Green Line, and the mechanism through which Israel, that has no fixed borders, would maintain its Jewish identity on both sides of this Line. Thus, Israel kept redrawing this Line on the ground, or it has been seriously reconsidered for redrawing by Israeli politicians and experts. This is particularly so because Israel considers many Palestinians to be in Israel or inside the Green Line, and many Jewish settlers to be within Israel though they actually live in the 1967 occupied lands.

This ongoing and heated debate over the Green Line glaringly demonstrate the importance of the demographic conflict to both the rightist and leftists in Israel, who, however, differ on the measures to be used to evict the Palestinians from their homes, and on the redrawing of the presumed frontiers along both sides of the Green Line.

Coupled with its operations of assassination, emigration and suppression, Israel imposes tight military, political and economic siege on the Palestinians. Additionally, it actively pursues a policy of discrimination on both sides of the Green Line that culminates in the confiscation of Palestinian lands, and the isolation of their settlements into virtual cantons and prisons, that compels some Palestinians to emigrate internally or abroad. Moreover, the well planned distribution of the Arab population on both sides of the Green Line distorts the social, cultural and economic fabric of their society. This is further aggravated by the so-called “security blocks” that humiliate the Palestinians and restrict their movements.

The Palestinian Emigration and Brain Drain

The Israeli repressive measures during the years of *al-Aqsa Intifadah* and their blockade of the Palestinian people throughout the year 2006, coupled with the political differences among the Palestinians factions and groups that were triggered by foreign intervention in Palestinian internal affairs, had, no doubt, adverse effects on the Palestinian cause. They gave Israel excuses to deny the Palestinian legitimate rights and to cover up its failure to resolve the Palestinian issue. Besides, these miserable conditions have compelled some citizens, particularly among the professionals, to quit the country for a better living, education, or to visit relatives and stay with them for long periods.

The Palestinian emigration is indeed a natural phenomenon that takes place among all peoples who are placed under brutal occupation for a long time, six decades in the case of the Palestinians.

An opinion poll conducted by Birzeit University indicated that 30% of the Palestinian look forward to emigrate, of whom the majority are youngsters. They are fed up by the deteriorating conditions in the WB and GS that are not limited to the brutality of the Israeli occupation but extended to serious conflicts between the Palestinian political leaders, a development that serve the Israeli strategy of evacuating Palestine from it original inhabitants.³⁰

A report published by *al-Hayat* newspaper on the dangerous phenomenon of emigration from the WB and GS mentions that 44% of the Palestinian youth aspire to emigrate, 50 thousand emigration applications were submitted by Palestinians to foreign consulates and 10 thousand youngsters had actually got entrance visas to foreign countries, particularly the USA, Canada and Chile. These applicants were from different localities and sectors of the Palestinian society, specially Christians. *Al-Hayat* newspaper, recorded the serious concern of a Palestinian priest, Bishop Riyah Abu al-‘Asal, on this massive Christian emigration, and reported that “The number of Christian families in each Palestinian village could now be easily counted.” Quoting some Jordanian sources, the newspaper added that 300 thousand Palestinians entered Jordan during the first five years of *al-Aqsa Intifadah*, of whom none returned.³¹

Some Palestinian officials have cautioned against the serious repercussions of this increasing exodus, particularly that of some highly qualified government officials, professionals and artisans, on the Palestinian society. But they realized and emphasized that political and economic stability is a key prerequisite to limit this emigration and brain drain.³²

Statistics on Palestinian emigration are too diversified to be adequately summarized in this study, but they had to be referred to, in order to contain their future negative impact on the demographic conflict in the region. The Palestinian leadership and concerned quarters should take immediate measures to, prevent this phenomenon, or, at least, contain its impact. But, at the same time, they should not exaggerate it, particularly so as its underlying reasons and extent cannot be scientifically ascertained from official sources. What had been mentioned above intends just to establish the existence of the phenomenon not to measure its extent.

It should also be mentioned that calculating the difference between the departing and arriving Palestinians does not reflect a tendency for real and permanent emigration, but is most likely a temporary measure that will vanish with the end of the reasons behind it. It should also be noted that the Palestinians in the diaspora clutch to their residence permits in the WB and GS, notwithstanding their new nationalities and the long periods of stay abroad because they genuinely hope that they, or their sons and grandsons, will one day return to their homeland.

Seventh: The Diaspora Palestinians and the Right of Return

In spite of the numerous international resolutions, issued since 1948, including the UN General Assembly Resolution 194, that spelled out the rights of return and compensation to the Palestinian immigrants,³³ not a single migrant had returned by virtue of these impotent declarations. On the contrary, Israel has continued its repressive measures in the occupied Palestinian territories and placed their people under difficult conditions in order to force them to emigrate. But the Palestinian people has courageously faced these formidable challenges, stuck to their land and never surrendered their rights of return and self determination.

The results of an opinion poll on the Palestinian refugees in Lebanon conducted in 2006 by al-Zaytouna Centre for Studies and Consultations showed that about 82% of the Palestinians in Lebanon are confident of their return to Palestine one way or another, while only 13% felt that they could not and the rest (5%) expressed no opinion on the subject. More than 98% of the respondents did not find in compensation, resettlement and naturalization in Lebanon a solution to their problem, about 80% accepted nothing but the return to their original cities and villages from which they were expelled, and about 5% accepted to return to the 1967 occupied territories, while the rest expressed their willingness to be settled inside or outside Lebanon. Meanwhile, 83% of the respondents supported Hamas' refusal to recognize Israel in spite of the formidable pressures and constraints.³⁴

Another opinion poll conducted by *Mada al-Carmel*, the Arab Center for Applied Social Research in Haifa, showed that 80% of the 1948 Palestinians supported the refugees' right of return or compensation, 42% wanted to have them both and 29% wanted to give the refugees the option to accept either return or compensation.

The poll revealed that 87% of the Palestinians insisted on the right of return and wanted their local leaders to deal with it as a principal political issue.³⁵

The final statement of the Fourth Palestinians in Europe Conference, which was convened in the Swedish city of Malmö in May 2006, included constructive and useful decisions for the future of the Palestinian people. It emphasized the utmost importance of their unity wherever they are, and their right of return. It demanded “the urgent implementation of this right in a manner that would enable the Palestinians to return to the homes from which they were forcibly expelled.” The conference asserted that the refugees “must be afforded due compensation as a result of all the physical and psychological losses which they and their descendants have suffered throughout the years of exile.”³⁶

The issue of return was the subject of many local, regional and international discussions during the year 2006 that were triggered by a series of flagrant acts of aggression committed by the occupation forces against the Palestinians in the WB and GS. Besides, were the discriminatory rules and measures against the 1948 Palestinians, especially confiscating lands and the transfer of Bedouin tribes to Negev in Southern Palestine. Additionally, was the expected disastrous impact of the Separation Wall, and the laws that prohibited Palestinian couples from staying in Israel if one of them happened to be from the WB or GS, which loosened family ties and adversely affected the previously solid social fabric on both sides of the Green Line.

In addition to the above gloomy conditions, is the assassination and terror campaign and displacement that the Palestinians in Iraq has been subjected to, and the hardships that they suffer along the Jordanian-Syrian frontiers, as well as the miserable life of the Palestinians in Lebanon, who are packed in over populated camps that lack essential services. Besides, as indicated in the reports of UNRWA, the Palestinians in Lebanon are deprived from many civil rights, including the right to work in more than 70 jobs. Over and above, is the heated debate among the Lebanese on whether to allow the settlement of the Palestinians in Lebanon or to transfer them to Arab or foreign countries until they return to their homes, or even to foreign countries like Canada and Australia. As mentioned by a source in the Arab League, this policy is associated with the American Israeli plans to overstep the right of return.³⁷

An article written by Mordechai Kedar and published in the Israeli newspaper *Haaretz*, in which the author said towards the end of his discourse:

The conclusion ... is that peace with our Palestinian and Arab neighbors is not linked to whether we control some territory or other, but to whether we agree to the return of the 1948 refugees and their descendents to Israel, and thus destroy our Zionist identity ourselves. The refugees have lived in camps for nearly sixty years - in the Palestinian Authority, Jordan, Syria, and Lebanon - simply waiting to return to their homes inside Israel at the first opportunity.... When we withdraw from the Golan completely and when we leave all Judea and Samaria including Jerusalem we will find that the main problem that Israel has with her neighbors - the problem of Israel's very existence as encapsulated in the camps of the 1948 refugees - has not been solved and that it will continue to be a source of conflict even after we withdraw from the territories.³⁸

From the above, it is clear that there is no lasting solution for the problems of the Palestinian refugees worldwide except their return to their homes.

Conclusion

A thorough look at the problems of the Middle East in particular and international conflicts in general, during the second half of the 20th century, would reveal that their roots lie in the establishment of Israel in 1948, and the failure of the international community to implement just solutions that guarantee the legitimate rights of the Palestinian people, including their complete and uncompromised right of return and the restoration of their lands and sacred places. It is clear that no lasting peace could ever be achieved without the full realization of all the Palestinian aspirations, including complete independence and freedom in their land.

The complexity of the Palestinian issue has reached such an unprecedented level that the Jewish-Palestinian demographic conflict have become one of its most important aspects, particularly so as the numbers of the Palestinians in historical Palestine are expected by 2010 to be equal to those of the Jews. No option is available to both the international community and the Israeli policy makers, from the extreme right to the extreme left, except to seriously engage themselves to resolve the Palestinian issue in a just manner that guarantees the establishment of a fully independent and sovereign Palestinian state, and the return of all the refugees to their homes and those of their fathers and grandfathers from which they were expelled.

Endnotes

- ¹ See PCBS, *al-Filastiniyun fi Nihayat 'Am 2006* (Demographic and Socio-economic Status of the Palestinian People at the end of 2006), Ramallah, Palestine, December 2006, http://www.pcbs.gov.ps/Portals/_pcbs/PressRelease/end_year06a.pdf
- ² Ibid.
- ³ Ibid.
- ⁴ Ibid.
- ⁵ *Al-Khaleej*, 7/3/2007.
- ⁶ See PCBS, *Kitab Filastin al-Ihsa'i al-Sanawi 1999* (Annual Palestinian Book 1999), Ramallah, Palestine, p. 146; and PCBS, *al-Mash al-Sihhi al-Dimughrafi-2004* (The Health Demographic Survey-2004), final report, Ramallah, Palestine.
- ⁷ PCBS, *al-Filastiniyun fi Nihayat 'Am 2006* (Demographic and Socio-economic Status of the Palestinian People at the end of 2006).
- ⁸ Ibid.
- ⁹ PLO, Economic Department, Central Bureau of Statistics and Natural Resources, *Palestinian Census Collection*, no.6, Damascus, 1993/1994.
- ¹⁰ See <http://www.un.org/unrwa/publications/pdf/uif-dec06.pdf>
- ¹¹ PCBS, *al-Filastiniyun fi Nihayat 'Am 2006* (Demographic and Socio-economic Status of the Palestinian People at the end of 2006).
- ¹² See <http://www.un.org/unrwa/publications/pdf/uif-dec06.pdf>; and <http://www.un.org/unrwa/arabic/Refugees/pdf/TABLE1.PDF>
- ¹³ PCBS, *al-Filastiniyun fi Nihayat 'Am 2006* (Demographic and Socio-economic Status of the Palestinian People at the end of 2006).
- ¹⁴ See <http://www.un.org/unrwa/publications/pdf/uif-dec06.pdf>; and <http://www.un.org/unrwa/arabic/Refugees/pdf/TABLE1.PDF>
- ¹⁵ PCBS, *al-Filastiniyun fi Nihayat 'Am 2006* (Demographic and Socio-economic Status of the Palestinian People at the end of 2006).
- ¹⁶ The table is prepared by the researcher, using PCBS data.
- ¹⁷ Mohsen Saleh and Basheer Nafi (editors), *The Palestinian Strategic Report 2005* (Beirut: Al-Zaytouna Centre for Studies & Consultations, 2007), pp. 178-183.
- ¹⁸ *Ibid.*, pp. 172-174; and see *al-Nazihun al-Filastiniyun wa Mufawadat al-Salam* (Palestinian Refugees and Peace Negotiations), <http://www.mic-pal.info/nkba/world/10.doc>
- ¹⁹ PCBS, *al-Filastiniyun fi Nihayat 'Am 2006* (Demographic and Socio-economic Status of the Palestinian People at the end of 2006), p. 31.
- ²⁰ On the statistics of the Palestinian refugees in the Arab countries see, <http://www.un.org/unrwa/publications/pdf/uif-dec06.pdf>; <http://www.un.org/unrwa/arabic/Refugees/pdf/TABLE1.PDF>; and <http://www.un.org/unrwa/arabic/Refugees/pdf/TABLE3.PDF>
- ²¹ Estimates by the researcher.
- ²² The Rand Palestinian State Study Team, *Building a Successful Palestinian State* (USA: Rand Corporation, 2005), p. 87.
- ²³ See <http://www.ynetnews.com/articles/0,7340,L-3080831,00.html>; http://www.bahethcenter.net/A.W/alsahafa/sahafat_al3adow/5-5-2005/3-5-2005.htm; and *al-Hayat*, 4/5/2006.
- ²⁴ *al-Mashhad al-Isra'eli*, 14/6/2005.
- ²⁵ PCBS, *al-Filastiniyun fi Nihayat 'Am 2006* (Demographic and Socio-economic Status of the Palestinian People at the end of 2006).

- ²⁶ See “Arab Population in the West Bank and Gaza: The Million and a Half Person Gap,” American - Israel Demographic Research Group (AIDRG), published by the Begin - Sadat for Strategic Studies in Israel, 10/1/2005, www.padernographics.com
- ²⁷ *Al-Hayat*, 11/6/2005; and *Alquds*, 8/6/2005.
- ²⁸ See Shahar Ilan, Demographically Correct, *Haaretz*, 7/6/2005; and *al-Hayat al-Jadidah*, 8/6/2005.
- ²⁹ PCBS, *Sukkan al-Tajamu‘at al-Filastiniyah 1997-2010* (Residence of the Palestinian Gatherings 1997-2010), Ramallah, Palestine, p. 17.
- ³⁰ *Albayan*, 27/10/2006.
- ³¹ *Al-Hayat*, 11/12/2006.
- ³² *Addustour*, 30/10/2006.
- ³³ <http://www.un.org/unrwa/arabic/Roll/index.htm>
- ³⁴ Mohsen Saleh (editor), Executive Summary of the Poll on the Palestinian Refugees in Lebanon - May 2006, Al-Zaytouna Centre for Studies & Consultations, Beirut.
- ³⁵ *Al-Khaleej*, 5/1/2006.
- ³⁶ The Palestinian Return Centre (PRC), Final Statement of the Fourth Palestinians in Europe Conference, London, 6/5/2006, http://www.prc.org.uk/index.php?module=centre_activities&id=10a9eac14530c3b4ad9cf91e399bd995&offset=10
- ³⁷ *Al-Watan*, Saudi Arabia, 10/5/2006; *Ad-Diyar* newspaper, Beirut, 12/5/2006; Wafa, 15/6/2006; and *Almustaqbal*, 2/11/2006.
- ³⁸ See http://omedia.org/Show_Article.asp?DynamicContentID=1861&MenuID=727&ThreadID=1014017; and see *al-Quds al-Arabi*, 17/11/2006.

Chapter Nine

*The Economic Conditions in the West
Bank and Gaza Strip*

The Economic Conditions in the West Bank and Gaza Strip

Introduction

Since their occupation of the WB and GS, the Israeli occupiers have persistently and consistently strove to completely annex the economy of these two regions to the Israeli economy. Hence this economy has become weak, uncompetitive, sluggish and submissive. It focuses on serving the Israeli economy in all aspects and by all means.

The occupation policies and activities caused defects and imbalance in the economic infrastructure of the Palestinian regions. The Israeli occupation authorities issued many military decrees and directives that aimed at usurping as much as possible of the Palestinian lands and economic assets. They, moreover, geared the Palestinian economic and social activities to be under the grip of the Israeli economy, and to sustain the occupied regions as an exclusive market to the Israeli goods and products.

The Palestinian economy had also suffered from the numerous policies measures that it was exposed to during the long years of the occupation in so far as opening up the Palestinian market to its Israeli counterpart. This had negative impact on the volume of investment and production of the Palestinian economy.

Indeed, the Israeli occupation succeeded in attaining its objectives. Admittedly a measure of increase in the standard of living of the Palestinian citizens took place, but this had partly resulted from annexing the Palestinian economy to its Israeli counterpart and not from a real development of the Palestinian economic sector.

The 1994 economic protocol, known as the Paris Protocol, which had been concluded after Oslo Agreement of 1993, had fixed and regularized the nature of the relations between the Palestinian and Israeli economies, and, to some extent, with the economies of Arab and other countries. In fact, the Paris Protocol had not changed the essence of the economic structure that had been imposed by the occupation, but only its form. For Israel continued its control of the passages, and

hence the entry and exist of the imports and exports of goods and raw materials. Moreover, the financial arrangements that resulted from the Paris Protocol enabled Israel to control the financial sources of the PA, particularly the right to collect its taxes and dues in a direct matter. Additionally, Israel had in many cases whimsically, and for retaliatory reasons, closed the various passages, which were, in fact, used as a means of political and economic pressure on the PA. This had, no doubt, substantially harmed the Palestinian economy.

By virtue of the Paris Protocol, the economic status of the PA is dependent on two variables. First, its relations with Israel, particularly with regard to the taxes that it collects on behalf of the PA, which constitutes 60% of the latter's overall taxes. Second, the relationship of the PA with the Western and Arab donor states, who funded many projects and the infrastructure, in addition to their role in supporting the general budget of the PA.

Following Hamas' overwhelming victory in the legislative elections and its formation of the Palestinian government, the economy of the WB and GS suffered during the year 2006 from an unprecedented and total siege by Israel and other countries, which was the tightest and most brutal of all blockades since the Israeli occupation in 1967. The blockade was used as a means of collective punishment to all the Palestinians of the interior, and had catastrophic repercussions on their economy, which lost 1/5 of the Gross Domestic Product (GDP) achieved in the year 2005. Hence, the Gross National Income (GNI) per capita was slashed, the rate of unemployment and poverty accelerated and economic stagnation reached unprecedented levels.

Even before the legislative elections and Hamas' assumption of power in 2006, the Palestinian economy in the WB and GS had experienced difficulties that were aggravated by *al-Aqsa Intifadah* of 2000. For Israel, had adopted the policy of prolonged blockade, separation of districts from each other, programmed destruction of institutions and economic installations, denial of work for the Palestinians inside Israel, procrastination in payment of the taxes and dues collected on behalf of the PA, continuation of building the Separation Wall which closed extensive areas in the WB, and the imposition of permanent barriers that restricted the movements of the Palestinians and their ability to fully exploit their lands. Some economists estimate the direct and indirect losses of the Palestinian economy since *al-Aqsa Intifadah* by about \$15 billion.

The economic crisis in the Palestinian territories reflects the extensive fragility of the Palestinian economy and its overwhelming dependence on foreign aids, particularly for funding the budget of the PA and other projects that are crucial for improving the living standard of the internal Palestinians.

It is worth mentioning at this juncture, the difficulty of having detailed data on the economic indicators for the year 2006, because of the then internal complexity within the Palestinian territories, and the marked irregularity in the functioning of the institutions of the PA. Nonetheless, the preliminary data and statistics that we have, indicate a regression in most of these indicators.

First: National Accounts

The preliminary estimates at constant prices issued by the PCBS for the year 2006 indicate a continuation of the dwindling in the GDP during the last quarter of the year, i.e., by 11.6% compared to the previous quarter. The third quarter itself recorded a decrease of 6.9% than its predecessor, and the fourth quarter of this year recorded a regression of 21.2% compared to its counterpart of 2005. The preliminary estimates indicate a dwindling in the GDP from \$4,442.7 million in 2005 to \$4,150.6 million in 2006, i.e., by an approximate rate of 6.6%.

This shrink was all around and in most of the economic activities, e.g., mining, manufacturing, electricity and water supply activity, construction, wholesale and retail trade, transport, storage, communications, real estate and rental activities, community, social and personal services, restaurants and hotels, education, health and social work, as well as in the sectors of public administration and defense.

Second: Economic Sectors

The available estimates of the performance of the economic sectors that constitute the GDP indicate a considerable fluctuation in the gross value added of all economic sectors in the fourth quarter of 2006, compared with both its predecessor and its counterpart of 2005, i.e., it increased and decreased by different rates.

1. Agriculture and Fishing

The available preliminary estimates indicate an increase of 14.8% in the gross value added to the agricultural and fishing sectors during the fourth quarter of 2006 compared with the previous quarter of the same year, i.e., from \$80.9 million to \$92.9 million. This was presumably due to the strike of the civil servants in the public sector which impelled some of them to temporarily engage themselves in agriculture, hence was the noticeable increase in agricultural products, particularly olives. The gross value added for this sector registered an increase of 20.6% in the fourth quarter of 2006 compared to its counterpart in 2005, i.e., from \$77 million to \$92.9 million. The preliminary estimates indicate an annual increase in the gross value added for the agricultural and fishing sector in the year 2006 compared to its counterpart of 2005. It increased from \$312.6 million in 2005 to \$334 million in 2006, i.e., an increase of 6.8%. This sector contribution to the GDP was 8%.

2. Mining, Manufacturing, Electricity and Water

The gross value added to mining, manufacturing, electricity and water supply activity, in the WB and GS during the fourth quarter of 2006 had shrunk by 7.8% than it was in the previous quarter of the same year, from \$144 million to \$133 million; while it had also slightly dwindled in the fourth quarter of 2006 compared to its counterpart of 2005, i.e., by less than 1%, from \$134 million to \$133 million. According to preliminary estimates, the annual gross value added for this sector shrank from \$564.8 million in 2005 to \$531.1 million in 2006, i.e., a decrease of about 6%. The sector contribution to the GDP was 12.8%. Out of the components of this sector, manufacturing was the largest, and its contribution to the GDP constituted 83.6%, that is \$444 million of the gross value added for this sector, while that of the water and electricity supplies was 13%, about \$69 million, followed by mining whose contribution was 3.4% i.e., a total of \$18 million.

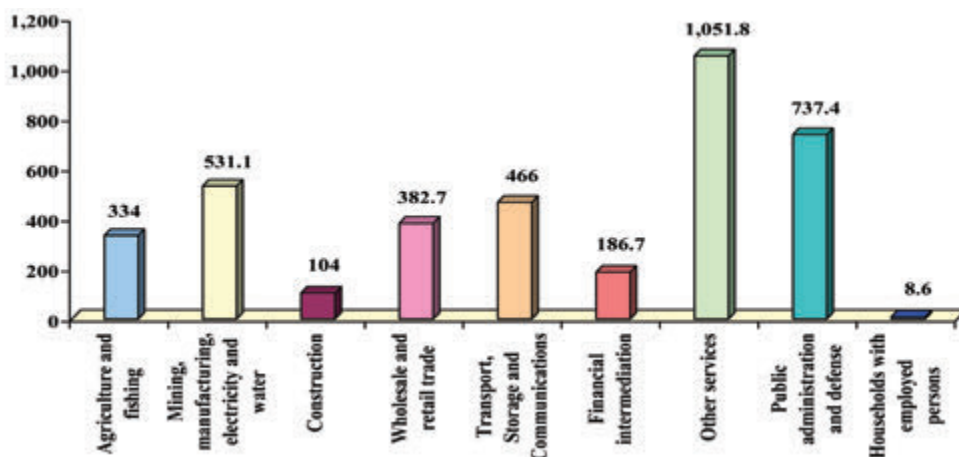
3. Construction

The gross value added to the construction sector had slightly decreased in the fourth quarter of the year 2006, compared to that of the previous quarter of the year, i.e., by 0.4%, from \$24.7 million to \$24.6 million. But this sector shrank by 14.3% compared to its counterpart quarter of the year 2005, i.e., from \$28.7 million to \$24.6 million. The annual value had also decreased from \$119.4 million in 2005 to \$104 million in 2006, a decrease of 12.9% approximately. This sector contribution to the GDP was 2.5%.

Table 1/9: GDP in the WB and GS by Economic Activity for the Quarters of Year 2006 at Constant Prices: 1997 is the base year (\$ million)

Economic activity	Annual data	Q I	Q II	Q III	Q IV
Agriculture and fishing	334	71.1	89.1	80.9	92.9
Mining, manufacturing, electricity and water	531.1	119.3	134.6	144.2	133
- Mining and quarrying	18	4	4.6	4.9	4.5
- Manufacturing	444	99.8	112.5	120.5	111.2
- Electricity and water supply	69.1	15.5	17.5	18.8	17.3
Construction	104	27.5	27.2	24.7	24.6
Wholesale and retail trade	382.7	92.3	93.9	102.8	93.7
Transport, storage and communications	466	121.7	114.5	115.8	114
Financial intermediation	186.7	46.9	46.2	46.8	46.8
Other services	1,051.8	291.5	296.4	254.2	209.7
- Real estate, renting and business services	447.8	107.4	107.8	120.3	112.3
- Community, social and personal services	43.3	11.1	11	10.8	10.4
- Hotels and restaurants	67	17.2	23.5	14.6	11.7
- Education	311.2	98.2	96.7	69.4	46.9
- Health and social work	182.5	57.6	57.4	39.1	28.4
Public administration and defense	737.4	220.9	202.4	184.1	130
Households with employed persons	8.6	2.2	2.2	2.1	2.1
Less: Financial Intermediation Services Indirectly Measured (FISIM)	-138.4	-34.4	-34	-34.7	-35.3
Plus: Customs duties	183.6	59.2	44.8	39.8	39.8
Plus: VAT on imports, net	303.1	93.4	85.9	66.8	57
GDP	4,150.6	1,111.6	1,103.2	1,027.5	908.3

Source: PCBS.

GDP in the WB and GS by Economic Activity 2006 (\$ million)

4. Wholesale and Retail Trade

The gross value added for the wholesale and retail trade registered a decrease of 8.9% in the fourth quarter of 2006, compared to the third quarter of the same year, i.e., from \$102.8 million to \$93.7 million. The sector had also experienced a slight decrease of 0.4% in the fourth quarter of 2006, compared to its counterpart of the previous year, 2005, that is from \$94.1 million to \$93.7 million. However, the annual value of this sector increased by 2.4%, from \$373.9 million in 2005 to \$382.7 million in 2006, and with a contribution of 9.2% to the GDP.

5. Transport, Storage and Communication

The gross value added for transport, storage and communication sector experienced a decrease of 1.6% during the fourth quarter of 2006, compared to the third quarter of the same year, i.e., from \$116 million to \$114 million. But the annual value of this sector had slightly increased by 1%, from \$461 million in 2005 to \$466 million in 2006. The percentage contribution for this sector to the GDP reached 11.2%.

6. Financial Intermediation

The gross value added for the various activities of financial intermediation was stable during the fourth quarter of 2006, compared to the third quarter of the same year, as the figure reached to \$46.8 million; but it shrank by 8.4%, compared to the counterpart quarter of 2005. As for the annual value of this sector, it registered a slight decrease of about 0.4% in 2006 compared to 2005, i.e., from \$187.4 million to \$186.7 million, and its contribution to the GDP was 4.5%.

7. Services

The gross value added for the various service activities recorded a decrease of 18% percent during the fourth quarter of 2006, compared to the third quarter of the same year, i.e., from \$254 million to \$210 million. The value of this sector had also decreased by 27% during the fourth quarter of 2006, compared to its counterpart of the previous year, 2005, i.e., from \$287 million to \$210 million. As for the annual value of the sector, it shrank from \$1,100 million by the end of 2005 to \$1,052 million in 2006, i.e., a decrease of 4.5%. The service sector contribution to the GDP of the year 2006 was 25.3%.

Real estate, renting and commercial services had the lion's share of its contribution in the year 2006, that is by a percentage of 42.6%, and with a total value of \$448 million that represented 10.8% of the GDP of the same year. However, the value of the sector decreased by 6.7% during the fourth quarter of 2006, compared to the third quarter of the same year, that is from \$120 million to \$112 million. As for the annual value of this sector, it slightly increased by 0.2%, from \$446.8 million in 2005 to \$447.8 million in 2006.

Education occupied the second position of all the activities of the service sector, as it contributed by 29.6% of the total contribution of this sector in 2006, i.e., \$311 million that represented 7.5% of the GDP of the same year. But the value of this sector had substantially decreased during the fourth quarter of the year 2006, compared to the third quarter of the same year, i.e., by 32%, an amount of \$22.5 million. A comparison of the value of this activity during the fourth quarter of 2006 with its counterpart of the year 2005 reveals a huge regression of 48.6%, that is from \$91 million to \$47 million. The annual value of this sector had also shrunk from \$342 million in 2005 to \$311 million in 2006, i.e., by 9%.

Health and social work occupied the third position of the service sector, as their annual value totaled \$182 million in 2006, which represented 17% of the annual value of the service sector, and 4.4% of the GDP of the year 2006. The value of this sector had decreased by 27.4% during the fourth quarter of 2006, compared to the third quarter of the same year, i.e., from \$39.1 million to \$28.4 million. But the value of this activity dwindled by 51.9% during the fourth quarter of 2006, compared to its counterpart of the year 2005, that is from \$59.1 million to \$28.4 million. A comparison of the annual value of this activity by the end of 2006 with that of the end of 2005 shows a regression of 8.6%, that is from \$199.6 million to \$182.5 million.

The activity related to restaurants and hotels occupied the fourth position of the service sector. Its annual value in the year 2006 was about \$67 million, which represented 6.4% of the annual value of the sector, and 1.6% of the GDP of the year 2006. The value of this sector had decreased by 20% during the fourth quarter of 2006, compared to the third quarter of the same year, i.e., from \$14.6 million to \$11.7 million. The value of this activity dwindled by 34.6% during the fourth quarter of 2006, compared to its counterpart of 2005, i.e., from \$17.9 million to \$11.7 million. The annual value of this activity had also shrunk by 1.5%, that is from \$68 million in 2005 to \$67 million in 2006.

The last activity of this sector is the social, societal and personal services. Its annual value in the year 2006 reached about \$43 million, which represented about 4% of the annual value of this sector, and around 1% of the GDP of the same year. The value of this activity in the fourth quarter of 2006 was approximately equal to its value in the third quarter of the same year, as the figure reached about \$10 million. Moreover, the annual value of this sector in 2005 and 2006 was almost the same.

8. Public Administration and Defense

The gross value added for public administration and defense recorded a 29.4% decrease during the fourth quarter of 2006, compared to the third quarter of the same year, which is from \$184 million to \$130 million. The value of this activity dwindled by 43.8% during the fourth quarter of 2006, compared to its counterpart of 2005, that is from \$231.2 million to \$130 million. Its annual value reached in 2006 about \$737 million, which represented 17.8% of the GDP of the same year. However, the annual value of this activity experienced a regression of 7.5% in the year 2006, compared to that of the previous year, that is from \$796 million to \$737 million. This regression was accompanied by a relative stoppage of government activities, particularly in the WB.

Third: The GDP per Capita

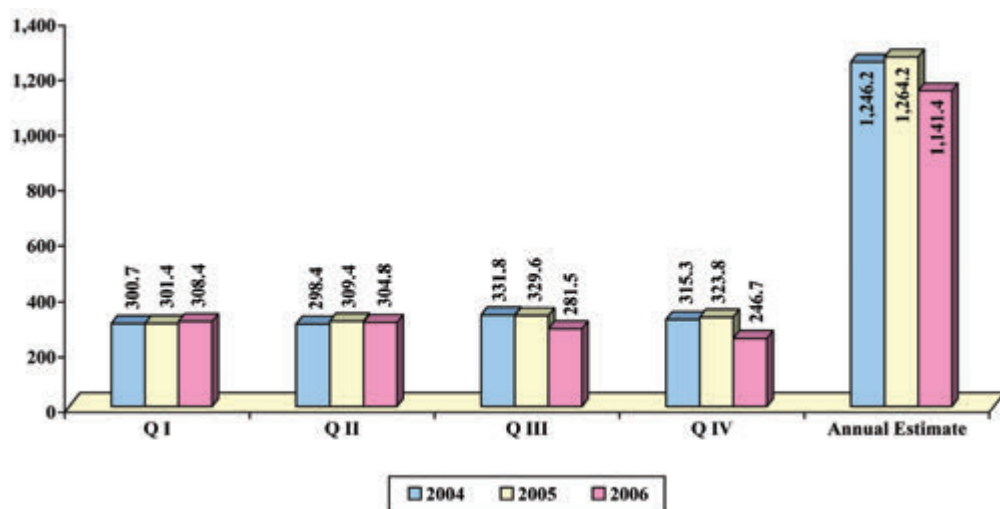
The following table 2/9, shows the changes in the GDP per capita in the WB and GS during the years 2004-2006, and at constant prices. According to preliminary estimates, it decreased in 2006 by 9.7%, compared to the previous year, 2005, that is from about \$1,264 to \$1,141.

**Table 2/9: GDP per Capita by the Quarters of Years 2004-2006
at Constant Prices: 1997 is the base year (\$)**

Quarter \ Year	2004	2005	2006
Q I	300.7	301.4	308.4
Q II	298.4	309.4	304.8
Q III	331.8	329.6	281.5
Q IV	315.3	323.8	246.7
Annual estimate	1,246.2	1,264.2	1,141.4

Source: PCBS.

GDP per Capita by the Quarters of Years 2004-2006 (\$)



Fourth: Public Finance

The successive political developments in the Palestinian territories during the year 2006 led to radical changes in all items of the budget. This was particularly so because of the unprecedented economic and financial siege that was imposed on the PA during the year 2006. It caused a serious financial crisis that had been reflected on the lives and performance of individuals and institutions, and had its repercussions on the public finance. This may be noted from an analysis of the components of the budget: revenues, expenses and internal and external funding.

Table 3/9: The Financial Status of the PA 2005-2006 (\$ million)

	2005		2006 (Actual)	
	Budget	Actual	Q I	Q II
Gross revenues	1,026.1	1,290.65	167.43	63.85
Domestic revenues	384.06	476.36	98.75	63.85
- Tax revenues	202.7	230.55	73.59	41.66
- Non-Tax revenues	181.36	245.81	25.16	22.19
Clearance	642.04	814.29	68.68	0
Vat refunds (-)	0	-82.07	0	-5.39
Net revenues	1,026.1	1,208.58	167.43	58.46
Gross expenditures and net lending	2,153.08	1,924.7	431.05	404.04
Gross expenditure	2,027	1,649.84	370.25	374
Wages and salaries	907.79	1,000.96	277.1	288.77
- Civilian	547.97	626.05	163.41	168.25
- Security	359.82	374.91	113.69	120.52
Non-wage expenditure	859.29	614.2	92.38	83.76
PA financed capital spending	259.92	34.68	0.77	1.47
Net lending	126.08	274.86	60.8	30.04
Balance	-1,126.97	-716.12	-263.63	-345.59
External budget support	1,162	348.53	157.76	102.27
Balance after external budget support	35.03	-367.59	-105.87	-243.32

Source: Palestinian National Authority/ Ministry of Finance.

Table 4/9: Preliminary Estimates of the Revenues and Expenditures 2006
(\$ million)

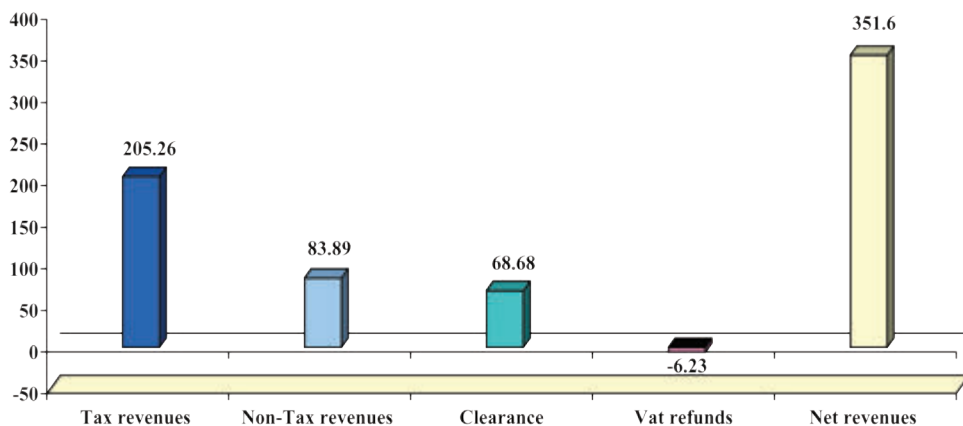
Gross revenues	357.83
Domestic revenues	289.15
- Tax revenues	205.26
- Non-Tax revenues	83.89
Clearance	68.68
Vat refunds (-)	-6.23
Net revenues	351.6
Gross expenditures and net lending	1,728.04
Gross expenditure	1,573.62
Wages and salaries	1,181
- Civilian	678.19
- Security	502.81
Non-wage expenditure	384.14
PA financed capital spending	8.48
Net lending	154.42
Balance	-1,376.44
External budget support	721.71
Total other financing	588.74
Net clearance revenue arrears accumulation	0
Net domestic bank financing	-100.3
Palestinian Investment Fund	184.24
Cash insurance/ Palestinian Investment Fund	11.05
Residual	493.75

Source: Palestinian National Authority/ Ministry of Finance.

1. Public Revenues

The released preliminary data on the financial performance in the year 2006 show a continuous shrink in the public revenues credited to the account of the Palestinian Ministry of Finance. This decrease started in the first quarter of 2006, but it became much more acute in the second quarter of the year. For the net revenues had decreased from \$167.4 million to \$58.5 million, respectively in the former and the latter quarters, that is by 65.1%. Compared to the second quarter of the year 2005, this dwindling reached to about 75%. This is also reflected in the figures of the net revenues, which decreased from \$1,208.6 million in 2005 to \$351.6 million in 2006, i.e., a decrease of 70.9%. An analysis of the main sources of the public revenues shows that the major reason for this dramatic shrink is the failure of the Israeli authorities to transfer the monthly clearance revenues to the Palestinian Ministry of Finance, which were sharply reduced from \$814.3 million in 2005 to \$68.7 million in 2006, that is a decrease of 91.6%. Tax revenues retracted from \$230.6 million in 2005 to \$205.3 million in 2006, i.e., an approximate decrease of 11%. Similarly, non-tax revenues recorded a decrease from \$245.8 million in 2005 to \$83.9 million in 2006, i.e., a decrease of 65.9%.

Preliminary Estimates of the Revenues 2006 (\$ million)



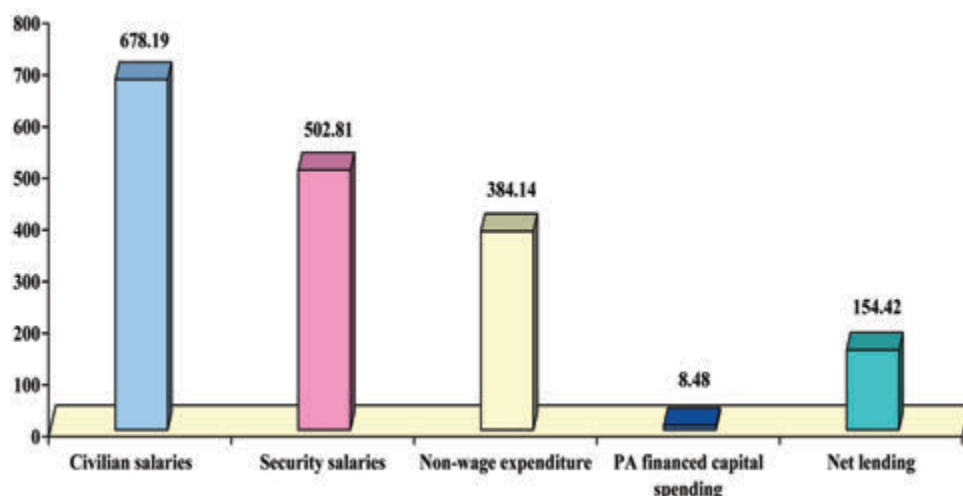
2. Public Expenditures

The decrease in revenues was bound to lead to a corresponding decrease in expenditures, which shrank from \$1,650 million in 2005 to \$1,574 million in 2006, i.e., a decrease of 4.6%. The item of the salaries alone represented 75% of the gross expenditure (\$1,181 million), which indicates that the PA has been the main

employer of the working forces, and that the item of the public expenditures of its budget is not flexible. The size of the non-wage expenditure had also decreased from \$614 million in 2005 to \$384 million in 2006, i.e., decrease of 37%. The PA financed capital spending was also reduced from about \$35 million in 2005 to approximately \$8.5 million in 2006, i.e., a decrease of about 76%. The huge decrease in the value of this item of the budget indicates apathy or insufficient funds allocated to projects and developmental plans. The net lending funds decreased from \$275 million in 2005 to \$154 million in 2006, that is a decrease of about 44%.

Thus, the budget of 2006 shows a deficit of \$1,376 million, compared to \$716 million in 2005. These figures show that the decrease in the 2006 revenues was much higher than the decrease in the expenditures in the same year.

Preliminary Estimates of the Expenditures and Net Lending 2006 (\$ million)



3. The Revenues of the Palestinian Authority

By 2006 the amount of taxes collected by Israel on behalf of the PA totaled about \$733 million, of which the Hebrew state handed to the PA before the formation of Hamas government \$68 million only. Meanwhile, the economic activities in the WB and GS declined, and consequently the gross revenues acquired by the PA were sharply reduced from \$1,290.7 million in 2005 to \$357.8 million in 2006, an overwhelming shrink of 72.3%.

Simultaneously with the stoppage of the flow of this fund, the donor states suspended their aid, which placed the Palestinian government into a desperate financial fiasco that compelled it to stop paying the salaries of the officials of the public sector, and to withheld essential services to the community.

The donors paid very little aid to the Palestinian government in the first half of 2006. However, by the second half of the year, the EU developed an alternative mechanism to extend aid to the Palestinian people directly and not via the channels of the Palestinian government. Through this so called the “Temporary International Mechanism (TIM),” that was implemented via HSBC Bank, the EU transferred \$140 million to finance the health services, and to pay part the cost of both the PA oil purchase from Israel and the salaries of the public sector’s officials.

Table 5/9: Donations of the Donor States 2005-2006

States	2005	2006
Total (\$)	1,189,151,934	718,767,116
Arab countries (%)	14	36
European Union (%)	46	33
North America (%)	20	12
Far East countries (%)	7	9
Other countries (%)	13	9

Source: These percentages were calculated using the figures of the Palestinian National Authority/ Ministry of Planning.

From the above table, it is clear that the donors’ aids had substantially decreased by 40% in 2006, compared to that of the previous year, 2005, that is from about \$1,189 million to \$718 million. The table also shows that the contribution of the Arab countries in the overall aid increased from 14% in 2005 to 36% in 2006, while that of the EU decreased from 46% in 2005 to 33% in 2006. Along the same pattern, the percentage of the American aid decreased from 20% in 2005 to 12% in 2006. Thus, there was a shifting in positions during the year 2006 in the sense that the Arab aid to the Palestinians became more important than its European counterpart. Besides, an important percentage of the aid was channeled through non-governmental channels.

However, statistics on foreign aid extended to the PA and the Palestinian people are rather conflicting, and should therefore be viewed cautiously. This is primarily due to the blockade that Israel, as well as the USA and its allies, imposed on the Palestinian people and the government of Hamas, which had, however, triggered the engineering of alternative mechanisms to extend the funding without passing through the Palestinian Ministry of Finance. Hence, most of the funds found their way to non-governmental institutions and agencies, which made it difficult to know their exact amounts, and opened the doors for financial corruption.

The above mentioned total foreign aid of \$1,189 million in 2005 included some \$350 million that the donors paid to support the PA's budget for the year, and the rest of the aid funded projects and the infrastructure. But the donors' aid for the year 2006, about \$718 million, was, in fact, directed to support the PA's budget, which explains the claim of the World Bank and the UN that the aid extended to the PA in the year 2006 had doubled, though the International Monetary Fund (IMF) estimates this aid by about \$747 million. According to the statistics of the IMF, the Palestinian government received \$234 million, of which \$181 million were from Arab countries, President 'Abbas' Office got \$291 million of which \$275 million were from Arab countries, \$172 million came from the TIM and \$49 million via the Interim Emergency Relief Contribution (IERC) of the European Commission (EC).

European sources, like the website of the British Foreign Office, helps us to understand the size of the aid extended to the Palestinian people without passing through the government or the presidency. These sources mention that the EU extended to the Palestinians in the year 2006 a sum of 680 million euros (about \$815 million). Other sizeable funds were received from Iran, the Arab and Muslim masses and from philanthropic organizations that had all contributed in supporting the struggle of the Palestinian people, and in funding different projects. Thus it is not surprising that Salam Fayyad, the finance minister of the government of national unity, estimated the foreign aid for the year 2006 as \$1,350 million. These funds had to some extent compensated the tax funds that were withheld by Israel, and minimized the catastrophic repercussions of the blockade. Hence most of this aid was spent on humanitarian aspects and not included in the PA budget or its projects. While 16% of the European aid was allocated for humanitarian purposes in the year 2005, the figure jumped to 56% in the year 2006. Similarly, government expenditure on projects was reduced from \$330 million in 2005 to only \$180 million in 2006.

4. The Palestinian Authority Debt

Up to the end of 2006, the PA debt totaled \$1,772 million of which \$1,061 million were foreign debts, \$66 million were banks' installments and interests, \$550 million were overdrafts to banks and \$95 million were other expenditure. All that was paid of this debt was about \$150 million.

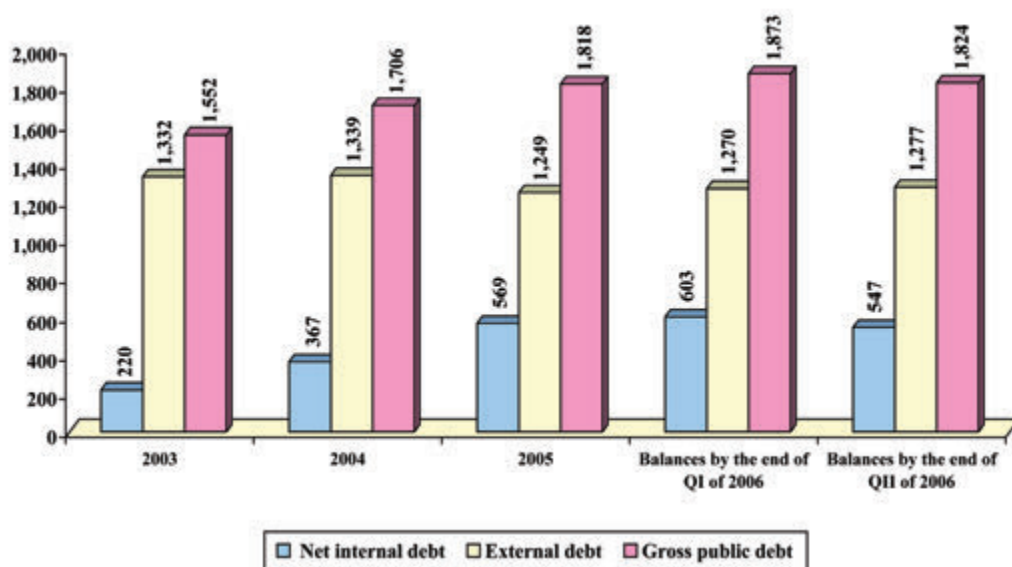
It is known that bank loans are subject to compound interest, thus the service of these loans constituted another burden on the budget. Some banks tended to confiscate part of the funds credited to the account of the PA in order to reduce this debt, which aggravated the crisis of liquidity.

The arrears of the salaries totaled by the end of 2006 about \$550 million, while those of the Insurances and Pensions General Corporation were about \$311 million, most of which belonged to earlier periods as they were not regularly paid.

Table 6/9: The Status of the Public Debt 2003-2006 (\$ million)

	2003	2004	2005	Balances by the end of QI of 2006	Balances by the end of QII of 2006
1. Net internal debt	220	367	569	603	547
2. Foreign debt	1,332	1,339	1,249	1,270	1,277
3. Gross public debt (1+2)	1,552	1,706	1,818	1,873	1,824

Source: Palestinian National Authority/ Ministry of Finance.

The Status of the Public Debt 2003-2006 (\$ million)

Fifth: The Palestinian Banking Sector

Notwithstanding the tremendous financial constraints and the imposed blockade on the Palestinian territories in the WB and GS, the Palestinian banking sector was on the whole functioning and stable. The bank reserves were maintained, they totaled about \$5,570 million by the end of September 2006. In the circumstances, this was a positive indicator.

The deposits in the banks totaled \$4,560 million, of which \$394 million were inter-banks deposits, while the bank facilities reached about \$1,890 million. The number of the functioning banks in the Palestinian territories in the year 2006 remained as it was in 2005, that is 21 banks with 146 branches.

Table 7/9: Development of the Functioning Banks and their Branches in Palestine 2004-2006

Year	No. of the functioning banks	No. of branches
2004	22	135
2005	21	141
2006	21	146

Source: Palestinian Monetary Authority (PMA), data not published.

The Palestinian Monetary Authority (PMA) was established in 1995 to supervise all the banks in the Palestinian territories, and to administer the monetary policy of the PA. However, the latter function was suspended because of the lack of a Palestinian currency and the circulation of three different currencies, the dollar, the Jordanian dinar and the Israeli shekel. Hence the function of the PMA was confined to the supervision of banks, as it was unable to take any measures on the monetary policy. However, the PMA tried its utmost best to consolidate the security and strength of the banking sector. It took the necessary measures to ensure its efficiency and effectiveness according to international standards.

The Palestinian banks had experienced during the year 2006 a serious financial and security crisis because of the blockade, and the continuous threat of American and international sanctions on all banks that deal directly or indirectly with the Palestinian government, which compelled them to stop dealing with the Palestinian government, and to refrain from accepting any outside funds transferred to its account.

**Table 8/9: Banks Deposits and Facilities in the Palestinian Territories
2001-2006 (\$ million)**

Year	2001	2002	2003	2004	2005	2006
Deposits	3,398	3,430	3,624	3,957	4,331	4,166
Facilities	1,220	950	1,065	1,420	1,712	1,890

Source: Palestinian Monetary Authority (PMA).

The above table 8/9, shows the status of the deposits and facilities in the Palestinian banking sector during the period 2001-2006. Despite the blockade and the tremendous financial constraints in the Palestinian territories, the table indicates that the bank deposits increased from \$3,398 million in 2001 to \$4,166 million in 2006, i.e., an increase of 22.6%. As for the bank facilities, they totaled \$1,890 million in mid 2006. Their size increased by 10% and 55% compared to the years 2005 and 2001 respectively. 27% of the total of these facilities were allocated to the public sector, and 72% to the private sector. The loans constituted the major part of these facilities, about 63%, followed by facilities for current debts, which constituted 36%. The facilities offered in US dollar had the lion's share of these facilities (70%), followed by the Israeli shekel (17%) and the Jordanian dinar (12%).

Sixth: Consumer Price Index

According to the statistics of the PCBS, the consumer price index in the Palestinian territories increased by 3.76% during the year 2006, compared to 2005, as the consumer price index (base year 1996=100) increased to 152.31 in 2006, compared to 146.79 in the previous year. This increase was more than that of 2005, which witnessed an increase of 3.47% compared to the year 2004.

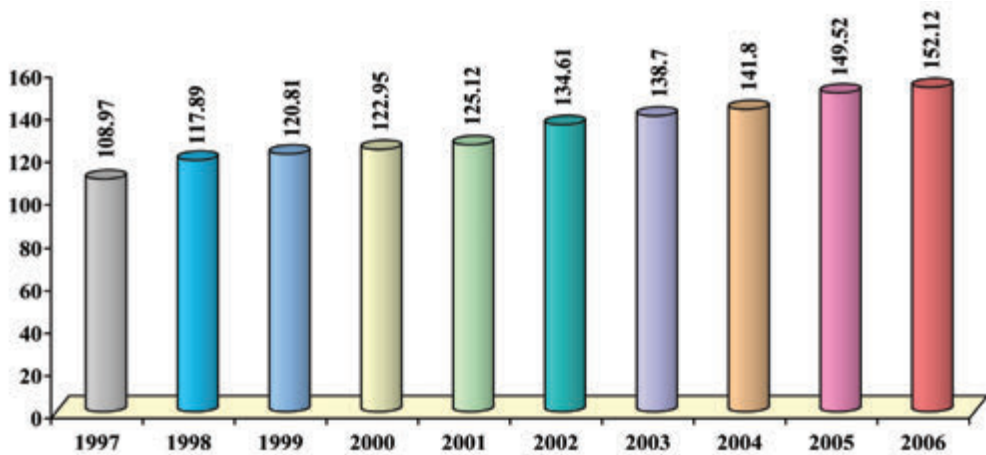
The PCBS alluded this increase to an all around increase in the prices: miscellaneous goods and services by 5.6%, transport and communications by 5.57%, food by 4.86%, beverages and tobacco by 3.29%, housing by 3.27%, Education by 1.55%, medical care by 1.51%, and furniture, household goods and services by 1.4%. Form these figures, it is clear that the increase in the prices of food, and transport and communications as well as miscellaneous goods and services was the direct reason for this increase in the cost of living.

**Table 9/9: The General Trend of the Consumer Price Index
for the Month of October 1997-2006**

Year	Consumer Price Index
1997	108.97
1998	117.89
1999	120.81
2000	122.95
2001	125.12
2002	134.61
2003	138.7
2004	141.8
2005	149.52
2006	152.12

Source: PCBS.

The General Trend of the Consumer Price Index for the Month of October 1997-2006



Seventh: The Standards of Living

Preliminary statistics indicate a profound deterioration in the living and economic conditions during the year 2006. The Palestinians suffered from an unprecedented Israeli siege that was caused by their detention of the PA's dues, closure of the passages and obstruction of trade from and to the Palestinian territories. Additionally, was the external blockade represented primarily by the prohibition of the transfer of funds to the Palestinians of the interior, be it charities, aids or loans. The USA and the European powers compelled all the banks and financial institutions in the Palestinian territories to stop transferring funds to the Palestinian territories, otherwise American and European central and commercial banks as well as other world banks will stop dealing with them. Besides, countries that were willing to extend financial aid to the Palestinian people were unable to do so because of the intense American pressure and threats. Hence the government failed to pay the salaries of the Palestinian workers, the Palestinian capital fled the land and factories as well as commercial and industrial institutions were closed down. These adverse developments curtailed foreign investment in the territories, increased poverty and unemployment and reduced the standard of living of the interior Palestinians throughout the year 2006. Statistics indicate that the percentage of the Palestinian families living below the poverty line increased

from 50% in March 2006 to 68% in November of the same year. The economic and living conditions in GS were worse than those in the WB. In GS 79% of the inhabitants lived below the poverty line, where 51% of them lived in extreme poverty. Conversely, in the WB 61% were under poverty line where 28% of them experienced extreme poverty.

Eighth: The Salaries' Crisis

Due to the financial and economic blockade imposed on the Palestinian territories throughout the year 2006, the government failed to pay the salaries of the employees of the public sector. The monthly salaries and similar payments totaled \$120 million, of which the salaries alone were \$100 million. In 2006, the salaries constituted 75% of the gross expenditure, compared to 60% in 2005. For the salaries in 2006 totaled \$1,181 million, compared to \$1,000 million in 2005. This increase in the salaries and wages was due to the increase of the employees from 140,500 officials by the end of June 2005 to over 160,000 officials by the end of June 2006, that is an increase of about 14%, who were employed by the predecessor of Hamas government. However, the Palestinian government paid the salaries in installments until November 2006. The government concluded an agreement with the Government Employees Union by which it undertook to pay the salary arrears, about \$500 million, in four installments and on the availability of funds.

About half of the Palestinian families (51.6%) maintained that they had been directly or indirectly affected by this salary crisis (26.6% were affected directly and 25% indirectly). The percentage of the families affected by this salary crisis in GS (72.7%) was more than that in the WB (40.6%). These results are coherent with the degree of dependence on public posts in both regions.

**Table 10/9: The Numbers of the Employees of the PA for Different Periods
2005-2006**

	Civilian	Military personnel	Military personnel under experiment	Total excluding military personnel under experiment	Total including military personnel under experiment
January 2005	75,766	57,067	5,469	132,833	138,302
June 2005	78,744	57,067	4,676	135,811	140,487
December 2005	79,705	57,067	13,966	136,772	150,738
January 2006	79,722	57,067	20,839	136,789	157,628
February 2006	80,786	57,067	20,584	137,853	158,437
March 2006	81,043	57,067	20,793	138,110	158,903
April 2006	81,007	57,611	20,712	138,618	159,330
May 2006	81,079	58,388	19,816	139,467	159,283

Source: Palestinian National Authority/ Ministry of Finance.

Ninth: The Labor Market

The statistics of the PCBS indicate that the percentage of participants in labor force has increased by 1% during the period between the second and third quarters of 2006, that is from 40.9% to 41.3%. Moreover, the participation rate of women in the workforce increased from 13.7% in the second quarter of 2006 to 13.9% in the third quarter, i.e., an increase of 1.5% (equivalent to three thousand women).

In line with the broad definition of unemployment, the statistics indicate an increase in the numbers of the unemployed (whether they are seeking or not seeking for jobs), i.e., from 28.6% in the second quarter to 30.3% in the third quarter of the year 2006. The statistics also show an increase in the percentage of unemployment in both the WB and GS. It rose in the WB from 18% in the second quarter of 2006 to 19.1% in the third quarter of the same year, while in GS it rose during the same quarters from 34% to 36.3%. The highest percentage of unemployment was among the youngsters. The highest rate was amongst the age group 20-24, it reached 38.7% (32.3% in the WB and 53.7% in GS), followed by the age group 15-19 which reached 32.6% (28% in the WB and 49.2% in GS), and lastly the age group 25-29 which reached 25.9% (20.5% in the WB and 37.1% in GS).

The statistics show an increase in the number of employed persons between the second and third quarters of 2006, as it increased by two thousand workers to be 664 thousand workers in the third quarter. The numbers of the employed persons in the WB increased by eight thousand workers, while it decreased in GS by six thousand workers, to be 497 thousand workers in the WB and 167 thousand in GS. Moreover, the number of employed women in the Palestinian territories decreased from 116 thousand to 110 thousand. The statistics of the PCBS show that 22.6% of the overall employees are employed by the public sector (15.4% in the WB and 44% in GS).

Statistics also show that the average value of the nominal daily net wage of the employees in the WB, increased slightly from \$17 in the second quarter of 2006 to \$17.5 in the third quarter of the same year, while it decreased in GS during the same period, from \$15.6 to \$15.4.

Tenth: Palestine Securities Exchange

The political developments in the Palestinian territories had negative impact on the performance of the Palestine Securities Exchange (PSE) during the year 2006. *Al-Quds* Index, which opened at 1,128 points on 2/1/2006, started on a dramatic downward trend. By 24/1/2006, the last trading session before the legislative elections, the Index had declined to the 1,073 points.

This severe drop impelled the Capital Market Authority (CMA) and the PSE to take a number of measures, of which the most important was to reduce the amount of intraday stock price fluctuation from 5% to 3%, starting from the trading session on 21/3/2006. But this percentage was reversed to what it previously was since 14/8/2006 because *al-Quds* Index showed relative stability.

With preliminary election results on 26/1/2006, indicating Hamas victory, the first trading session held after the elections witnessed a 51 point decline on *al-Quds* Index. In the days that followed, the Index continued to post maximum allowed daily losses each trading session. Throughout the year, the political developments had become the primary factor that governed *al-Quds* Index, which did not reflect the actual performance of the market's companies of which the majority continued to achieve profits, though at a lower rate than those of the corresponding periods of 2005.

Correspondingly, with the political developments, the Palestinian bourse experienced some important developments in 2006 that had historical impacts on the movement of *al-Quds* Index, which all in all had been pushed downwards. The Index had acceleratingly declined to reach 495 points on 16 July, four days after the Israeli war on Lebanon. However, after the stoppage of the war and the appearance of signs of calm in the Palestinian arena, the Index rose to over 600 points. The overall loss of *al-Quds* Index during the year 2006 was 523 points, i.e., a decline of 46% compared to a rise of 306% in the year 2005.

The average daily trade volume declined by 39% to reach 0.92 million shares daily in 2006, compared to 1.5 million shares daily in 2005. The average daily trade value also decreased by 48% to reach \$4.41 million daily in 2006, compared to \$8.5 million daily in the year 2005.

All in all the total annual trade volume was reduced from 370 million shares in 2005 to 223 million shares in 2006, and the total annual trade value also shrunk to about a one billion dollars in 2006, compared to \$2 billion in 2005.

With regard to the sectors, the service sector had the lion's share, about \$455 million, which constituted 43% of the PSE's total trading value. The investment sector came in the second position, as it reached \$417 million, that is 39% of the PSE's total trading value. The banking sector had the third position with a fund of \$121 million, which constituted 11% of the PSE's total trading value. The share of the manufacturing and insurance sectors was \$55 million for the former, i.e., 5% of the PSE's total trading value, and \$20 million for the latter, that is 2% of the PSE's total trading value.

Eleventh: The Foreign Trade

With its exports and imports components, foreign trade is tremendously important for the Palestinian economy. It directly affects all economic sectors, the balance of payments and the prices. It also serves to avail the needs of the local market, such as ready-made commodities and raw materials, and to sell Palestinian products in external markets.

Since the Israeli occupation of the Palestinian territories, the foreign trade was associated with the developments in Israeli politics, economy and security. Due to the oppressive Israeli practices, the Palestinian economy was annexed to the Israeli

economy, and the Palestinian market became an open consumer market for Israeli products. These Israeli measures affected the nature and the size of trade between the Palestinian territories and the outside countries.

The balance of trade suffers from this inferior status of the Palestinian foreign trade, particularly the inability of the Palestinian exports to cover the cost of the imports. In fact, they provide less than 20% of the cost of the imports. The share of the trade with Israel was 80% of the total PA foreign trade. This reflects the overwhelming control of the Israeli economy over its Palestinian counterpart. About 92% of the total Palestinian exports go to the Israeli market, mainly to provide raw materials for the Israeli industries, and over three quarters of the total Palestinian imports come from the Israeli market, which constitutes 10% of the total Israeli exports to the outside world.

The imposed comprehensive Israeli siege on the Palestinian territories during the year 2006 had a tremendous impact on the Palestinian foreign and transit trade. All economic sectors were adversely affected by this blockade, particularly the agricultural and industrial sectors.

The following table, issued by the PCBS, gives preliminary statistics of the size of the Palestinian foreign trade with world countries for the year 2005.

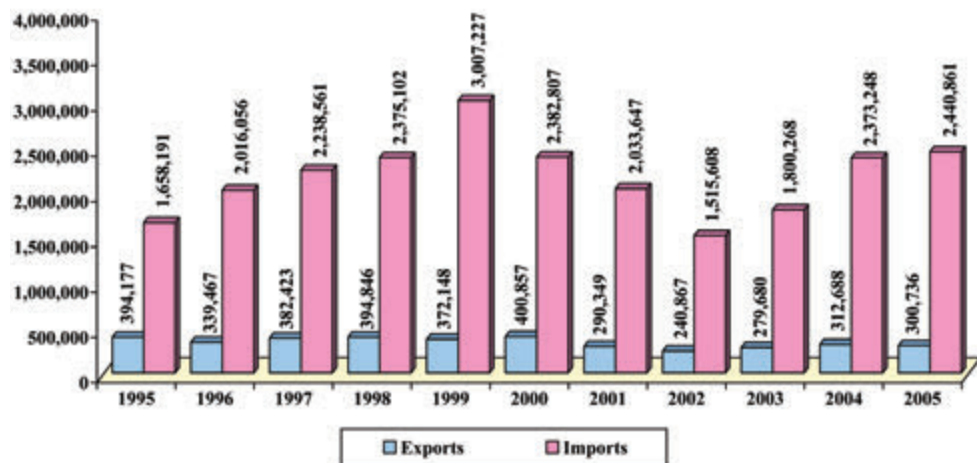
Table 11/9: Total Value of Exports, Imports, Net Balance and Transaction Trade for the WB* and GS according to the PCBS 1995-2005 (\$ thousand)

Year	Total value of exports	Total value of imports	Net balance trade	Transaction trade
1995	394,177	1,658,191	-1,264,014	2,052,368
1996	339,467	2,016,056	-1,676,589	2,355,523
1997	382,423	2,238,561	-1,856,138	2,620,984
1998	394,846	2,375,102	-1,980,256	2,769,948
1999	372,148	3,007,227	-2,635,079	3,379,375
2000	400,857	2,382,807	-1,981,950	2,783,664
2001	290,349	2,033,647	-1,743,298	2,323,996
2002	240,867	1,515,608	-1,274,741	1,756,475
2003	279,680	1,800,268	-1,520,588	2,079,948
2004	312,688	2,373,248	-2,060,560	2,685,936
2005	300,736	2,440,861	-2,140,125	2,741,597

* Excluding East Jerusalem that was annexed to Israel.

Preliminary Data/ PCBS.

Total Value of Exports and Imports for the WB and GS according to the PCBS 1995-2005 (\$ thousand)



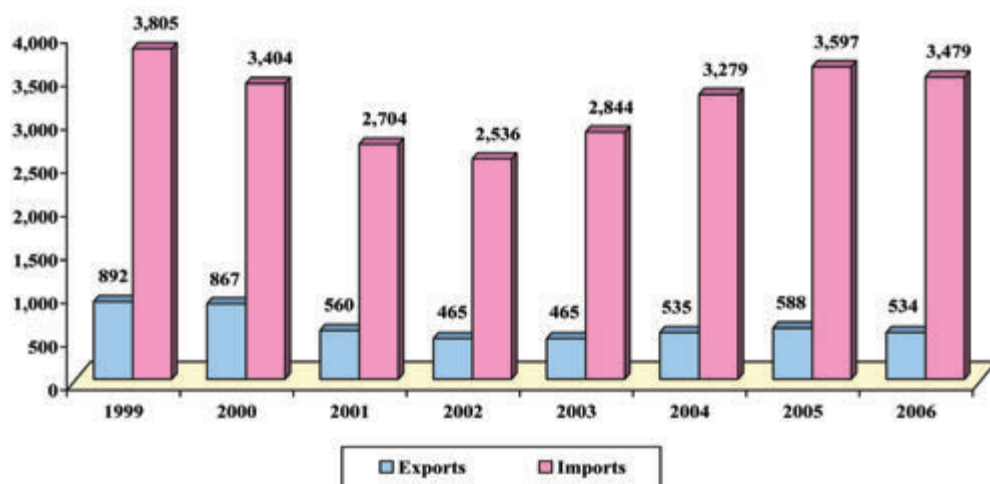
The PCBS seems to have employed a different method in counting the exports and imports for the year 2006, which could not be compared with those of the previous years because of the differences in the scales and the methods of estimates. Hence, the initial figures given by the PCBS are almost similar to those of the International Monetary Fund (IMF), but largely different from the figures given by Palestinian sources in previous years. However, admittedly the Palestinian statistics bodies face formidable difficulties from two directions, namely their operation under Israeli occupation, and the inability of the PA to fully control the flow of commodities through the frontiers and the passages. In any case, the preliminary figures of the PCBS in 2006 are \$581 million for the exports and \$3,631 million for the imports, while those given by the IMF are correspondingly \$534 million and \$3,479 million. Since the IMF followed the same method of the previous years, we provide below for the sake of comparison a table for the years 1999-2006.

Table 12/9: Total Value of Exports and Imports for the WB* and GS according to the IMF 1999-2006 (\$ million)

Year	1999	2000	2001	2002	2003	2004	2005	2006
Exports	892	867	560	465	465	535	588	534
Imports	3,805	3,404	2,704	2,536	2,844	3,279	3,597	3,479

* Excluding East Jerusalem that was annexed to Israel.

Total Value of Exports and Imports for the WB and GS according to the IMF 1999-2006 (\$ million)



Twelfth: The Economic Development Potentials of the Palestinian Territories

Most of the experts in the Palestinian economy are of the opinion that there can be no real and sustainable economic development in the Palestinian territories under the Israeli occupation. Nonetheless, active effort should continue to find economic, political and other strategies to resist the occupation, and to stick to the homeland.

We may plausibly argue that the existence of effective developmental plans should in essence improve the standard of living of the Palestinian people through investment projects that increase production and provide job opportunities, which, in turn, will strengthen the resistance to the occupation. Experience had demonstrated that development largely depends on the existence of a

sound economic vision and good governance. However, in the Palestinian case such a vision requires a proper and scientific understanding of the economic infrastructure, including elements of its weakness. It should also take on board the security and political realities in the Palestinian territories in the WB and GS, where the occupation has systematically been engaged in the destruction of the Palestinian economic potentialities through a prolonged blockade, and by the Wall that isolates the Palestinian regions from each other, which had all accelerated the rate of poverty and unemployment, and diminished the real income of the peoples.

After the conclusion of the Oslo Accords in 1993, and the subsequent formation of the PA, it was generally hoped that economical and developmental plans would be drawn to achieve sustainable development in the Palestinian territories. But nothing of this sort took place. On the contrary, the Palestinian developmental vision has since 1994 been blared, confused and chaotic. It failed to achieve its basic objectives, be it domestic strength, the removal or minimizing of economic and social tension that has accumulated during the long years of occupation or to reduce the dominance of the Israeli economy over its Palestinian counterpart, and to increase the linkage of the latter with Arab economies.

A viable and sustainable Palestinian developmental vision should be based on the Palestinian excellent human resources, the high expertise of the Palestinian people, and the vitality and dynamism of the Palestinian society, particularly in the fields of development and community service. Besides, the experience and the capital of over five million Palestinians in the diaspora constitute an important asset for achieving economic progress in the Palestinian territories. If attracted, their huge capital and distinguished expertise will be most useful for all developmental projects.

The absence since 1967 of a national government in the WB and GS has been instrumental in the prominence of the private sector as an important vehicle for development in these territories. Despite the formidable predicaments that the Israeli occupation has placed in the path of this sector, it continued to invest in service, agricultural and manufacturing projects, which, in turn, have contributed in the development of the economy of the occupied Palestinian territories.

The Palestinian economy suffers from a number of weaknesses that should be taken in consideration in any developmental plan. Most importantly is the weakness of the governmental sector that lacks sufficient expertise and ability to extend

good, effective and reliable services. For the PA has not given due attention to the establishment of sound, modern and transparent institutions. Another major factor for the weakness of the Palestinian economy is the continuation of the occupation, which delayed, even after the establishment of the PA projects, including strategic projects such as airports, water and electricity projects, digging of wells and the construction of highways in the Palestinian territories. Additionally, are the blockade and the Israeli control of the passages that paralyzed the movement of peoples and goods, isolated the Palestinian economy from the world economy and delayed developmental plans. This led to basic defects in the structure of the Palestinian economy, notably its submission to the Israeli economy and the weakness of the infrastructure.

Amongst the factors for the weakness of the Palestinian economy is the poverty of the WB and GS, which lack natural water and mineral resources that are essential for the success of developmental plans.

A Palestinian developmental vision should be squarely based on the abundant and highly professional Palestinian human resources, and has to be part and parcel of the Arab economy, and to open up to the regional as well as the international markets.

Thirteenth: Termination of the Linkage of the Palestinian Economy to the Israeli Economy

The Israeli control over the Palestinian territories took several forms, of which some are similar to those in former colonies, while others have their own specific characteristics. As was the case in traditional colonialism, Israel had previously focused on the exploitation of Palestinian labor, and the imposition of trade partnership that made the Palestinian territories a natural market for Israeli products. The special features of the Israeli colonialism are, on the other hand, represented by the control of lands and sources of water through confiscation of lands, establishment of settlements and the imposition of restrictions on the usage of water by the Palestinian farmers and citizens.

This Israeli economic imperialism, which is based on the amalgamation and destruction of the economy of the Palestinian territories, aims at the termination of

the Palestinian reality on the ground. Such a drive requires a counter and capable economic strategy that would defend the Palestinian economy as well as the Palestinian existence and identity.

After the conclusion of Oslo Accords in 1993 and the Paris Protocol, the Palestinian economy in the WB and GS should have presumably moved towards disengagement from its Israeli counterpart. But in reality the Accords maintained Israeli control over 60% and 40% of the lands of the WB and GS respectively, as well as on most of the water sources, all the trade, internal and external, and the movement of peoples. Additionally, the Paris Protocol allowed Israel to continue its control over the Palestinian economic fundamentals, and to limit the rights of the PA to undertake economic development for the benefit of its Palestinian people.

What added insult to injury was the failure of the PA to make use of the limited opportunities, and its lack of a vision and a work plan to overcome the predicaments, and establish a relatively independent Palestinian economy. It neglected its duty to play a positive and independent role to support the process of development and reconstruction, and to pursue developmental policies that would consolidate self-capabilities, strengthen the social cohesion of the Palestinian society, and link the Palestinian economy with its Arab environment.

The disengagement of the Palestinian economy from its Israeli counterpart is admittedly difficult, but this does not negate the availability of viable opportunities to start achieving this goal gradually and systematically. The starting point may be to strengthen the Palestinians' self-capabilities, particularly in the economic field, develop the human resources in a way that achieves the developmental vision, initiate measures to remove the defects of the economic and social environment, and to promote knowledge and technology. The PA should also restructure its own institutions in a professional manner, encourage local and foreign investment, and to start amalgamating the Palestinian economy with the Arab economy and to make use of the available opportunities in the major markets. The PA has also to diligently and speedily work for the amendments of the articles in the Paris Protocol that restrict the movement of the Palestinian economy, in order to associate it with the Arab, regional and international economies.

Conclusion

The core of the current complicated problems of the Palestinian economy in the WB and GS is the repugnant Israeli occupation and its aggressive policies and measures, which, in effect, have turned the WB and GS into a big prison. Moreover, they enable the occupiers to easily abort any developmental plan or economic reforms, destroy projects and the infrastructure and to control land, sea and air exists.

During the year 2006, the occupation had done its utmost best to tighten the blockade on the Palestinian people to destroy their will, and to punish them for their democratic option. Hence, compared to the previous year, the GDP decreased by 6.6%, the collection of taxes and governmental dues dwindled by 72%, the employment and capital expenses retracted by 37.5%, the developmental expenses dwindled by 75.5%, and the government managed to pay only about half of the salaries of its employees.

Nonetheless, one may bet that the Palestinian economy will not ultimately develop as long as it is under hostile hegemony. But this does not provide an excuse for any laxity in fighting all forms of financial corruption that appeared during the last years or in making the utmost possible use of the outstanding human resources of the Palestinian people. In fact, this assessment should motivate the Palestinian to build a resistance economy that can operate as best as possible in the prevailing conditions of the occupation.

The Israeli battle to break the will of the Palestinian people will continue as long as the occupation is controlling the destiny of Palestine, and the occupiers will never shy from using all ways and means to do this, including the food weapon. Thus, the PA should make the utmost best of the available resources as well as the donations and the foreign funds in order to consolidate the steadfastness, break the blockade and end the occupation.

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