

Summary
of
The Palestine Strategic Report
2020 – 2021



Editor

Prof. Dr. Mohsen Mohammad Saleh



Al-Zaytouna Centre For Studies & Consultations

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Summary of The Palestine Strategic Report 2020–2021

Introduction

Since 2005, the Palestine Strategic Report has been published regularly by al-Zaytouna Centre for Studies and Consultations in Beirut. The center is an independent think-tank focused on strategic studies and forecasts, centered on the Palestine issue. This is the twelfth volume of the Palestine Strategic Report (PSR) series. It covers all aspects of the Palestine issue 2020–2021, while envisioning future tracks.

The PSR, edited by Dr. Mohsen Mohammad Saleh (Associate Professor of Palestine Studies and al-Zaytouna General Manager), tackles, interprets, and analyzes the internal Palestinian situation, Palestinian demographic and economic indicators, the status of the Land and the holy sites, and discusses Palestinian Arab, Islamic and international relations, as well as the Israeli situation, resistance operations, and the peace process. The report is scientifically documented and supported by dozens of tables, statistics, and charts.

The PSR was authored by a group of 14 specialists, including: Mr. Ashraf Bader, Dr. ‘Abdul Latif Sidah, Mr. Basem al-Kassem, Mr. Hani al-Masri, Ms. Iqbal ‘Omeish, Prof. Dr. Moein Muhammad ‘Atta Ragab, Dr. Muhannad Mustafa, Mr. Rabi‘ al-Dannan, Dr. Sa‘id al-Haj, Mr. Sari Orabi, Prof. Dr. Talal ‘Atrissi, Mr. Wael Sa‘ad, Prof. Dr. Walid ‘Abd al-Hay and Mr. Ziad Bhies. It is reviewed by a specialized advisory body.

The following is a summary of the report, whose original size is more than 400 pages. Note that some statistical data are inconclusive, or have not yet been issued by the relevant official and specialized authorities. Therefore, when they become available, they will be included in the final version of the report.



First: The Palestinian Internal Situation

If we want to summarize the internal Palestinian situation during the past two years 2020–2021, it can be said that they witnessed the greatest internal breakthrough and the biggest disappointment in ten years. Since the summer of 2020, great hopes have been pinned on the success of reconciliation and putting the Palestinian political house in order. However, things ended in 2021 with a catastrophic failure, where the Palestinians public had the biggest confidence and credibility crisis with the Palestinian Authority (PA) leadership and the Palestine Liberation Organization (PLO).

In 2020–2021, the crisis of the Palestinian national project continued, and so did the conflict between the main Palestinian forces and the conflict between those who are pro-peace process and those who are pro-resistance, with the absence of a national program that confirms the fundamentals and manages the current stage. The PLO and its institutions continued to deteriorate. The Palestinian Central Council (PCC) and the Palestinian National Council (PNC) have not convened since 2018, which means an actual disruption of the PLO, and a clear violation of the PCC bylaws.

The PA erosion, its transformation into a functional tool and the consolidation of its security role have all continued. Consequently, the national justification of its establishment, which is the transition to an independent Palestinian state in the 1967 territories no longer stood. Therefore, it was not surprising that the PA resumed the security coordination with Israel, after it was halted for about six months (May–November 2020). Although the reason for the freeze was related to an “existential” one to the PA and even to Palestine, which is Benjamin Netanyahu’s announcement of the annexation plans of the West Bank (WB) and the implementation of “Trump’s deal.” The PA also retracted its position regarding the Israeli deduction of parts of the “clearance” revenues, where it previously refused to receive them incomplete. As for Israel, its non-security need for the PA declined. It continued to transgress the PA powers, while the latter’s role as a coordinator for Israel in WB has considerably increased.

Although the formation of the Shtayyeh government on 10/3/2019, was an explicit cancellation of the 2014 al-Shati’ understandings between Hamas and Fatah, it remained as it is except for the addition of the Ministries of Interior and Endowments in early 2022. The events that made the PA look more negative have followed including: canceling the elections; the Sword of Jerusalem battle spearheaded by Hamas; the killing of Palestinian activist Nizar Banat by a Palestinian security forces during his arrest which sparked widespread protests; the corruption files leaks, the most prominent of which was a near-expired COVID vaccine deal with Israel; reducing foreign funding to the PA; and its inability to

pay the full salaries of its employees. As a result, the PA tried to enhance its role and position, by relying on the security force.

The PA president tightened his grip on the official executive, legislative and judicial institutions, expanding his jurisdictions, particularly after the dissolution of the Palestinian Legislative Council (PLC). In January 2021, President Mahmud ‘Abbas issued decisions regarding the formation of regular courts, amending the Judicial Authority Law approved since 2002, and the formation of administrative courts, in connection with previous procedures and decisions related to the judiciary, making the PA more of a totalitarian security regime, and further weakening national and political life.

As for the Palestinian factions, the Fatah movement split into three lists in the PLC elections that were postponed later. This move resulted in the ouster of Nasser al-Kidwa, the member of Fatah’s Central Committee. The Palestinian left-wing was divided into four lists. Student elections were disrupted due to the COVID-19 pandemic, and the Palestinians witnessed only the Engineers Syndicate elections, which were won by the alliance of Hamas and the Popular Front for the Liberation of Palestine (PFLP). On 11/12/2021, the first round of local elections took place in Palestinian villages, and the PA approved holding them unilaterally, which made Hamas boycott them. These elections reflected a significant decline of Fatah movement in its historical strongholds in villages and rural towns. As for Hamas, it has completed its periodic internal elections, which are held every four years. Isma‘il Haniyyah was re-elected as the leader of the movement, Saleh al-‘Arouri the leader of WB, Yahaya al-Sinwar the leader of Gaza Strip (GS), while Khalid Mish‘al the leader of Hamas abroad.

The PA and PLO leadership (Fatah leadership) repeatedly used the reconciliation and putting the Palestinian house in order to face external pressures or challenges, and to pass some processes, for this would show the cohesion of the Palestinians under one leadership, as happened with the “Trump deal.” Then, after the temporary interest finishes, it would return to the dominant behavior that would marginalize other Palestinian forces.

The leaders of the Hamas and Fatah movements were optimistic that the two movements have agreed to settle their differences through comprehensive successive elections, starting with the legislative ones. Then, the Palestinian leadership in Ramallah held meetings with the participation of Hamas and Islamic Jihad of Palestine (PIJ), and a meeting of the general secretaries of the Palestinian factions in Beirut and Ramallah simultaneously, where they agreed on the details of the electoral process, issuing the necessary decrees, and actually registering the electoral blocs. However, the year 2021 ended with more division and estrangement between all national forces and the PA that not only canceled the elections, but intensified political arrests, and went after the



public activities of the Palestinian factions. The pursuit was not limited to Hamas, but also included the PIJ, the Popular Front for the Liberation of Palestine (PFLP), the Democratic Front for the Liberation of Palestine (DFLP) and student activities. This is while the left, especially the PFLP, has accused the PA of imposing a financial siege on it, and blackmailing it politically with its allocations from the PLO.

As for the Palestinian public, it became more supportive of the resistance, and Hamas led the scene, particularly after the elections were disrupted and after the Sword of Jerusalem battle.

The Prospects of the Palestinian Internal Scene

1. As long as the current leadership is in control, the crisis of the Palestinian national project and the deterioration of official Palestinian institutions will continue. Therefore, there is no real prospect for rearranging the Palestinian house and holding fair and transparent elections.

As long as it does not guarantee its re-election, nor that the faction that it represents will continue to dominate Palestinian political life, this leadership will continue to manage this file in a tactical non-serious manner.

2. With the continued weakness of the PA, the exposure of its functional role, and the shrinking of its supporting public, it is increasingly possible for it to resort to more security behavior and political repression to ensure its survival, while relying on the regional and international environment to establish its “legitimacy.” This means that it would increase its functional role, thus losing more of its popularity.
3. The factional and popular pressures to form a transitional Palestinian leadership that will put the Palestinian political house in order will increase. Otherwise, a neutral party with full powers and irrevocable and decisive guarantees would be asked to do it. For the current leadership has lost the two conditions of trust and credibility, among large sectors of the Palestinian people.
4. The prospects to form a pro-resistance Palestinian national front or alignment that would exert pressure to rebuild the official Palestinian institutions are good. It would consist mainly of Hamas, PIJ and PFLP, and it may expand to include Palestinian forces, factions and symbols at home and abroad.

5. When President Mahmud ‘Abbas becomes absent, there is a growing possibility of a change in the Palestinian leadership. However, the faction that dominates the official institutions, “Fatah,” will do everything in its power to maintain its dominance and keep the leadership in the hands of one of its figures, who will be supported by pro-peace Arab and international forces that refuse that pro-resistance or Islamic movements take over the leadership.
6. In light of the vacuum created by the disruption of the reconciliation process, and the PA’s state of helplessness and loss of vision, the popular action and initiatives, if managed well, have better chances to flourish at home and abroad.
7. Pressure will continue on the resistance movements to subdue and marginalize them, and prevent them from leading the Palestinian scene. Therefore, the GS siege will continue, and so will drying up the sources of financial, popular and political support, and media distortion. However, if these movements maintain their internal cohesion, and could manage their potentials in the best way possible, and they are able to include more segments of the Palestinian people, they will be able to pass this stage.



Second: Palestinian Demographic Indicators

Available estimates by the Palestinian Central Bureau of Statistics (PCBS) indicate that the number of Palestinians in the world at the end of 2021 (early 2022) was about 14 million; about half of them 6.964 million (49.8%) live inside historic Palestine, and the other half 7.037 million (50.2%) live in the diaspora. Inside Palestine lives 5.291 million, who are distributed into 3.154 million (59.6%) living in WB, 2.137 million (40.4%) in GS, and 1.673 million in the territories occupied in 1948.

According to the data available to Al-Zaytouna Centre researchers, Palestinians in Jordan are estimated at 4.493 million, i.e. 32.1% of Palestinians worldwide (about 63.9% of the Palestinian diaspora), most of them carry the Jordanian nationality. The number of Palestinians in the rest of the Arab world is estimated at 1.795 million (12.8% of Palestinians worldwide), where most of them live in neighboring Arab countries, such as Lebanon, Syria, Egypt, and the Arab Gulf states.

According to PCBS, 749 thousand Palestinians live in the rest of the world (5.3% of Palestinians worldwide), where most of them live in the US, Latin America, Canada, Britain, and the rest of the European Union. It should be noted that these are estimates, especially outside Palestine, where it is difficult to conduct accurate statistics. Some estimates indicate, for example, that the number of Palestinians in South America is no less than 600 thousand, more than half of whom live in Chile.

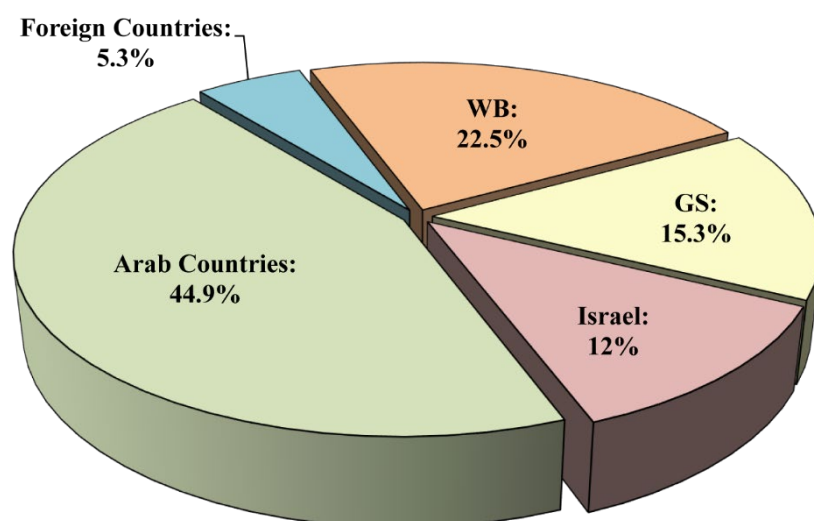
Noteworthy to say that more than 75% of Palestinians abroad reside in the countries surrounding occupied Palestine (Jordan, Syria, and Lebanon), which indicates that Palestinians are still attached and close to their land, and are looking forward to their return even after about 74 years of the *Nakbah*. They believe that their return is a practical and feasible matter. This attachment is also evident among the Palestinians in the rest of the world, through the right of return organizations, and the activities of Palestinian communities in the Arab countries, Europe, Asia, the Americas and Australia.

Palestinian Population Worldwide Estimate According to Place of Residence at the End of 2020 and 2021 (thousands)

Place of residence		2020		2021	
		Population estimates	Percentage (%)	Population estimates	Percentage (%)
Palestinian territories occupied in 1967	WB	3,086.8	22.6	3,154.4	22.5
	GS	2,077.4	15.2	2,136.5	15.3
Palestinian territories occupied in 1948 (Israel)		1,634.5	11.9	1,673.6	12
1948 Palestinians		6,798.7	49.7	6,964.5	49.8
*Jordan		4,393	32.1	4,498.4	32.1
Other Arab Countries		1,752	12.8	1,789.2	12.8
Foreign Countries		738.4	5.4	749.4	5.3
Palestinians Abroad		6,883.4	50.3	7,037	50.2
Total		13,682	100	14,001.6	100

*The number of Palestinians in Jordan is based on the PCBS statistics in 2009, when their number was 3,240,473, and on the annual growth rates ranging between 3.1% and 2.3% during the period 2009–2020, issued by the Jordanian Department of Statistics (DoS).

Palestinian Population Worldwide Estimate According to Place of Residence at the End 2021 (%)



More than two-thirds of the world’s Palestinians are refugees. For in addition to some 7.037 million Palestinians abroad, there are some 2.242 million refugees living in WB and GS, as well as some 150 thousand refugees who have been expelled from their land, but still reside in the territories occupied in 1948; therefore the total number of Palestinian refugees is estimated at 9.429 million, or about 67.3% of the total Palestinian population at the end of 2021. Although this number is likely to have some duplication, as there are Palestinians abroad who carry the identity documents of interior Palestine, the margin remains limited. As of early 2021, the number of refugees registered in the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) reached 6.389 million. This is while noting that there are many refugees who have not registered with UNRWA, because they do not need their services or because they do not reside in its area of operation, such as the Gulf countries, Europe and America.

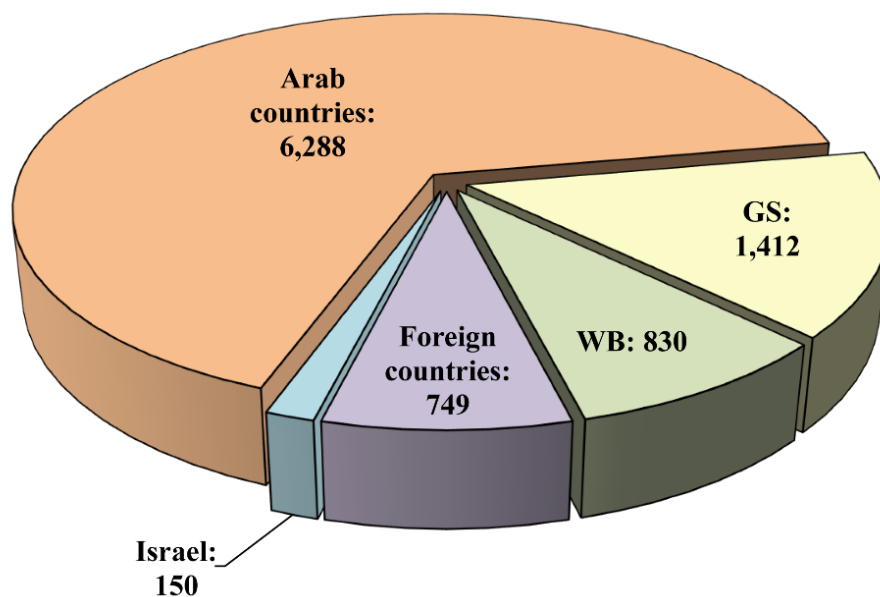
Palestinian Refugees Worldwide; Population Estimates at the end 2021 (thousands)

Region	WB	GS	Israel*	Arab countries	Foreign countries	Total
Estimates	830	1,412	150	6,288	749	9,429

Note: The estimates of WB and GS are based on the percentages published by PCBS (26.3% of the WB population and 66.1% of the GS population are refugees)

*Approximate numbers

Palestinian Refugees Worldwide; Population Estimates at the end 2021 (thousands)



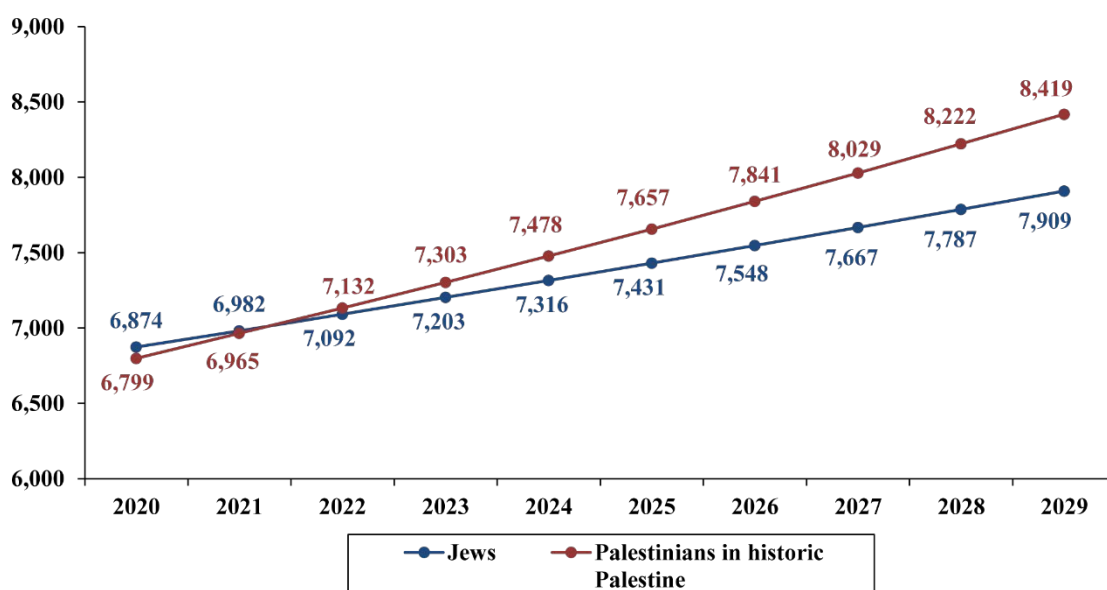
The annual demographic growth rate in WB and GS in mid-2021 was 2.4% (2.2% in WB and 2.8% in GS). According to PCBS statistics, the number of Palestinians and Jews in historic Palestine will be equal at the end of 2022, where each will be approximately 7.1 million. The number of Palestinians is expected to exceed the number of Jews by about 510 thousand in 2029.

Estimated Population Count of Palestinians and Jews in Historic Palestine 2020–2029 (thousands)

Year	Palestinians in historic Palestine	Jews
2020	6,799	6,874
2021	6,965	6,982
2022	7,132	7,092
2023	7,303	7,203
2024	7,478	7,316
2025	7,657	7,431
2026	7,841	7,548
2027	8,029	7,667
2028	8,222	7,787
2029	8,419	7,909

Estimated Population Count of Palestinians and Jews in Historic Palestine 2020–2029 (thousands)

Third: The Land and the Holy Sites



Israel proceeded with its quest to resolve the identity of Jerusalem, benefitting from unprecedented US cover and a state of Arab-Islamic weakness and fragmentation coupled with an environment rushing towards normalization. It achieved progress in five areas as it took advantage of the atmosphere that accompanied the COVID-19 pandemic to annihilate popular will and prevent gatherings, which increased its margin of aggression against *al-Aqsa* and other holy sites. The high rate of demolition of Jerusalemite homes continued as Israel demolished 351 facilities and residential structures in 2020–2021, and it proceeded to impose biblical rituals in *al-Aqsa*, while seeking to provide legal legitimacy to these practices through its courts. Also, Israel revived the “land registration” project to put most of Jerusalem’s properties under the “Absentees’ Property Law” and pave the way for their confiscation. In addition, it took control of the entrance of al-Yusufiyya cemetery and bulldozed the graves of Muslims to turn the place into a park.

In contrast, Israel was forced to retreat in three major tracks in face of the popular will as well as the resistance forces and the Sword of Jerusalem Battle. Thus, it retreated from the attempt to close Damascus Gate plaza, froze its attempt to forcefully displace the families of Karm al-Jaouni neighborhood in Sheikh Jarrah, and failed to raid *al-Aqsa* Mosque on 28 Ramadan 1442 AH (10/5/2021).

Israel has continued with its quest to reinforce settler presence in central Jerusalem, and it tried to impose its Judaization plans on several fronts. In the coming two years, the occupation is likely to escalate its attempts to impose biblical rituals at *al-Aqsa*. The relative concurrence of the Hijri-Hebrew holidays in the next two years may constitute an environment more conducive for the explosion of popular uprisings. Israel’s targeting of cemeteries besides its policy of home demolitions and mass forceful displacement will constitute additional escalation factors.

Despite the severity of their suffering, Jerusalemites have maintained their clear majority in eastern Jerusalem, constituting about 39% of the total Jerusalem population, compared to 27% in 1967. Israeli endeavors to reduce this percentage will continue, but the steadfastness of Jerusalemites over 55 years has foiled this policy and demonstrated the extent to which the Palestinian people are rooted in their land.

Fourth: Economic Indicators in the WB and GS

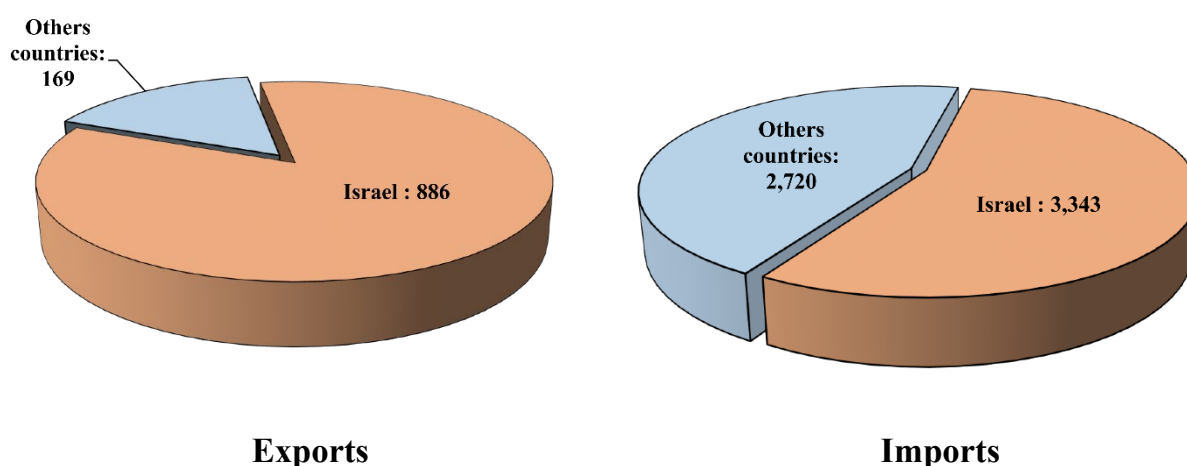
Israel has managed to make the Palestinian economy dependent on it, for it confiscates the land, depletes its wealth, controls the PA’s exports and imports, destroys its infrastructure, and impedes any real development process, while imposing a strangling siege on GS.

During the years 2020-2021, the already exhausted Palestinian economy was greatly affected by the COVID-19 pandemic, as it lost about \$2.3 billion in 2020, while about 470 thousand cases were registered by the end of 2021, of whom 4,934 people died. The Gross Domestic Product (GDP) also decreased by 12%, unemployment rates increased, and the tourism, services, construction and other sectors were significantly affected.

Trade

The volume of trade in 2020 with Israel amounted to \$4,229 million, or about 59% of the total foreign trade volume of the PA, amounting to \$7,118 million. The volume of imports from Israel amounted to \$3,343 million, representing 55% of the PA’s total imports of \$6,063 million, while exports to Israel amounted to \$886 million, representing 84% of the PA’s total exports (\$1,055 million). This severely harms the Palestinian economy and leaves the trade balance severely and continuously skewed in favor of the occupation.

Palestinian Trade with Israel in 2020 in Comparison with the Rest of the World (\$million)



GDP

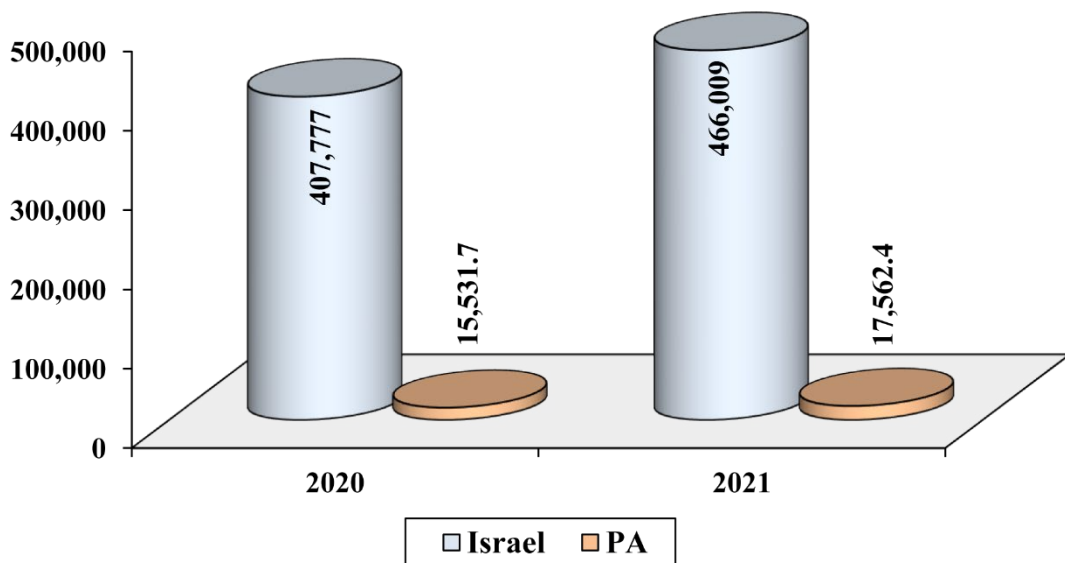
In WB and GS, the GDP (current prices) declined to \$15,532 million in 2020 from \$17,134 million in 2019, an averaged negative growth of 9.3%. According to available figures for the first three quarters of 2021, it is expected that the GDP would reach \$17,562 million during that year, i.e., 13%. Palestinian GDP remains very low compared to the Israeli GDP, which was more than 26-fold (2,650%) in 2021, which highlights the impact of the occupation on Palestinian economy.

GDP in PA Territories and Israel 2017–2021 at Current Prices (\$ million)

Year	PA	Israel
2017	16,128	355,263
2018	16,276.6	372,972
2019	17,133.5	397,960
2020	15,531.7	407,777
2021*	17,562.4	466,009

*Based on the 2021 first three quarters estimates

GDP in PA Territories and Israel 2017–2021 at Current Prices (\$ million)



GDP per Capita

GDP per capita was \$3,657 and \$3,234 for the years 2019 and 2020, respectively at current prices, that is, the per capita income increased by 2.7% in 2019 and then decreased by 11.6% in 2020. According to the figures available for the first three quarters of 2021, GDP per capita is expected to slightly increase to \$3,570, a 10.4% increase; However, it remains below the GDP per capita in 2019.

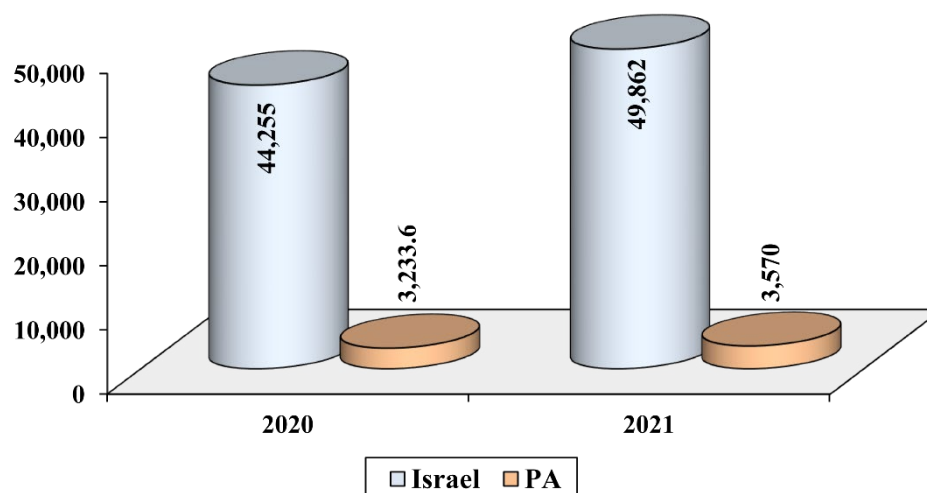
The decline and fluctuation of per capita GDP during 2019–2021 had a negative impact on the consumption volume, for the developments of world prices have decreased the income levels. In addition, there is a stark difference in the GDP per capita between WB and GS (3.7 folds), which reached \$5,182 and \$1,406 respectively in 2021, whereas it reached \$4,638 and \$1,345 respectively in 2020. This reflects the impact of the GS siege and the repercussions of the Israeli destruction during the Sword of Jerusalem battle.

GDP per Capita in PA Territories and Israel 2017–2021 at Current Prices (\$)

Year	PA	Israel
2017	3,620.5	40,790
2018	3,562.3	42,004
2019	3,656.7	43,968
2020	3,233.6	44,255
*2021	3,570	49,862

*Based on the 2021 first three quarters estimates.

GDP per Capita in PA Territories and Israel 2020–2021 at Current Prices (\$)



Unemployment

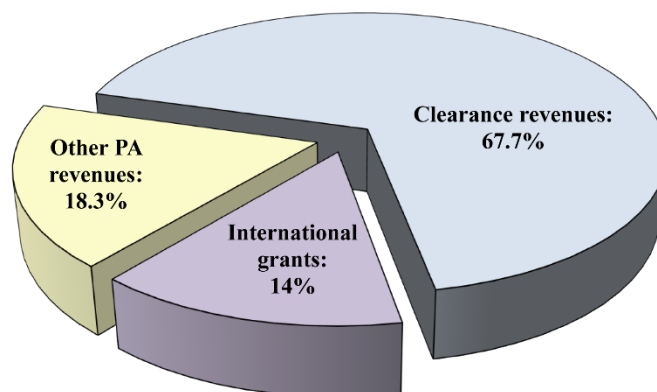
Preliminary estimates in 2020 indicate that the labor force has reached around 1.29 million. The unemployment rate in WB and GS was 25.9% in 2020, compared to 25.3% in 2019. There is a huge disparity in unemployment rates between WB and GS, where in 2020, it reached 46.6% in GS and 15.7% in WB. This indicates that unemployment in GS is around three times that of WB, and asserts the severe consequences of the GS siege.

Revenues and Expenditures

Preliminary estimates in 2021 indicate that the PA total net revenues, as of November 2021, increased by 22.2% compared to 2020 and by 29.5% compared to 2019, and is expected to reach \$4,237 million in 2021, compared with \$3,466 million in 2020 and with \$3,272 million in 2019. Total general expenditures of the PA, including development expenditures, are expected to reach about \$4,041 million for 2021, compared with \$4,050 million in 2020, a slight decrease of – 0.2%, whereas in 2019, the total general expenditures of the PA, including development expenditures was \$3,840 million. The budget deficit was \$585 million in 2020, compared to a deficit of \$568 million in 2019. Preliminary estimates in 2021 indicate that there is no budget deficit.

The PA revenues depend mainly on sources it does not control, where about 81.7% of the 2020 revenues were from the clearance taxes collected by Israel and from international grants. These constitute enormous pressure tools in the hands of Israel and the international community, and are delivered on the condition of some political and security requirements that affect the independence of the Palestinian decision-making. The total revenues of 2020 were about \$3,466 million, including \$2,345 million clearance revenues (67.7%), and \$487.5 million external financing (grants and external aid) (14%).

PA Revenues 2020 (%)

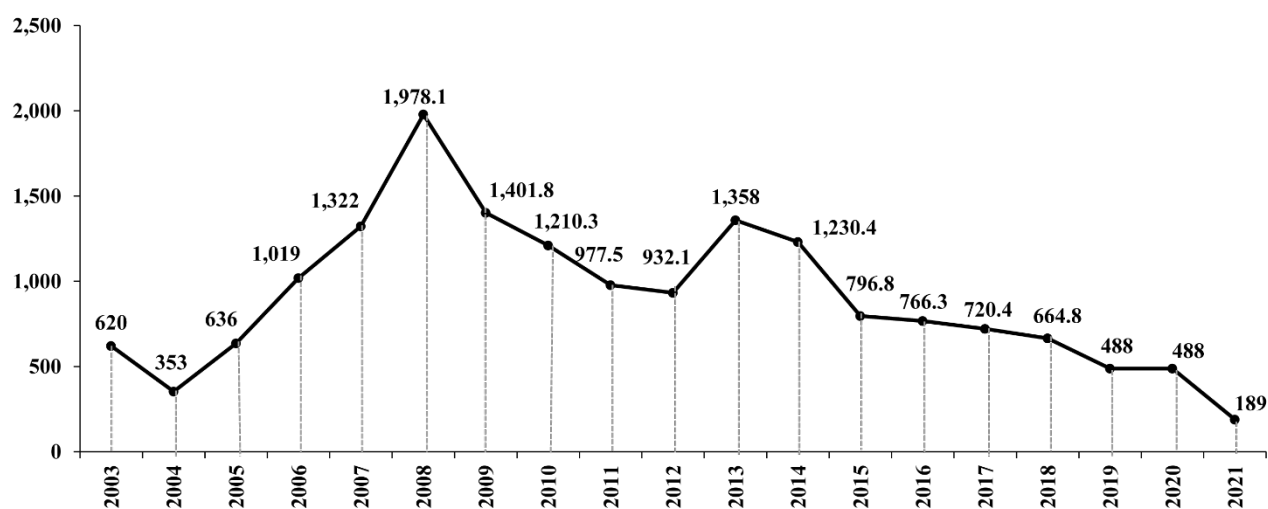


External Financing

Since 2013, the PA’s external budgetary support has been declining, and in 2021, it witnessed a sharp decline. In the first five months of 2021, the PA did not receive any external budgetary support, and as of the end of November 2021, it received a total of about \$88 million. External Financing reached \$356 million in 2020 compared to \$496 million in 2019, while development financing, until the end of November 2021, has decreased to \$101 million. It is noted that in recent years the PA has suffered from a decline in foreign aid inflows, which are usually used to impose the political agenda of donor countries, especially the Western powers. This financing accounted for an average of 42.3% of PA revenues during 2000–2013. After reaching 52.6% of the total revenues of the PA in 2008 (the year following the Palestinian political division), this ratio declined to 10.3% in 2020, and to 4.9, according to available statistics until November 2021.

In light of the Oslo Accords, the Paris Protocol, and Israeli practices aimed at limiting the size of the Palestinian economy and perpetuating its dependence on the Israeli occupation, the prospects for real economic growth or a fundamental correction to this growth trend in the next phase appears to be low.

PA External Budgetary Support 2003–2021*



*The 2021 number is an estimate

The GS Siege

The harsh and unjust siege imposed on GS has exacerbated the economic situation in the Strip, while the Gazans refuse to submit to Israeli dictates which aim to tame them and disarm the resistance. The GS is still steadfast in the “war of wills” over the past 15 years of the siege.



The siege has aggravated poverty rates that increased to more than 53%, increased food insecurity, and led to further decrease in per capita income which amounted to less than a third of its counterpart in the WB in 2021, besides the high unemployment rate which reached 46.6% in 2020.

Israel's aggression on GS during the Sword of Jerusalem Battle has caused losses of about \$322 million, and the total or major destruction of about 1,335 housing units, along with the destruction of infrastructure and economic facilities.

Although Qatar and Egypt vowed to support the reconstruction of the Strip with each pledging \$500 million, in addition to other pledges from Kuwait, Germany and others, the reconstruction process is proceeding very slowly. It is subject to Israeli blackmail as well as to international and regional calculations and considerations.

Moreover, the COVID-19 pandemic has cast a heavy impact on the situation Gaza due to the difficult conditions in the Strip. By the end of 2021, about 190 thousand cases were registered, of whom 1,700 died.

In the next two years 2022-2023, Israeli dominance over the Palestinian economy is expected to continue; and with it the suffering of the Palestinian people under occupation will grow. The PA is expected to expand internal borrowing in order to face Israel's control of clearance funds and the budget deficit, with the failure to achieve a tangible breakthrough in intractable economic, social and humanitarian problems, such as high unemployment rates associated with poverty, and the escalation of food insecurity. Growth is expected to remain low with no tangible additions to the per capita GDP.

Fifth: Israeli Aggression and the Tracks of Resistance and the Peace Process

Israeli Aggression and Palestinian Resistance

In 2020–2021, Israel continued its aggression against the Palestinian people, who continued with their resistance. In WB, despite the security coordination between the PA security forces and Israeli army, individual resistance operations increased, while daily confrontations, and forms of popular resistance continued.

As for GS, the Palestinian resistance developed its action by adopting an attack strategy in defense of Jerusalem and *al-Aqsa* Mosque. In May 2021, it started the Sword of Jerusalem Battle (dubbed Defensive Shield by the Israelis), led by Hamas and with it other Palestinian resistance factions in GS. As for GS, in 2021, it witnessed an increase in the number of Palestinian rockets fired from GS towards Israeli towns and cities in the 1948 Palestinian occupied territories. 197 rocket and mortar attacks were launched from GS in 2020, increasing in 2021 to 4,575 (of which 4,500 rockets were during the Sword of Jerusalem Battle), according to the Israel Security Agency—ISA (*Shabak*). In 2020–2021, Israel continued to impose a policy of land and sea blockade on GS.

If 2020 witnessed a decrease in resistance operations compared to 2019, the year 2021 witnessed a significant increase. The Shabak registered 1,513 attacks in 2020 compared to 4,386 in 2021 in the WB, including East Jerusalem, GS and the 1948 occupied territories. With this, the monthly rate in 2021 was three fold that of 2020. The Shabak recorded 912 attacks in WB (excluding Jerusalem) in 2020, compared to 1,539 in 2021, and recorded 336 in East Jerusalem and the 1948 occupied territories in 2020, compared to 524 recorded in 2021. It should be noted that most of the operations that were recorded during 2021 in WB were 1,516 firebomb, 245 arson, 142 pipe bombs, 93 small-arms fire and 8 vehicular attacks. However, these numbers remain an indication of the rising spirit of resistance in a difficult and complex security environment, in which the resistance is pursued in a systematic and organized manner for many years, and in full coordination between the PA and Israel. In GS, the Shabak recorded 265 attacks in 2020, compared with 2,323 recorded in 2021. Most of those recorded in 2021 in GS were rocket launches (most of them in the Sword of Jerusalem battle) 2,256 of them, 37 arson attacks, and 11 small-arms fire. Noting that the Shabak reports enumerate the operations that originate from the Egyptian Sinai with GS, and in any case they are very few compared to what originates from GS.

According to the annual report of the Hamas media office in WB, resistive action has been doubled; For in 2021, the Palestinians carried out 10,850 resistance operation in WB, including East Jerusalem, of which 441 were effective (armed) attacks. The report stated that the effective operations in 2021 more than quadrupled compared to



2020, while the total resistance operations, including the popular resistance, represented double the 2020 operations.

As for the security coordination in WB, and despite that it was halted for about six months (May–November 2020), it exposed many resistance cells, and thwarted many resistance processes.

Geographical Distribution of Palestinian Resistance Operations 2020–2021

Year	WB (Jerusalem excluded)	The 1948 occupied territories & East Jerusalem*	GS**	Total
2020	912	336	265	1,513
2021	1,539	524	2,323	4,386
Total	2,451	860	2,588	5,899

*The Shabak has reported the attacks of East Jerusalem with those of the 1948 occupied territories.

** Including the Sinai Peninsula

In 2020, a total of 48 Palestinians were killed by the Israelis, including 9 children, 1 woman, 2 persons with special needs and 4 prisoners, while a total of 365 Palestinians (including 258 during Sword of Jerusalem battle) were killed in 2021, from various cities and towns of Palestine, where in GS 264 were killed mostly during the Sword of Jerusalem battle, in Nablus 22 were killed which is the next higher number among the WB governorates, and in the 1948 occupied territories 2 were killed. These numbers include 18 children and 61 women, by Israeli forces and settlers in both GS and WB, including Jerusalem. 2,614 Palestinians were injured in 2020, while 17,042 Palestinians were injured in 2021.

The Shabak recorded the killing of 3 Israelis in 2020, and 18 (out of which 15 were killed in the Sword of Jerusalem battle) in 2021, because of Palestinian attacks. 46 Israelis were injured in 2020, compared to 190 (out of which 168 were injured in the Sword of Jerusalem battle) in 2021.

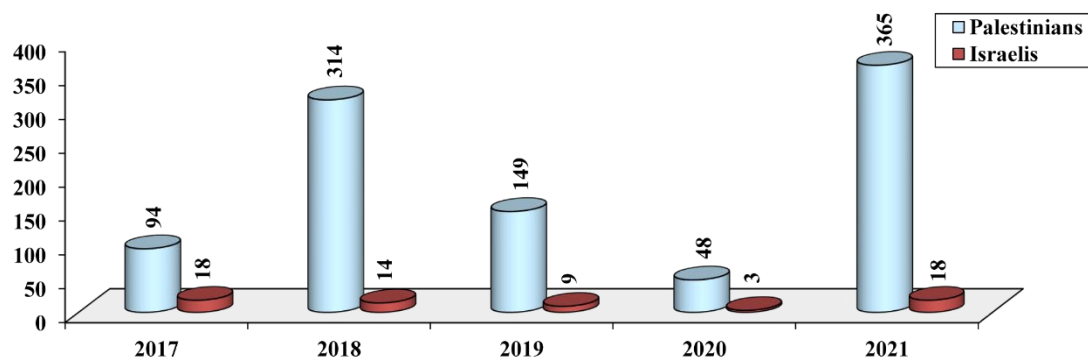
The policy of extrajudicial killings at the checkpoints continued under false pretexts. In 2016, Israel has returned to the policy of withholding Palestinian bodies, and in 2020–2021 it continued with it, delaying handing them over to their families for burial. It is still withholding 90 bodies in the morgues, and have long withheld the remains of 250 Palestinians in the so called “cemeteries of numbers.” In addition, as part of the Israeli collective punishment policy, six Palestinian houses were blown up and demolished in 2020, and three in 2021, where these

houses belong to the families of Palestinians killed or imprisoned by Israel and accused of carrying out attacks against the Israelis.

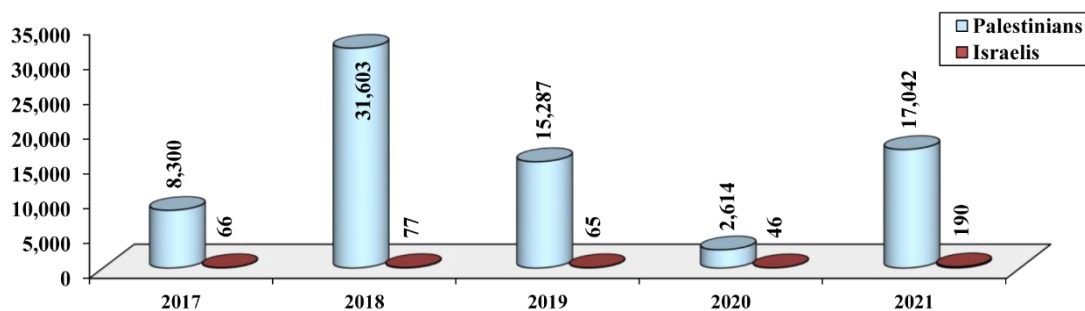
The Killed and Wounded Among Palestinians and Israelis in WB and GS 2017–2021

Year	Killed		Wounded	
	Palestinians	Israelis	Palestinians	Israelis
2017	94	18	8,300	66
2018	314	14	31,603	77
2019	149	9	15,287	65
2020	48	3	2,614	46
2021	365	18	17,042	190

The Killed Among Palestinians and Israelis in WB and GS 2017–2021



The Wounded Among Palestinians and Israelis in WB and GS 2017–2021



Prisoners and Detainees

In 2020 and 2021 the suffering of Palestinian prisoners continued. By the end of December 2021, the number of prisoners in Israeli prisons reached approximately 4,550, of whom 32 were women, 170 children, and 8 PLC members. There were 4,250 prisoners from WB, of whom 350 were from East Jerusalem, 230 from GS and 70 from the 1948 territories, in addition to dozens of Arab detainees of different nationalities. 500 of the prisoners were classified as administrative detainees, or detainees pending trial, or what Israel calls “unlawful combatants.”

In December 2020, there were 4,400 in Israeli prisons, including 4,075 from WB and 255 from GS, while 380 of the prisoners were classified as administrative detainees.

Prisoners and Detainees in Israeli Prisons 2017–2021

Year	Total no. of detainees	WB*	GS	Serving life sentences	Women	Children
2017	6,119	5,729	320	525	59	330
2018	5,450	5,082	298	540	53	215
2019	5,000	4,634	296	541	41	180
2020	4,400	4,075	255	543	41	170
2021	4,550	4,250	230	544	32	170

* Approximate numbers according to the Prisoner Support and Human Rights Association—Addameer.

Sixth: The Israel Scene

The Internal Situation

The Israeli society is still moving in more extremist religious and nationalistic directions, while right-wing and religious movements have become dominant in the system of government and politics in Israel, with a decline and fading out of the Israeli left. The Israeli society and the system of government tend to further “legalize” Israel’s Jewish-Zionist identity and pursue further measures to Judaize Jerusalem and the rest of the WB and to intensify settlement building.

The Israeli political system has undergone confusion, instability and difficulty in making important decisions as a result of multiple general elections (four elections throughout 2019–2021) and the inability of large parties to form stable governments, with many forces desiring to end Netanyahu’s role as prime minister after he had spent the longest period in power since the establishment of Israel, in addition to charges of corruption.

This led to political polarization between two camps; one opposing Netanyahu and the other supporting him. This situation led to an intense partisan alliances and schisms, unprecedented in the history of the Israeli political system. This indicates Netanyahu’s centrality in the Israeli political scene as even after the formation of a new government headed by Naftali Bennett and Yair Lapid in June 2021, for he remained the main factor in its cohesion despite the political, ideological and economic differences (in terms of orientations and policies) among its various components, and although it was headed by the leader of a small party. Although the nature of the government’s lineup may expose it to fall at any moment, especially if it faces immense challenges or entitlements, it seems that the interest of the participating parties lies in its continuation, especially in the face of Netanyahu as a possible alternative if it falls.

The political scene witnessed a historical development with the participation of an Arab list, the United Arab List, in the government coalition. While this list, like other government components, is an important factor in the survival of the government, this is the first time in the history of the Israeli political system for an Israeli government to rely for its survival on an Arab list. It seems that the United Arab List will remain a central player in forming the next government as long as Netanyahu remains in the political scene. Hence, it can be said that Netanyahu’s survival in the political scene, his insistence on staying in spite of the continuation of his trial and his failure to form a government, and his belief that the Likud will remain in the opposition at least for this period because of him, will be a central factor in the internal political scene in the coming years.



Demographic Indicators

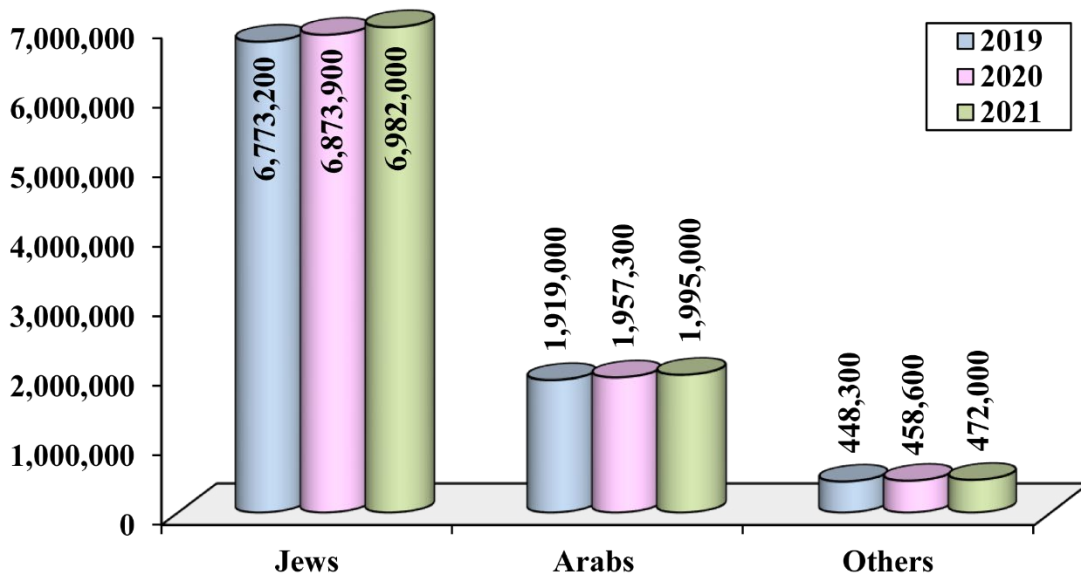
Israel’s Central Bureau of Statistics (CBS) estimated Israel’s population at the end of 2021 at 9.449 million, including 6.982 million Jews, or 73.9% of the population. As for the Arab population, including residents of East Jerusalem and the Golan Heights, CBS estimated it at 1.995 million, or 21.1% of the population, in 2021. If we deduct the population of East Jerusalem (approximately 370 thousand) and the Golan (approximately 25 thousand), the number of Palestinians in the 1948 occupied territories will be about 1.6 million in 2021, or about 16.9% of the population. According to CBS, in 2017 and 2018, Israel’s population growth rate was 1.5%, while it was among the Arab population 2%.

Population of Israel 2017–2021

Year	Total population	Jews	Arabs (including the population of East Jerusalem and the Golan Heights)	Others
2017	8,797,900	6,554,500	1,838,200	405,200
2018	8,967,600	6,664,300	1,878,400	424,900
2019	9,140,500	6,773,200	1,919,000	448,300
2020	9,289,800	6,873,900	1,957,300	458,600
2021*	9,449,000	6,982,000	1,995,000	472,000

* The numbers of 2021 are based on the CBS estimation at the beginning of 2022.

Population of Israel 2017–2021



Up to 33,247 and 19,676 immigrants came to Israel in the years 2019 and 2020, respectively. According to CBS, in 2021, 25 thousand immigrants had arrived in Israel. These numbers show relatively stable migration rates in 2015–2021, but the numbers remain small compared to the last decade of the twentieth century, after the depletion of Jewish populations in the diaspora ready for large-scale immigration, as for the Jews abroad, they were confined to developed countries in North America and Europe, where they don't have an incentive to migrate on a large scale.

Number of Jewish Immigrants to Israel 1990–2021

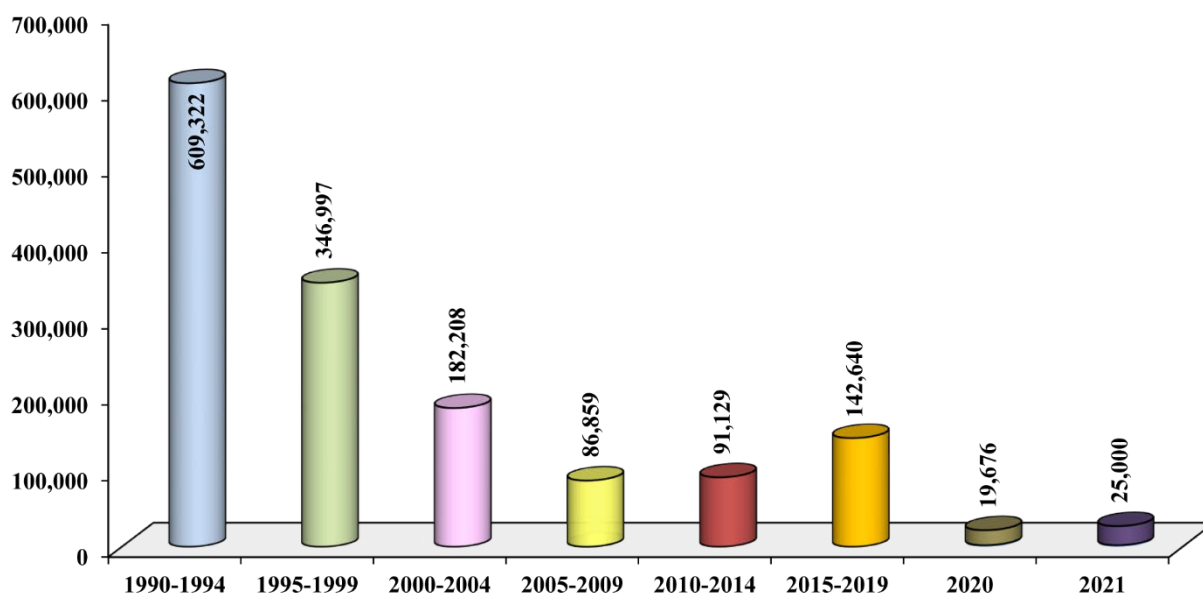
Year	1990-1994	1995-1999	2000-2004	2005-2009
No, of immigrants	609,322	346,997	182,208	86,859

Year	2010-2014	2015-2019	2020	2021*	Total
No, of immigrants	91,129	142,640	19,676	25,000	1,503,831

*Estimates.

The following chart shows the evolution of the number of Jewish immigrants to Israel for every five years in the period 1990–2019, except for the period 2020–2021.

Number of Jewish Immigrants to Israel 1990–2021



On the other hand, the number of Jews in the world was estimated at 15.166 million at the end of 2021, most of whom live in the United States and Israel. The reasons for the “surprising” increase in the numbers that the same sources used to publish are due to the fact that they have recently included Jews who do not believe in Judaism, and the children whose parents are Jews, most of whom are in the United States. This has increased the numbers by about 600 thousand.

At the same time, for the past fifty years, the very weak growth in the number of Jews in the world has continued, excluding Israel, and this is due to the low rate of natural growth, the abandonment of the Jewish religion, and the spread of mixed marriages.

Economic Indicators

Israel’s economic situation is considered advanced compared to the living levels and the economies in Europe, and if compared to the Middle East. It lives at the expense of the Palestinian people, their land and natural resources, benefits from the US support and the influence of the western world, and takes advantage of the absence of official Arab risks, and of its normalization with many Arab countries.

In 2020–2021, the Israeli economy suffered greatly due to the COVID-19 pandemic. Israeli experts described it the worst Israeli economic decline since the establishment of Israel, and an economic crisis that has wiped out several years of economic progress. By the end of 2021, the number of COVID cases reached 1.38 million.

To face the pandemic and until the end of 2021, Israel spent about \$9.3 billion. The government deficit reached 11.7% in 2020, and the public debt increased from 60% to 72.6% of national income. Each week of lockdown cost the Israeli economy 6–9 billion shekels (about \$1.9–2.8 billion); While the overnight stay of foreign tourists in hotels decreased by 95% in 2020. As for the economic improvement witnessed in 2021, it remained partial, although the losses were less than what was expected.

The Israeli economy was also affected by the repercussions of Sword of Jerusalem battle, in May 2021, with total economic losses amounting to about \$2.14 billion.

Israel’s GDP in 2020 decreased by 2.2%, instead of increasing 3–4%, then according to the initial numbers, it improved by 7%. The Israeli GDP per capita was \$44,250 in 2020, and about \$49,300 in 2021.

The public expenditure of the Israeli government in 2020 amounted to 624.5 billion shekels (\$181.7 billion), compared to 554.7 billion shekels (\$155.6 billion) in 2019. The value of Israeli exports in dollar fell by 14.3%, while Israeli imports rose by 9.8% in 2020.

As for the year 2021, according to figures available until November, the value of Israeli exports in the dollar will increase by 17%, while Israeli imports decreased by 29%.

Total Israeli Exports and Imports 2016–2021 at Current Prices (\$ million)

Year	2016	2017	2018	2019	2020	2021*
Exports	60,573.2	61,151.5	61,951.4	58,508.1	50,154.1	58,723
Imports	65,804.5	69,144.7	76,610.7	76,784.9	69,270.3	89,382

* Estimates until November 2021.

The US still maintains its status as the primary trading partner of Israel. In 2020, Israeli exports to US amounted to \$13.132 billion, representing 26.2% of total Israeli exports, while Israeli imports from the US reached \$8.05 billion (11.6% of total Israeli imports). In the same year, China ranked the second largest trading partner of Israel, Germany the third, UK the fourth and Switzerland the fifth.

According to the available data until November 2021, the US continued to maintain its status as the primary trading partner of Israel. The Israeli exports to US amounted to \$16 billion, while Israeli imports from the US reached \$8.3 billion. In the same year, China ranked the second largest trading partner of Israel, Germany the third, Switzerland the fourth, Turkey the fifth, while the UK was the eighth.

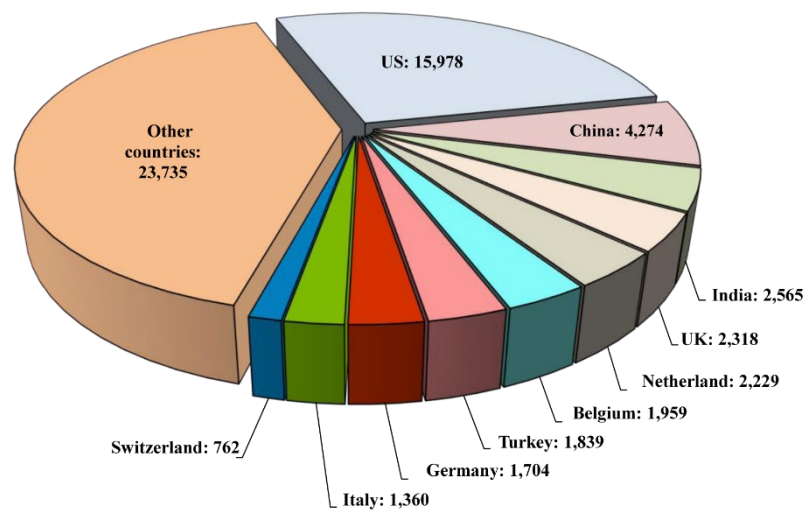


Volume of Israeli Trade, Exports and Imports With Selected Countries 2020–2021 at Current Prices (\$ million)

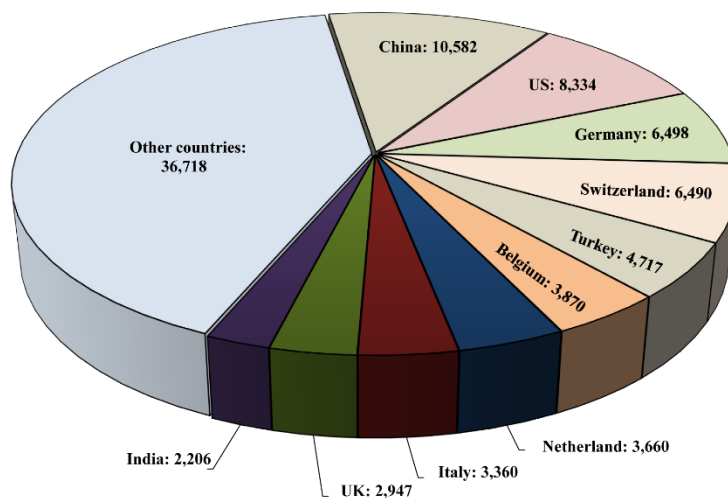
	Countries	Trade volume		Israeli exports to:		Israeli imports from:	
		2021	2020	2021	2020	2021	2020
1	US	24,312	21,181.8	15,978	13,132.3	8,334	8,049.5
2	China	14,856	11,910.2	4,274	4,240.5	10,582	7,669.7
3	Germany	8,202	6,911.5	1,704	1,681.1	6,498	5,230.4
4	Switzerland	7,252	5,671.9	762	445.2	6,490	5,226.7
5	Turkey	6,556	4,928.8	1,839	1,430.8	4,717	3,498
6	Netherland	5,889	5,364.9	2,229	2,462.8	3,660	2,902.1
7	Belgium	5,829	4,524.4	1,959	1,458.3	3,870	3,066.1
8	UK	5,265	6,681.4	2,318	3,712.7	2,947	2,968.7
9	India	4,771	3,112.6	2,565	1,598.9	2,206	1,513.7
10	Italy	4,720	3,650.2	1,360	786.7	3,360	2,863.5
	Other countries	60,453	45,486.7	23,735	19,204.8	36,718	26,281.9
	Total	148,105	119,424.4	58,723	50,154.1	89,382	69,270.3

Note: The 2021 numbers are estimates based on the first 11 months of the year

Israeli Exports to Selected Countries 2021 at Current Prices (\$ million)



Israeli Imports from Selected Countries 2021 at Current Prices (\$ million)



Although Israel is a rich and developed country, it still receives US aid annually, with an annual average of \$3.1 billion (1979–2017). Since 2018, it has increased to reach a total annual of \$3.8 billion, including \$3.3 billion in military grants. Thus, Israel has received US support between 1949 and 2021 of \$145.9 billion.

US Bilateral Aid to Israel 1949–2021 (\$ million)

Period	1949–1958	1959–1968	1969–1978	1979–1988	1989–1998
Total	599.6	727.8	11,426.5	29,933.9	31,551.9

Period	1999–2008	2009–2018	2019	2020	2021	Total
Total	29,374.7	30,878.2	3,800	3,800	3,800	145,892.6

Military Indicators

Israel still enjoys a qualitative military edge compared to the countries of the region, in addition to its large stockpile of nuclear bombs, more than 200 bombs. The resistance strength proved in the Sword of Jerusalem battle, in May 2021, made the Israeli army try to raise the spirits and reorganize itself through the “Tnufa” (momentum in Hebrew) plan, elaborated by Chief of Staff Aviv Kochavi.

The Israeli military budget in 2020 was \$21 billion, along with other unannounced expenses. The Israeli army has approximately 615 thousand soldiers, where 170 thousand are actually serving, and the reserve forces number around 445 thousand, who are highly ready and can be fully mobilized and effectively



enter service within four days. There has been a significant increase in the influence of the right-wing religious movement, even at high ranks.

The military exports in 2020 reached about \$8.3 billion, making Israel among the world's largest arms exporters.

The Peace Process

The peace process has reached a dead end with the failure of negotiations over three decades, and the practical failure and the bypassing of the two-state solution by Israel. The latter has sought to impose its peace vision by annexing the largest area of land with the smallest number of Palestinians, and resolving the core issues in a way that serves its interests, including Jerusalem, refugees, settlement besides the area of the aspired Palestinian state and the extent of its sovereignty, which effectively turns it into “Bantustans” or self-governing authorities.

By enjoying a US cover, the implementation of the “Deal of the Century” or “Trump’s Plan” has gone a long way in resolving the future of Jerusalem, relocating the US embassy, recognizing the annexation of the Golan, legalizing settlements in the WB, and pushing a number of Arab countries to normalize with Israel, which represents a real danger. However, the Palestinian people and their leaders, the side concerned with the “Deal” in the first place, have faced the plan and rejected it, making it of no genuine value. Also, Trump’s failure to win a second tenure stripped the deal of its momentum.

Despite the state of economic and technological progress, military superiority, high national and per capita income, and the existence of a weak, fragmented and normalizing Arab environment, Israel is still facing the risk of resistance escalation inside the Palestinian territories, and the rejection of the pro-resistance Arab and Muslim masses to it. It is also facing an unstable surrounding strategic environment, which may pave the way for more hostility and resistance action. Other challenges facing Israel are the deterioration of the Israeli leadership quality, the Israeli soldiers lack the strong will to combat, in addition there are internal contradictions in the Israeli society, which keep Israel in a precarious position.

Seventh: The Palestine Issue and the Arab World

The stances toward the “Deal of the Century” and normalization have varied among Arab regimes and were divided into three axes: the first is the rejection of the deal, the second is the involvement in it, and the third is ambiguity and hesitation between rejection and acceptance. In general, none of the Arab countries have effectively influenced events and policy-making in the region, rather their role was limited at best to being the mediator, as Egypt did by mediating a truce agreement between Israel and the Palestinian resistance after the Sword of Jerusalem Battle.

In 2020 and 2021, some Arab countries signed normalization agreements with Israel starting with the UAE and Bahrain, followed by Sudan and Morocco. These countries have ignored what was previously agreed upon in the Arab summits regarding rejecting political settlement and normalization before reaching a solution to the Palestine issue on the basis of the Arab initiative.

Normalizing regimes claimed that they sought to achieve national interest by signing the agreements, but without abandoning their support of the rights of the Palestinian people. The UAE and Bahrain invoked confronting the Iranian tide, and their need for an alliance to confront the Iranian power. The Sudanese regime invoked its efforts to remove Sudan from the list of countries sponsoring “terrorism” to free its economy from the Western siege imposed on it, while Morocco justified its signature by obtaining in return US recognition of its sovereignty over Western Sahara which is disputed with Algeria.

The normalizing Arab regimes have come a long way in institutionalizing and codifying the process of normalization by enacting laws and regulations that permit it. Their relations with Israel has not been limited to the diplomatic aspect, now it includes security and economic aspects, through concluding commercial deals and security agreements. Normalization has been publicly witnessed for the first time in several fields, including direct flights, exchanging tourist groups, in addition to media, artistic and sports normalization, while taking the issue of combating the COVID-19 pandemic as a cover for normalization.

In contrast, the Arab public, who are in favor of the Palestine issue and against the normalized relations, have rejected the liquidation of the Palestine issue, demonstrated against the “Deal of the Century,” and rejected the normalization agreements signed between some Arab countries and Israel. Committees were formed, and statements of rejection were issued besides calls for sit-ins and demonstrations. The Arab public showed their sympathy with the Palestine issue as was evident in the broad popular solidarity with the Palestinians in their response to the Israeli aggression in Sheikh Jarrah in Jerusalem and the GS during



the Sword of Jerusalem Battle, and in celebrating the victory of the resistance after the end of the confrontations.

The positions of the countries surrounding Israel (Egypt, Jordan, Syria and Lebanon) with regard to the Palestine issue varied. The years 2020-2021 witnessed unremitting efforts by Egypt to restore its regional role, which has declined significantly in the previous decade. This was demonstrated in holding diplomatic meetings as well as summits that included leaders of pivotal regional countries concerned with the Palestine issue. This coincided with Egypt maintaining its previous positions in terms of considering the PLO and the PA the official representatives of the Palestinians, while the relationship with the resistance factions in the GS fluctuated up and down according to the development of events, and the need to play a role in the truce and to prevent escalation.

The Egyptian Foreign Ministry unlike the Arab League welcomed the “Deal of the Century” and the US efforts to achieve “peace.” In parallel, its relations with Israel witnessed a remarkable development that included strengthening political, security and economic relations.

Jordan tried to play a diplomatic role in the Palestine issue by participating in some Egyptian diplomatic endeavors. The Jordanian regime’s position on the Palestinian factions intersected with that of Egypt in terms of preferring to deal with the PA while keeping the door open for dealing with Hamas. However, the Jordanian position on the “Deal of the Century” differed from the Egyptian one, as Amman rejected it, especially because of the firm refusal to resettle Palestinian refugees, and the sensitivity of the issue of Hashemite jurisdiction over the holy sites in Jerusalem. While this impacted the fluctuating relation between Jordan and Israel, there was progress between the two sides in terms of economic normalization, whether through the import of gas or solar energy projects.

The Syrian and Lebanese both refused the “Deal of the Century” with unanimity among the Lebanese parties despite their sharp political division. On the security front, aggressive Israeli attacks on Syrian territory continued, while the Lebanese-Israeli security conditions witnessed more tension in light of the repeated Israeli threats to launch a destructive war on Lebanon in order to limit Hizbullah’s combat capabilities. However, the security tension and mutual threats between Hizbullah and Israel did not prevent the holding of indirect negotiations between the Lebanese government and Israel to demarcate the water borders.

The relation between Syria and Lebanon with the Palestinian factions witnessed a discrepancy in terms of the Syrian regime’s openness to Fatah, in parallel to its reservations regarding Hamas. The relation between Hizbullah, the strong ally of the Syrian regime in Lebanon, and the Hamas movement witnessed more rapprochement and coordination. Part of the Lebanese state’s relationship with the

Palestinian refugees has also been resolved, when the Lebanese Minister of Labor issued a decision to facilitate the refugees’ practice of many professions that were prohibited for them. However, under the pretext of refusing resettlement, some Lebanese groups kept calling for the continuation of the repulsive environment in dealing with the Palestinians.

In light of the widespread popular rejection of normalization, the instability of the region, the end of President Trump’s term, the decline of pressure on the Arab regimes, the Palestinian consensus to reject the “Deal of the Century” and the normalization efforts, and the victory of the resistance in the Sword of Jerusalem Battle, the next two years will witness the following: the political position of a number of Arab regimes will oscillate between proceeding with normalization and delaying or freezing it. However, the push towards normalization is likely to decline, not only for the previous reasons, but because the “normalizing” regimes will find that the costs and burdens of normalization are much greater than what they’ve hoped to achieve, and their relation with Israel continues to lack trust and credibility, in addition to the face that Israel is prompted by opportunism and superiority and does not have the slightest chance of becoming a friend or ally.

The Arab regimes will continue to support the peace process and the current PLO and PA official leadership. The main regimes concerned with the Palestine issue will remain opposed or reserved towards the resistance and the Islamic movement, which will hinder any real rearrangement of the Palestinian political house in a way that reflects the real forces and their actual popularity.

The following table indicates Israeli trade relations with some Arab countries.

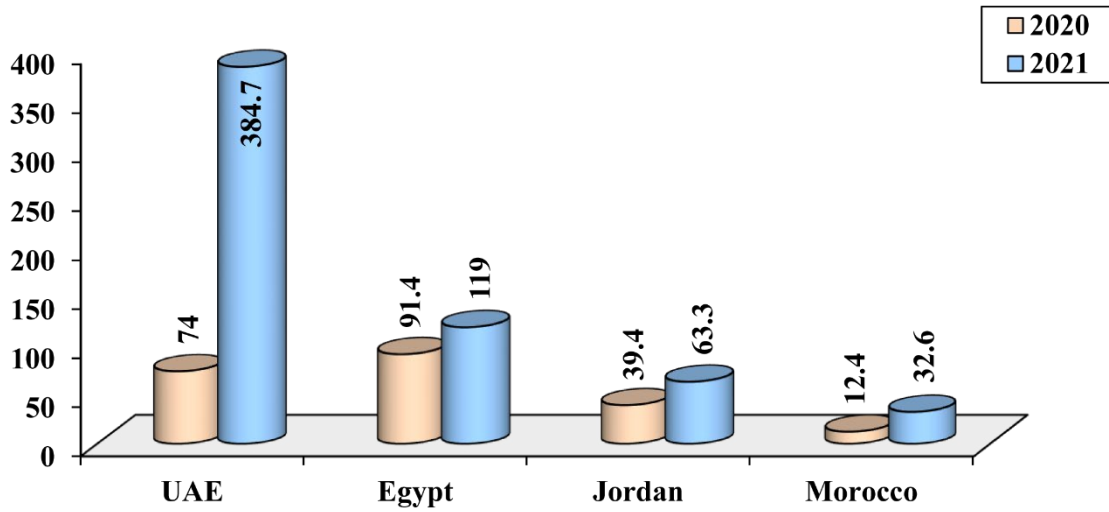
**The Volume of Trade Between Israel and Some Arab Countries
2019–2021 (\$ million)**

Country	Israeli exports to:			Israeli imports from:		
	2021	2020	2019	2021	2020	2019
Egypt	119	91.4	110.5	123	80.5	75.9
Jordan	63.3	39.4	99.2	385	210.2	292.5
Morocco	32.6	12.4	3.9	10.7	10.2	9.8
UAE	384.7	74	11.2	751	114.9	0

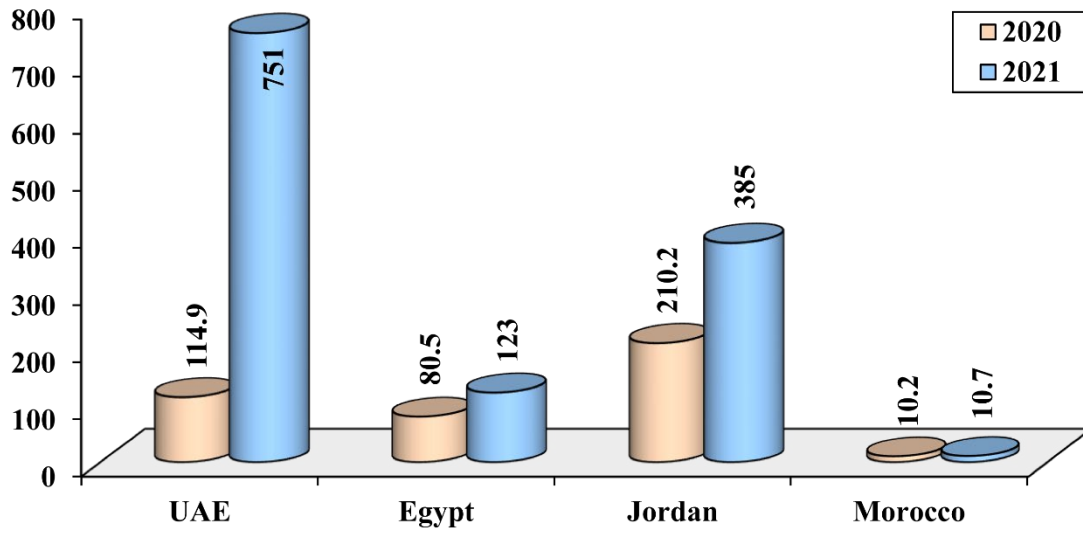
Note: The 2021 numbers are estimates based on the first 11 months of the year.



Israeli Exports to Some Arab Countries 2020–2021 (\$ million)



Israeli Imports from Some Arab Countries 2020–2021 (\$ million)



Eighth: The Palestine Issue and the Muslim World

The PSR analyzes the conditions of the Palestine issue and the Muslim world, by focusing on the Organisation of Islamic Cooperation (OIC) and studies the two regional players: Turkey and Iran. It explores the tracks of popular interaction with the Palestine issue and normalization.

Turkey

Turkey has maintained its political support of the Palestine issue, on the basis of a two-state solution, and maintained a good relationship with the leadership of the PLO and the PA, and with Hamas, hosting many of their cadres. Turkey has also maintained its strong criticism of Israeli practices, on one hand, and its strong and growing economic and commercial relations with Israel, on the other hand, hence ranking the first in the Muslim world and fifth globally among Israel's trading partners.

In light of the current Turkish economy conditions, the upcoming elections and Turkey's normalization efforts with a number of Arab countries with which it was at odds; Next year is expected to witness more normalization with Israel.

Iran

Iran has continued to support the resistance action financially, militarily, and in the media, which was appreciated by the resistance forces. The Iranian position that refuses to recognize Israel or normalize relations with it has continued. Iran has strengthened its regional position, and the US and its allies have returned to the nuclear talks, therefore Iran's same policies are likely to continue in the foreseeable future.

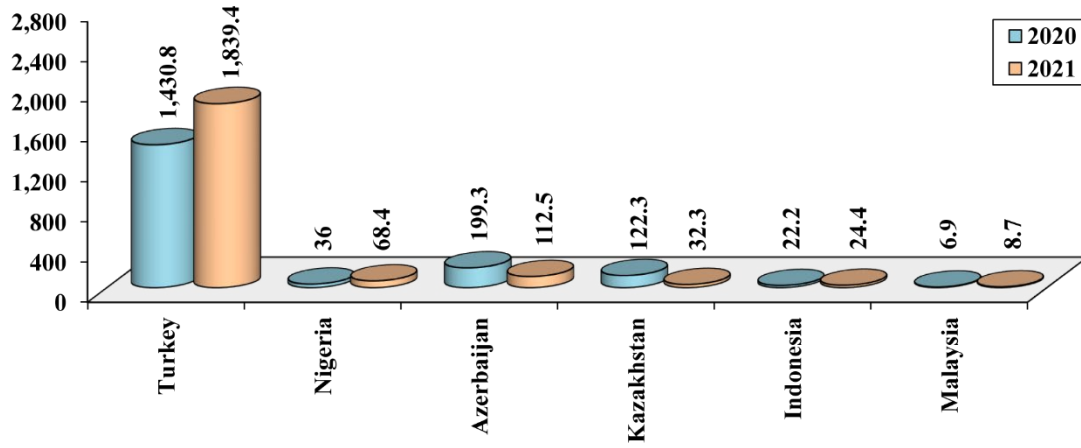
Israeli Trade Volume with a Number of Muslim Countries 2019–2021 (\$ millions)

Countries	Israeli exports to:			Israeli imports from:		
	2021	2020	2019	2021	2020	2019
Turkey	1,839.4	1,430.8	1,757.6	4,716.5	3,498	3,208
Nigeria	68.4	36	165.5	5	4.7	6.3
Azerbaijan	112.5	199.3	113.9	1.7	13.8	0.8
Kazakhstan	32.3	122.3	34	1	0.8	15.5
Indonesia	24.4	22.2	30.5	67.9	54	43.7
Malaysia	8.7	6.9	3.4	10	8.5	16.9

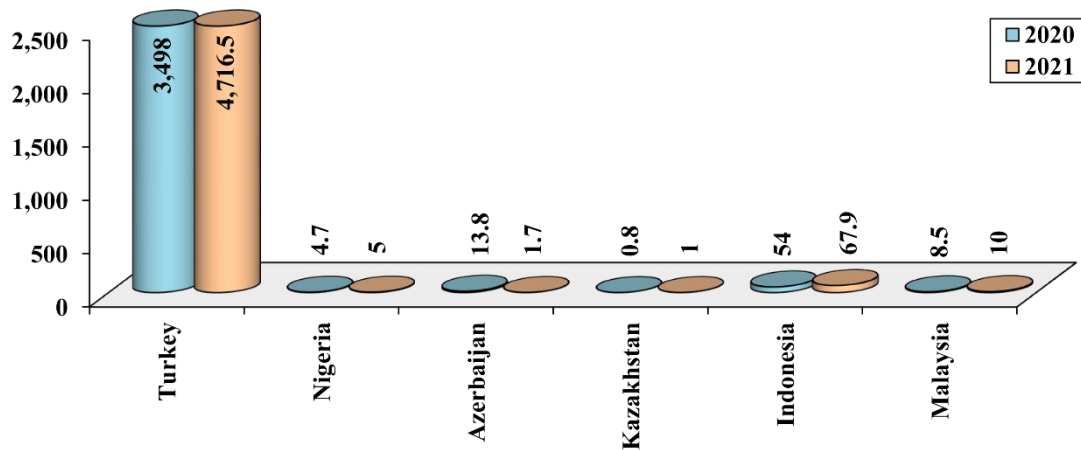
Note: The 2021 numbers are estimates based on the first 11 months of the year.



Israeli Exports to Some Muslim Countries 2020–2021 (\$ million)



Israeli Imports from Some Muslim Countries 2020–2021 (\$ million)



Ninth: The Palestine Issue and the International Situation

During 2020–2021, a number of international developments occurred, which have repercussions on the Palestine issue:

1. The continuation of the COVID-19 repercussions, including the decline of external international funding to the PA by 68.7%, for part of this aid was spent to face the repercussions of the pandemic.
2. The US withdrawal from Afghanistan, which the Israelis have viewed negatively because they believed that it would affect the balance of power in the region, particularly when facing the axis of resistance. This withdrawal is considered a reflection of the “Interim National Security Strategic Guidance,” issued by the US President Joe Biden in March 2021, which places high priority in the Indo-Pacific region compared to the rest of the geopolitical regions, including the Middle East. Perhaps this is not separate from the US decision in January 2021 to make Israel fall within the US Central Command (CENTCOM) area of responsibility rather than the US European Command (EUCOM).
3. In 2020 and 2021, the traditional role of the Quartet and the UN has continued, whether in refusing most of the Israeli policies in the 1967 occupied territories or in supporting the cease-fire efforts after the Sword of Jerusalem battle. The stagnation of the European, Russian, Chinese and Japanese policies towards the Palestine issue has also continued, by adhering to the “international legitimacy” resolutions, but without taking any actual measures against the Israeli policies, or developing their relations with the Palestinian side. The UK even joined the EU policies (after Brexit) and classified Hamas as a “terrorist” movement.
4. Concerning Africa, the most striking development was Israel attaining the observer status at the African Union (AU), a demand Israel has failed to achieve several times. There are attempts led by Algeria to cancel this African position, which was justified by the fact that Israel enjoys now broad Arab recognition.
5. As for the international public opinion, the popular sympathy with the Palestinian position in most countries of the world, including the US, has increased. This is evident in the international public opinion polls or the data provided by the international governmental and non-governmental organizations, and in the continuous evolvement of the Boycott, Divestment, and Sanctions (BDS) movement.



As for the future prospects, the following trends can be observed:

1. It is expected that voting will continue in the UN General Assembly in favor of the Palestine issue, with an average vote of 145 out of 193 countries in the periodic resolutions related to Palestine. As for the Security Council, despite the presence of a permanent majority in favor of Palestine, the US veto is always ready to overturn any resolution that does not comply with its criteria or with the basic Israeli interests.
2. The general trend of the international aid to the Palestinian people or UNRWA has seriously declined, especially from foreigners and Arabs who contribute to this aid. Noted here that the number of societies worldwide that need economic assistance have considerably increased lately, not to mention that the normalization wave has increased the pressure on the Palestinians to accept a precease process much less than their aspirations.
3. If we exclude the pressures of international public opinion on Israel, the global forces pressure remains in the context of only “blaming” Israel and far from any actual pressure measures. The new US administration has not retreated from the deep measures taken by Trump in favor of Israel, rather, it encourages the continuation of most of them. Therefore, when adding to this Europe’s continued traditional policy, especially those of the EU major powers, and the persistence of Chinese and Russian pragmatism, we conclude that there is great difficulty in persuading the current or future Israeli government to make tangible concessions that entice the Palestinians to negotiate again. This is particularly true, since there is an imbalance of power in favor of the Israelis, an increase in Arab normalization with Israel, and the increasing weight of the Israeli right in the Israeli decision-making bodies.
4. It seems that most of the international community does not accept the Palestinians' adoption of the armed resistance, which means that the pressures on the resistance movements, especially in GS, will continue through Israeli military pressure. This pressure is backed by US veto, the abstention from voting by most European countries, at the best, and the position of regional and international community being limited to humanitarian support, as we previously mentioned. Perhaps the statements of most major countries criticizing the Palestinian missile attacks on Israel reinforce this perception.
5. Israel’s implementation of Abraham Accords with a number of Arab countries will be in the issues that concern Israel, however, it will not freeze the annexation of settlements in the Jordan Valley, as promised by Benjamin Netanyahu, and repeated by the United Arab Emirates. The statements of the Security Council and the Quartet may continue to condemn these steps without any actual measures.

6. In the next two years, most probably there will be a change in the Palestinian leadership, and the US will try to play an important role in determining who will be chosen for the presidency, as happened during Yasir Arafat's illness or after his death.
7. It is expected that popular sympathy with the Palestine issue will increase in most countries, including the US, especially if Palestinian resistance action continues.
8. It is expected that Israeli pressure will increase to thwart and neutralize the BDS movements, but these movements are expected to continue their action.
9. Israel may accelerate the pace of Jewish immigration to Palestine through coordinated media campaigns that would be based on two issues:
 - a. Anti-Semitism, especially in European countries and the US.
 - b. Linking between “terrorism”, wherever it is, and Islamic organizations.



Summary
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Al-Zaytouna Centre for Studies & Consultations
مركز الزيتونة للدراسات والاستشارات

P.O. Box: 14-5034 Beirut - Lebanon
Tel: +961 1 803 644 | Tel-Fax: +961 1 803 643
info@alzaytouna.net | www.alzaytouna.net

