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# UPDATE ON CONFLICT AND DIPLOMACY

16 MAY–15 AUGUST 2011

COMPILED BY MICHELE K. ESPOSITO

*The Quarterly Update is a summary of bilateral, multilateral, regional, and international events affecting the Palestinians and the future of the peace process. More than 100 U.S., Israeli, Arab, and international print, wire, television, and online sources are surveyed to compile the Quarterly Update. The most relevant sources are cited in JPS's Chronology section, which tracks events day by day.*

**Highlights of the Quarter:** *Obama's 2d major Middle East policy speech, Netanyahu addresses a joint session of Congress, the 9/2011 Palestinian statehood bid at the UN approaches, the U.S. and Israel angle to revive open-ended peace talks, Dennis Ross back in charge, the Fatah-Hamas unity deal stalls, the 2012 U.S. presidential campaign begins, the Arab Spring hits Syria, Lebanon agrees on a Hizballah-majority government.*

## THE PALESTINIAN-ISRAELI CONFLICT

This quarter, almost all attention on the Palestinian-Israeli track was focused on whether the Palestinians would seek UN recognition of a Palestinian state at the UN in 9/2011; even implementation of last quarter's Fatah-Hamas reconciliation agreement was derailed. As the quarter opened, the Palestinian leadership was considering the statehood option but had not yet decided, while other players to varying degrees were urging resumption of peace talks. As of 5/16/11, positions, proposals, and policies were loose and amorphous across the board (Israeli, Palestinian, U.S., and international). Slowly came a realization that no one saw a real prospect for serious talks, and when the Palestinians decided to go ahead with the statehood plan as their best option, Israeli and international positions quickly jelled into a drive to create enough goodwill on the track to convince the Palestinians to delay their bid, some fearing the unknown (absence of a process and what a statehood bid might bring) and others opposing in principle a declaration of statehood. The popular uprisings that continued across the region (the "Arab Spring") did not have a direct impact on the peace process, though all parties watched them closely.

On the ground, Israel maintained its tight siege on Gaza, severely restricting its

economy and undermining quality of life. The Israel Defense Forces (IDF) enforced a 300-m no-go zone inside the full length of the Gaza border and limited the Palestinian fishing zone off Gaza to 500–1,000 m off Bayt Lahiya and Rafah and 3 naut. mi. elsewhere—restrictions that placed 17% of Gaza's total landmass, including vast agricultural areas, off limits to Palestinians. In the West Bank, Israeli restrictions and IDF military operations remained relatively low but seemed increasingly geared toward preparing for a potential crisis in 9/2011 surrounding the statehood bid at the UN. As of 5/15, at least 7,813 Palestinians (including 51 Israeli Arabs and 19 unidentified Arab cross-border infiltrators), 1,111 Israelis (including 354 IDF soldiers and security personnel, 226 settlers, and 531 civilians), and 66 foreign nationals (including 2 British suicide bombers) had been killed since the start of the al-Aqsa intifada on 9/28/00.

### *Prelude to Maneuvering and Diplomacy*

As the quarter opened, the absence of movement on the peace process since 9/2010, Israel's refusal to halt settlement expansion in the West Bank and East Jerusalem, and refusal by the Palestinian Authority (PA) in such circumstances to engage in further talks together made Palestinian pursuit of international diplomacy

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in anticipation of the upcoming UN General Assembly (UNGA) session in 9/2011 all but inevitable. The Palestinian diplomatic drive, launched last quarter to test international support for a PLO bid for UN recognition of Palestinian statehood, was met by an Israeli diplomatic counteroffensive urging UN members to oppose the initiative (see Quarterly Update [QU] in *JPS* 160 for background). While the PA diplomatic offensive had made some inroads in the international community, concerns about the possible fallout of a UN move led the European states to look to the Quartet to lead the way back to talks by offering a new peace initiative, but the U.S. had blocked the effort (see QU in *JPS* 160). Israel and the U.S. were both more concerned with reasserting their individual control over the process: Israeli PM Benjamin Netanyahu largely favored delaying any action until regional conditions were more favorable to Israel, while the U.S. admin. was divided over whether to wait (as Israel desired) or to launch a dramatic new U.S. peace initiative (appeasing its allies in the Quartet while maintaining U.S. leadership of the process).

Meanwhile, international attention was focused primarily on the prodemocracy uprisings across the region known as the Arab Spring (see QU in *JPS* 160 and the "Regional Affairs" section below). This movement had spurred increasingly popular calls among Palestinians for national reconciliation to end the Fatah-Hamas/West Bank-Gaza divide. In response to these calls, and believing that a unified national front would bolster the UN statehood initiative, Fatah and Hamas, after years of foot-dragging, toward the end of last quarter had suddenly signed (5/4/11) a reconciliation agreement and were planning their first meeting on implementation to discuss quick formation of a transitional government of independent technocrats that would oversee new elections, the reunification of West Bank and Gaza institutions, and the rebuilding of Gaza (see more under "National Reconciliation" below). The move had surprised and concerned Israel and the U.S.; while Israel warned that it would not cooperate with a Palestinian government that included Hamas, the U.S. formally adopted a wait-and-see position while cautioning that it would support only unity efforts that "promoted peace" (see QU in *JPS* 160 for details).

It was against this background that, as the quarter opened, U.S. pres. Barack Obama was set to deliver (on 5/19) the second major Middle East policy speech of his presidency and Israeli PM Netanyahu was to come to Washington (5/20–24) to meet with Obama, address a joint session of Congress, and speak before the annual American-Israel Public Affairs Comm. (AIPAC) conference, possibly unveiling his own peace initiative during the visit.

The quarter opened with Netanyahu's speech to the Knesset (5/16), apparently intended to show positive Israeli movement before his U.S. visit, which laid out his latest conditions for peace (see Doc. C1). Though these were fundamentally unmodified, he framed them as the terms under which he would "accept a Palestinian state," a willingness that he had not explicitly expressed since his first such declaration in 6/2009 (see Doc. C1 in *JPS* 153). While reaffirming that Israel would keep Jerusalem and large West Bank settlements, he suggested that he would give up the rest of the West Bank for a demilitarized Palestinian state, but then reiterated the essential components of any peace deal: Palestinian recognition of Israel's right to exist as the homeland of the Jewish people, resolution of the Palestinian refugee problem exclusively within a Palestinian state (i.e., giving up the right of return), and maintenance of a long-term Israeli military presence in the Jordan Valley—all points the Palestinians had rejected previously. He also repeated that Israel would not deal with a Palestinian government that included Hamas.

With regard to the PA statehood initiative, "dueling" Palestinian and Israeli op-eds appeared in the *New York Times* in mid-5/2011. PA pres. Mahmud Abbas's 5/16 op-ed definitively confirmed plans to put a resolution to the UNGA in 9/2011 seeking international recognition of a Palestinian state on 1967 borders and admission of Palestine as a full member of the UN (see Doc. B). Two days later (5/18), Israel's dep. Knesset speaker Danny Danon (Likud) warned of grave consequences of such a move, including the immediate suspension of all diplomatic and security coordination with the PA and the "permanent" halt of transfers of VAT taxes collected on the PA's behalf (which cover 80% of the PA's recurrent expenses). Cautioning that "this alone could threaten the very

existence of the Palestinian Authority,” he added that Israel might “rectify the mistake we made in 1967 by failing to annex all of the West Bank” (see Doc C2). Meanwhile, Abbas met (5/18) in Ramallah with U.S. Dep. Secy. of State James Steinberg and Asst. Secy. of State for Near East Affairs Jeffrey Feltman to brief them on the Fatah-Hamas unity deal and to stress that peace talks could not resume without both a settlement freeze and defined “principles to guide negotiations.”

On the international front, moves aimed at generating a dialogue that could lead to a resumption of peace talks and in turn defuse a 9/2011 conflict were underway. On 5/16–18, French FM Alain Juppé met with senior Israeli and Palestinian officials in the region to invite Abbas and Netanyahu to meet in Paris in 6/2011 to discuss resuming peace talks. (Neither side replied formally before Netanyahu’s Washington visit.) UN Secy.-Gen Ban Ki-Moon phoned (ca. 5/18) Netanyahu and Abbas, urging Netanyahu to be more flexible with the Palestinians and offer “incentives” to revive peace talks (including lifting the siege of Gaza), and Abbas to return to the table “without preconditions” (i.e., demands to halt settlement construction). He also pressed Abbas to get Hamas to recognize Israel and renounce violence, but said that even without this the international community should give the Palestinian unity deal a chance to work. UN Special Coordinator for the Middle East Peace Process Robert Serry had the same message for the UN Security Council (UNSC) in his briefing (5/19) on the situation in the Middle East, advising that the Fatah-Hamas unity deal “should not be undermined in its infancy.” He also stated that regional unrest generated by the Arab Spring had made it more important to put forward a credible initiative to revive the peace process before the 9/2011 UNGA session.

### ***Obama’s 5/19 Speech and the Peace Process***

As late as 5/18, Obama had not decided whether he would even mention the Israeli-Palestinian issue in his 5/19 Middle East policy speech at the State Dept. According to insiders (e.g., *Washington Post* [WP] 5/19), one camp, led by Secy. of State Hillary Clinton, urged him to lay out specific principles to serve as basis for a peace agreement, including a declaration

of permanent borders, division of Jerusalem, and compromise on whether Palestinian refugees would have the right to return to Israel. The other camp, led by Obama’s chief Middle East adviser Dennis Ross and supported by his long-time colleagues National Security Adviser (NSA) Thomas Donilon and VP Joe Biden, argued against mentioning the peace process at all, saying that Israel should be given more time to assess regional changes before being pressed to resume negotiations.

In fact, Obama’s 5/19 speech (see Doc. D1) did address at some length the Israeli-Palestinian conflict and peace process. Its primary purpose, however, was to provide a broad, relatively general reassessment of U.S. Middle East policy priorities in light of still evolving regionwide changes, with emphasis on the need to strike a better balance between maintaining regional stability and preserving the people’s right to self-determination, suggesting that preserving stability should not be an excuse for tolerating oppression (see “Obama’s 5/19 Speech as Policy Reassessment” in the United States section below). With regard to the peace process, he began by reprimanding Israel for continued settlement construction and the Palestinians for “walking away from negotiations,” adding pointedly that “symbolic actions at the UN in September will not create a Palestinian state” and that Palestinians “will never achieve their independence by denying Israel the right to exist.”

While reiterating the U.S. goal of 2 states for 2 peoples, Obama for the first time defined this as “Israel as a Jewish state and the homeland for the Jewish people, and a State of Palestine as the homeland for the Palestinian people.” For several years, but especially since Netanyahu returned to office, Israel had been demanding that wording, which the Palestinians had strongly opposed, and Obama’s endorsement was seen as a major blow to the Palestinian position and an important boost for Israel. Obama also defined the 2-state solution as a scenario that includes “a viable Palestine and a secure Israel,” borders “based on the 1967 lines with mutually agreed swaps,” an Israel that is “able to defend itself by itself from any threat,” and “agreed” resolutions to the hardest issues of Jerusalem and refugees. While Obama’s statement on borders was extremely similar to, and intended to

convey the same message as, Pres. George W. Bush's 4/2004 statement that 1967 borders are unworkable and mutual land swaps must be agreed (see QU in *JPS* 132), Obama's phrasing outraged Netanyahu and many right-wing Israelis, who accused Obama of endorsing the Palestinian narrative by accepting the basic legitimacy of the 1967 lines, whereas Bush's statement was viewed as fundamentally rejecting the 1967 lines (for detailed analyses of how the statements differ, see Jewish Telegraphic Agency [JTA] and NYT 5/23).

Obama urged the sides to resume negotiations immediately with an initial focus on territory and security only, though stressing that all core issues must be discussed eventually; any agreement must constitute an end of claims (Israel's demand) and include final, recognized borders (a Palestinian demand). The "duration of the transition" to final status, however, "must be agreed" (raising Palestinian concerns that Israel could drag out implementation indefinitely). Though calling for talks to resume immediately, Obama also stated that negotiations could not move forward if a Palestinian government included Hamas, unless Hamas endorsed the Quartet principles (recognizing Israel's right to exist, accepting all previous peace agreements, and denouncing all forms of violence, including incitement).

Palestinians were deeply angered by Obama's emphasizing the importance of self-determination over oppression in the regional context (Arab Spring) while rejecting that principle in the Palestinian case: opposing the Palestinian statehood bid at the UN and demanding restrictions on Hamas's participation in a national unity government. Immediately after Obama's address, Abbas ordered (5/19) an emergency session of the Palestinian leadership to be convened within 48 hours to discuss ramifications of the speech. (This was later delayed until 5/25 in anticipation of Netanyahu's address to Congress; see below).

Meanwhile, Netanyahu publicly denounced (5/19) Obama's reference to 1967 lines as jeopardizing Israeli security and putting Jewish settlers at risk. He also revealed that he had been informed in advance of Obama's plans to refer to the 1967 lines and that in an angry exchange with Secy. Clinton just before the speech had urged that the reference be dropped

and that Bush's 4/2004 position be reiterated. Meanwhile, apparently timed to coincide with Obama's speech, Israel's Jerusalem planning commission gave initial approved construction of 1,600 new settlement housing units in East Jerusalem's Har Homa/Jabal Abu Ghunaym and Pisgat Ze'ev settlements.

The only support for Obama's vision of the Israeli-Palestinian peace was expressed (5/20) by the U.S.'s Quartet partners (the EU, Russia, and the UN). The EU, in particular, hoped that this could somehow become the basis of a new international peace initiative.

### *The Obama-Netanyahu Meeting*

Obama met with Netanyahu at the White House on 5/20, the day after the speech. The meeting, described as difficult but productive, was scheduled to last less than 1 hour but went on for more than 2. After a brief meeting with advisers, the leaders met for most of the time alone, scrapping to that end a planned working lunch with their teams. Afterward, Obama stressed as a point of agreement that Israel's security as "a Jewish state" was the "ultimate goal" of any peace agreement. Netanyahu, declaring that Obama was "unrealistic" about peace, emphasized that Israel would never return to 1967 borders and would never allow Palestinian refugees to return to Israeli soil: "Everybody knows it's not going to happen. And I think it's time to tell the Palestinians forthrightly, it's not going to happen." The PA denounced (5/20) Netanyahu's statements as "an official rejection of Mr. Obama's initiative, of international legitimacy, and of international law."

At this stage, the overwhelming perception generated by the Israeli and U.S. media was that a new Obama-Netanyahu rift had opened because Obama had laid out a "new U.S. policy detrimental to Israel" by suggesting 1967 borders as basis of peace talks. Long-term observers noted (see WP 5/23), however, that 1967 lines had long been considered the baseline for any future agreement, with Israeli analysts saying Netanyahu seized on Obama's statement "with domestic politics in mind" and with the purpose of "consolidating his position as leader of the Right in Israel." In an Israeli radio interview on 5/22, Dov Weisglass, a chief Israeli negotiator under PM Ariel Sharon, said that "anyone here

deluding himself . . . that the drawing of the new map will be based on any reference point other than the 1967 boundaries is simply disconnected from reality.” Still, the intensely negative mood prompted Obama to scrap (5/21) tentative plans to make a Middle East trip in late 6/2011 that likely would have included a visit to Israel. The White House quickly organized a conference call between senior admin. officials and Jewish leaders and made other outreaches to the Jewish community to allay concerns about Obama’s positions on Israel and the peace process and to seek “advice on repairing ties.”

### *The AIPAC Speeches*

Obama’s first address to AIPAC as president (5/22) generally reiterated the positions laid out in his 5/19 speech but was tailored to the pro-Israel American voters, lobbyists, and U.S. lawmakers attending the conference. With regard to the 1967 lines as the starting point for discussing final borders, he clarified that, given the need for land swaps, the resulting border would certainly be “different than the one that existed on June 4, 1967,” and noted (without referring to Netanyahu directly) that any controversy over his 5/19 speech was “not based on substance.” While pledging U.S. “ironclad” support for Israel and acknowledging Israel’s security concerns in light of the Arab Spring, he insisted that Israel should make “hard choices” for peace now rather than delay, warning that Israel’s failure to take serious steps to advance peace undermined U.S. efforts on its behalf. He also called once again for the creation of 2 states as separate homelands for Jews and Palestinians, denounced the Palestinian statehood initiative at the UN, and criticized the Fatah-Hamas unity agreement, saying that Israel could not be “expected to negotiate with a terrorist organization sworn to its destruction” (ignoring statements by Fatah and Hamas that the PLO would remain solely in control of peace talks; see QU in *JPS* 160).

Netanyahu’s speech on 5/23, which explicitly left discussion of the peace process for the address to Congress on 5/24, focused on the U.S.-Israeli relationship—areas of cooperation, shared ideals, and especially the importance of a secure Israel—and emphasized Israelis’ gratitude to the U.S. for its assistance in strengthening Israel. He stressed that the Arab Spring

was not in reaction to Israel but to domestic oppression by Arab regimes, highlighting Israel as a democracy and bastion of freedom and equality.

On 5/23, Obama left for a 6-day European tour, ensuring that he would not be present for Netanyahu’s address before Congress. Administration officials said Obama would tell his European counterparts that the Palestinians statehood initiative was a “mistake” that would “not serve the interests of the Palestinian people and will not achieve their stated goal of achieving a Palestinian state.”

### *Netanyahu Addresses Congress*

Netanyahu had aggressively sought the invitation to address Congress several times in 3/2011 and 4/2011, and his preference for this venue over the Knesset for a major speech on the peace process was interpreted by analysts as an indication that its purpose was primarily as a public relations exercise aimed at winning members of Congress over to his positions rather than announcing new policy directions (see QU in *JPS* 160 for background). This indeed proved to be the case: Netanyahu’s 5/24 address to a joint session of U.S. Congress (see Doc. C3) largely echoed his 5/16 Knesset speech, but with more emotionally charged language. He offered to “give up parts of the Jewish ancestral homeland” (undefined) for creation of a Palestinian state if the Palestinians would simply “accep[t] a Jewish state alongside it.” Palestinian unwillingness to accept the existence of a Jewish state was the crux of the problem, though throughout the course of the address demands for Palestinian acceptance of modifications to the “indefensible” 1967 borders, Jerusalem as Israel’s undivided capital, and a long-term Israeli military presence along the Jordan River were also noted. Further specified was the requirement that Abbas abandon Fatah’s unity deal with Hamas.

Observers described (e.g., NYT, WP 5/21) Netanyahu as receiving a “rapturous welcome” from the “hugely friendly crowd” of U.S. lawmakers. Members of Congress gave Netanyahu 59 rounds of applause, including 28 “thunderous ovations,” during the 50-minute speech—so many standing ovations that one observer said (NYT 5/25) that “at times it appeared that the lawmakers were listening to his speech standing up.” Senators on both

sides of the aisle warmly praised the speech: Senate Foreign Relations Comm. Chairman John Kerry (D-MA) said that Netanyahu's "very powerful" speech had "opened . . . potential avenues if the Palestinians want to take them up"; Senate minority leader Mitch McConnell (R-KY) found "almost nothing in it with which I disagree." In Israel, however, the YESHA settlers council declared Netanyahu's terms for peace "unacceptable" for apparently considering giving up some settlements and for limiting Israel to a military presence along the Jordan River, as opposed to annexing the Jordan Valley. The PA, meanwhile, called the address a "declaration of war."

After the joint session, Netanyahu held (5/24) an off-the-record meeting with Jewish members of Congress in what was referred to by insiders (JTA 5/26) as a "*mishpacha* meeting" (i.e., a meeting of the Jewish "family network"). The following day (5/25), in effort to stress Israel's intention to maintain a unified Jerusalem, several high-ranking Israeli officials (including the speaker of the Knesset) attended the opening of an apartment complex in East Jerusalem's Ras al-Amud neighborhood, declaring the site as Israel's newest Jewish settlement, Ma'ale HaZeitim.

#### *Facing a Crisis in 9/2011*

With the Washington events concluded, Abbas convened (5/25) the PLO and Fatah leaderships in Ramallah to discuss how to proceed given that Obama and Netanyahu had offered "nothing that we can build on" and that the U.S. had hardened its positions both on Hamas participation in a unity government and on Palestinian statehood efforts. The leadership decided to move ahead with the statehood initiative despite awareness that it could result in a suspension of PA funding and a rift with Washington. Fatah's Nabil Shaath traveled (5/26-29) to Gaza to brief Hamas leaders, smaller Palestinian factions, and others on the decision and to discuss implementation of the national unity agreement in light of recent events (see more in "Palestinian Reconciliation" below). At the same time, Abbas met (5/28) with Arab League FMs in Qatar to urge them to endorse and help support the Palestinian plan and to fill potential funding gaps.

Israel also ramped up its diplomatic counteroffensive. In early 6/2011, the

Israeli FMin. ordered all diplomats to cancel vacations planned through 9/2011 and issued a classified cable (excerpts leaked by *Ha'Aretz* 6/9) instructing its embassies to convey to host governments that endorsement of Palestinian statehood would "delegitimize Israel and foil any chance for future peace talks." To reinforce the message, diplomats were urged to mobilize "the relevant force multipliers [i.e., local Jewish communities and nongovernmental organizations (NGOs)], using the media, influencing local public opinion, and public diplomacy aimed at all the relevant communities."

At this point, all signs indicated that without external intervention, the Israelis and Palestinians were headed for a diplomatic clash when the UNGA convened in 9/2011. France and the EU began efforts to craft an alternative way forward based on Obama's 5/19 policy speech (to ensure U.S. backing), hoping that reviving serious peace talks would encourage the Palestinians to drop or delay the statehood initiative. The U.S. and Israel, initially reluctant, quickly saw viability in linking resumption of talks to suspending the UN bid. The two approaches (French/EU and U.S./Israeli) evolved simultaneously between early 6/2011 and mid-7/2011.

#### *Revival of the French Initiative*

On 6/2, French FM Juppé returned to Israel and Ramallah to reiterate France's offer the previous month to host a conference on relaunching peace talks. This time, however, he said that France would call on the sides to resume talks with 2 conditions: (1) the starting point would be Obama's vision of 2 states based on 1967 borders with agreed land swaps, and (2) the 2 sides would pledge to refrain from creating facts on the ground while talks were ongoing (i.e., the Palestinians would suspend their statehood initiative, and Israel would suspend all settlement construction). On 6/4, Abbas accepted the invitation to discuss the proposal. On 6/5, Netanyahu told his cabinet that he was weighing the invitation, but since Israel would not deal with a Palestinian government that included Hamas, his reply depended on the composition of the transitional Palestinian unity government, still under debate (see "Palestinian Reconciliation" below). He also stated that Hamas must prove a change in attitude toward

Israel by immediately releasing IDF soldier Gilad Shalit, adding that if Abbas had “such a good connections with Hamas,” he should be able to secure the release. On 6/6, U.S. Secy. of State Clinton met separately in Washington with Israeli and Palestinian negotiators and Juppé to discuss the French proposal, afterward stating the belief that it would “take a lot of persuasion and preliminary work in order to set up a productive meeting between the parties” on lines France envisioned. Juppé said (6/6) that he was “rather pleasantly surprised because the Palestinians have reacted positively, the Israelis did not say no, and the secretary of state said ‘let’s wait and see.’”

#### *U.S. Envoys Re-Engage*

Meanwhile, the EU was lobbying hard behind the scenes to convene the Quartet. The U.S. initially argued against a Quartet initiative on the grounds that conditions for success were absent, but ultimately agreed under EU pressure to a Quartet session, but pushed off the date as far as possible. In the interim, it dispatched Obama’s senior Middle East adviser Ross and acting U.S. special envoy to the peace process David Hale to the region twice (on 6/16 and 6/22) to meet with Abbas and Netanyahu in what anonymous American sources called (e.g., NYT 6/17) an effort “to find a formula for talks that would entice the Palestinians to drop their bid for unilateral recognition of a Palestinian state” and yet be acceptable to Israel; no details were released. The Ross-Hale visits were the first peace process–related visits by U.S. diplomats to the region since George Mitchell resigned as U.S. special envoy in 4/2011 (effective in 5/2011; see QU in *JPS* 160). For Ross (considered strongly pro-Israel), they also marked his de facto assumption of the lead on peace process diplomacy within the Obama admin., a position he had held under former pres. Bill Clinton and had actively sought to resume under Obama (see QU in *JPS* 158).

The Ross-Hale prodding elicited creative nonresponses from the parties, who wanted to appear eager to achieve peace without actually modifying their stands. Abbas stated publicly (6/19, 6/21) that the PLO would consider suspending its statehood initiative if Israel, the U.S., and Europe were able to revive serious negotiations or present the Palestinians with

a viable alternative, emphasizing that he could “not enter negotiations blindly, without guarantees or a freeze on settlements.” Netanyahu, meanwhile, said (6/22) that he would agree to resume negotiations with the Palestinians based on 1967 lines with agreed land swaps, as Obama suggested, provided Abbas first recognized Israel as a Jewish state and agreed that no refugees would be allowed to return to Israel. Later, apparently floating a trial balloon, a senior Palestinian official speaking anonymously told the Associated Press (6/23) the Palestinians could be willing to ease demands for a full settlement construction freeze to resume peace talks if Israel accepted up front that 1967 lines with agreed land swaps would be the basis of talks; Israel did not respond.

#### *The U.S. and Israel Draft a Quartet Statement*

A week later (on 6/28), the EU announced that the Quartet would hold a senior-level meeting in Washington on 7/11 aimed at presenting a new international peace plan based on Obama’s 5/19 speech as a final bid to jumpstart peace talks and prevent the Palestinians from seeking recognition of statehood at the UN. The State Dept. tried to keep expectations low, however, calling the meeting a chance for the members to “compare notes about where we are and plot a course forward.”

At the 7/11 session, the U.S. presented a draft Quartet statement drawn up in close consultation with Israel (apparently largely during the Ross-Hale visits) that attempted to include all the highlights of Obama’s 5/19 speech modified in keeping with his 5/22 AIPAC speech, with the basic message that the Palestinians had no alternative but to resume negotiations and drop the UN initiative. (Israeli insider David Levy, writing for *Foreign Policy* online on 7/22, said the draft “looked rather like an exercise in cherry picking Obama’s recent speeches by the Israeli Prime Minister’s office . . . [and] it is reasonable to speculate that that is precisely what happened,” adding that “the text was quite clearly pre-cooked with the Israeli leadership.” He reproduced extensive excerpts of the draft, though the full text was never released.) The U.S. argued that since the Quartet had endorsed Obama’s 5/19 speech, it should therefore endorse the U.S. draft statement based on that speech. The other Quartet

partners, however, felt that they could not endorse it since the additions from the 5/22 speech contradicted their policy. In particular, they objected to wording stating: (1) that “the parties themselves will negotiate a border between Israel and Palestine that is different than the one that existed on June 4, 1967, to take account of changes that have taken place over the last 44 years, including the new demographic realities on the ground and the needs of both sides” (opposed as possibly prejudging the final status of Jerusalem); (2) that Israel should be defined as “a Jewish state and the homeland of the Jewish people” (opposed as possibly precluding the right of return); (3) that “no country can be expected to negotiate with a terrorist organization sworn to its destruction” (opposed as undermining Palestinian unity efforts); and (4) that the parties should immediately “return to direct negotiations, beginning with preparatory work to maximize their chances of success” (the reference to “preparatory work,” coming after Secy. Clinton used the same phrase in discussing the French proposal, raised concerns that Israel and the U.S. sought to extend the interim phase indefinitely). UN Secy.-Gen. Ban particularly opposed wording stating, “[N]or can the two-state solution be achieved through action in the United Nations,” which could be used to deny existing UN resolutions as a basis of peace talks. Ultimately, the Quartet members were unable to agree even on a basic statement on how to proceed, though Russian FM Sergei Lavrov stressed later that the stalemate did not imply that the Quartet would abandon its efforts to achieve peace.

#### *Intensive Behind-the-Scenes Efforts*

There was no further mention of the French initiative or a Quartet statement through the end of the quarter, although there were signs that significant diplomatic discussions (not necessarily coordinated) were still underway.

On 7/27, the Israeli daily *Ha'Aretz* broke the story that Israeli pres. Shimon Peres, in consultation with Netanyahu, had been holding intensive secret talks with Palestinian officials in effort to resume negotiations and head off the Palestinian statehood bid. The latest meeting, according to *Ha'Aretz*, had been held on 7/26 between Peres and Palestinian chief negotiator Saeb Erakat to look at maps of the

West Bank and East Jerusalem in “an effort to find a formula that would bypass the dispute over establishing the June 4, 1967 border as a basis for negotiations toward a final settlement.” Though the PA strongly denied (7/29) that any contacts had taken place, rumors persisted. Days later, al-Jazeera (8/1) and the Jewish Telegraphic Agency (8/2) reported that Abbas had been en route to Amman to meet with Peres on 8/1 to discuss a new Israeli proposal when Peres canceled, saying he did not have anything new to offer. The reports hinted that Netanyahu had stopped the talks, possibly because they had been made public. On 8/13, an anonymous senior Fatah official told Agence France-Presse that Abbas and Peres had recently held 4 secret meetings in Amman and London in effort to revive peace talks.

At the same time, the U.S. and Israel were apparently in deep discussions on how to draw the Palestinians back to the table, with an anonymous U.S. source (*Washington Times* [WT] 8/3) describing the U.S. and Israel as “desperate . . . to avert a diplomatic showdown at the UN.” Netanyahu told (8/1) a Knesset comm. that his government was working with the U.S. to draft a document laying out a new “framework” for restarting peace talks using language from Obama’s 5/22 AIPAC speech. Other U.S. sources described (WT 8/3) the talks as aimed at crafting a “package” or “framework agreement” that would persuade the Palestinians to resume talks and drop the UN initiative. At the same time, an anonymous senior Israeli official said (8/1) that Israel could accept a formula for restarting talks based on 1967 lines with agreed swaps, stating: “While we would have difficulty endorsing that language, we wouldn’t reject it” provided that the package include Palestinian recognition of Israel’s right to exist as a Jewish state. Meanwhile, Netanyahu appeared (7/21) on al-Arabiya TV to appeal directly to the Palestinian public to return to peace talks, stating that he was willing to negotiate with anyone who recognized Israel’s right to exist as a Jewish state. Together the statements seemed to suggest that Israel and the U.S. believed that a formula wherein each side would meet 1 precondition of the other (providing ostensible balance and showing goodwill) could constitute a basis for reconvening talks: the Palestinians would recognize Israel’s right

to exist as a Jewish state, and Israel would affirm that talks would be based on 1967 borders with land swaps (also appeasing the U.S.).

The U.S.-Israeli talks seemed unlikely to succeed for several reasons: (1) Palestinian exclusion, basically a replay of the 2010 Obama-Netanyahu negotiations over a settlement freeze incentives package to revive talks, which failed because, absent Palestinian input, the steps on which the U.S. and Israel agreed were completely out of sync with the Palestinians' basic demands (see QU in *JPS* 158); (2) lack of equivalency between agreement to recognize Israel's right to exist as a Jewish state and agreement that the 1967 lines be a starting point for negotiations; and (3) repeated mention of a "framework agreement," which sparked memories of the 9/2010 U.S.-Israeli proposed framework agreement whose stated aim was to create a new interim period extending final status talks for another 10 years (see QU in *JPS* 158). (For an analysis of a possible U.S. scenario for engaging the Palestinians in a partial or open-ended peace effort extending through the 2012 U.S. presidential elections, see Jordan's Marwan Muasher in Carnegie Endowment for International Peace online 7/29.)

After the U.S.-Israeli discussions became public, the U.S. took steps to involve the Palestinians, dispatching Hale to meet (8/2) with Erakat (no details released) and inviting (8/4) Abbas and Erakat to Washington for talks. The PA accepted (8/4) the invitation, but no date was set and the meeting apparently did not take place before the end of the quarter. On 8/10, Obama spoke by phone with Netanyahu, but no details were released.

#### ***Scenarios for Seeking Recognition at the UN***

Parallel with these high-level diplomatic efforts to revive negotiations, the Palestinians and Israelis continued to prepare as if the statehood bid would go forward in 9/2011. During 6/2011 and early 7/2011, senior Palestinian and Israeli officials toured Eastern European and Latin American states, which were considered likely swing voters on the statehood issue at the UNGA. The Palestinian leadership reaffirmed (6/26) its intention to go to the UN following the Ross-Hale Ramallah visits and convened Palestinian representatives

abroad in Madrid (early 7/2011) and Turkey (7/22–23) to strategize on how best to lobby foreign states. The Arab League FMs re-endorsed (7/14) the Palestinian plan and met (8/3–4) with Palestinian officials to help draft the formal statehood request to be presented to the UNGA in 9/2011; no details were released. Netanyahu sent (8/14) a letter to 40 heads of state, urging them to oppose the Palestinian bid and explaining that "by turning to the UN, the Palestinians are trying to avoid negotiations that are based on mutual compromises. This violates the existing agreements between Israel and the Palestinian Authority and casts in doubt the existence of direct negotiations—which are the only way to resolve this conflict."

Israel also warned of dire consequences if the statehood initiative proceeded. Anonymous Israeli officials stated (7/22) that the government, in such an event, was considering declaring the Oslo accords void. Israeli FM Avigdor Lieberman stated (8/7) that Israeli intelligence agencies had evidence that the PA was planning "unprecedented bloodshed" after the UN session in 9/2011 and was going to send 10,000s of protesters to storm Israeli checkpoints; his spokesman affirmed that "the Palestinians are getting ready for bloodshed on a scale we haven't seen before. . . . The more they speak about nonviolent action, the more they are preparing for bloodshed." The PA, for its part, insisted that its intention in 9/2011 was to "request the international community's help—legally and according to law." At the same time, an internal Knesset report based on intelligence reports that was released in early 8/2011 concluded the likelihood of violence was low "because the Palestinians believe it would be counterproductive to their cause."

As 9/2011 neared, it became evident that there was some confusion over what precisely the UN process was for recognizing a new state and what recognition would mean. UNGA pres. Joseph Deiss affirmed (5/29) that according to the UN bylaws, the UNGA could not table a motion to grant Palestine member-state status without a recommendation from the UNSC. After the U.S. stated explicitly (7/26) that it would veto any such resolution, many questioned whether statehood could truly be denied if a single permanent member of the UNSC vetoed a petition despite the overwhelming support of UNGA

members. (By the close of the quarter, at least 112 of the UNGA 193 member states had recognized a Palestinian state, with as many as 118 poised to endorse a statehood petition in 9/2011.)

Many experts believed that if the U.S. vetoed a Palestinian request in the UNSC, the Palestinians could successfully lobby the UNGA to invoke UNGA Res. 377 of 1950 ("Uniting for Peace") which allows the UNGA to override the UNSC with a two-thirds majority vote of the 193 UNGA members (129 votes) if it determines both (1) that the UNSC has failed "to exercise its primary responsibility for the maintenance of international peace and security in any case where there appears to be a threat to the peace, breach of the peace, or act of aggression" and (2) that UNGA action is necessary "to maintain or restore international peace and security." Though success of this maneuver was not guaranteed, the Palestinian leadership certainly saw this as a viable recourse.

But the possibility that a "Uniting for Peace" appeal might fail was disquieting. By mid-7/2011 some senior Palestinian officials were questioning privately whether the statehood initiative was wise and whether it should be reconsidered or postponed. (PLO Central Council member and former PC member Nabil Amr was the first to speak out publicly against the plan on 7/19.) On 7/12, PLO amb. to the U.S. Maen Areikat confirmed that a third option was being considered: seeking an upgrade of Palestine's UN status from "permanent observer" to "observer state," which would put Palestine on the same footing as the Vatican, with all the rights of a state (including the right to petition the International Criminal Court) but without the ability to vote. Opting for this status seemed to be gaining favor at the close of the quarter but was still largely seen as a fall-back option, if other UNSC and UNGA efforts failed. (For a deeper discussion of these and other hybrid options the Palestinians could pursue, see Camille Mansour, "Palestinian Options at the United Nations" on the *JPS* website.) Ca. 8/11, UN Secy.-Gen. Ban told Abbas that the UN was ready to receive a membership request "any time from now until 9/20."

### ***Nonviolent Protest Actions***

This quarter, several major nonviolent actions were called in support of the

Palestinian cause. (For information on the small weekly nonviolent protests in the territories, see "Nonviolent Protests in the Territories" below.) Though some of them generated considerable media attention, most did not succeed for various reasons, including the intervention of host governments and an apparent wariness on the part of Palestinians to take part in protests sponsored by factions.

### ***Naksa Day Rallies***

By late 5/2011, Palestinian activists organizing on Facebook and eager to repeat the success of the Nakba Day "March to Palestine" were calling for massive demonstrations on 6/5 in Jordan, Lebanon, and Syria to mark Naksa Day (the anniversary of the "setback" of the 1967 war). In the territories, activists planned parallel demonstrations in the West Bank and Gaza. In the run-up to 6/5, the IDF reinforced its northern borders by digging new trenches, erecting fences, and laying minefields in expectation that there could be violent protests along its borders; preparations were also made to defend West Bank settlements. The IDF cautioned (5/29) that while it would ignore nonviolent demonstrations outside its borders and settlements, it would take military action if protesters attempted to cross into Israel or enter settlements.

Shortly before Naksa Day, Fatah and Hamas declared (ca. 6/3) 6/5 a "day of popular rage" against the Israeli occupation and in support of the statehood drive in what many saw as an effort to co-opt the activists' plans. In Lebanon, Fatah officials in 'Ayn al-Hilwa refugee camp (r.c.) announced (5/31) they would rally more than 50,000 refugees to 2 demonstrations in Marun al-Ras and Naqura near the Israeli border. However, the Lebanese army immediately (5/31) vowed to prevent anyone from reaching the border and the government declared (6/2) the s. Lebanon border area a closed military zone. Under intense pressure from the Lebanese government, Fatah officials and Palestinian activists in Lebanon rescinded (6/3) plans to take part in the Naksa Day marches, saying they would instead hold commemorative rallies inside the camps. In Syria, Palestinian factions worked with Syrian authorities to organize (as of 6/3) 100s of buses to take demonstrators to the border.

Ultimately, the 6/5 Naksa Day demonstrations were much smaller than those marking Nakba Day on 5/13–15, with no protests reported in Egypt, Jordan, or Lebanon. Serious clashes took place on the Syrian border, however, where IDF troops opened fire on 100s of unarmed Palestinian refugees and supporters who tried to cross a trench and an earthen berm 150 m on the approach to the border fence across from the town of Majdal Shams inside the occupied Golan Heights. Syrian authorities reported 22 killed and more than 350 wounded, which would mark the worst violence on the Syrian border since the 1973 war; Israel said the numbers were exaggerated. Additional protests were held inside Syria near the border at Qunaytra; there, the IDF fired tear gas and stun grenades when protesters began to march toward the border, but no injuries were reported (see more in the Syria section below). In the West Bank, the IDF clashed with up to 200 stone-throwing Palestinian protesters at the Qalandia crossing (using tear gas and stun grenades to disperse them) and blocked Palestinian marchers from approaching Elon Moreh settlement near Nablus. In Gaza, Hamas-affiliated police blocked 10s (possibly 100s) of demonstrators from approaching the Erez crossing to Israel.

#### *The Freedom Flotilla II*

On 5/30, the 1st anniversary of Israel's 2010 attack on the aid flotilla to Gaza that killed 9 Turkish activists aboard the *Mavi Marmara* (see QU in JPS 157), the flotilla's organizers, the U.S.-based Free Gaza Movement and the Turkish charity Humanitarian Relief Foundation (known by its Turkish acronym IHH), announced that at least 1,000 activists and 10 boats were preparing to set sail from undisclosed ports in late 6/2011 as part of the "Freedom Flotilla II" to again challenge the Gaza siege. Each boat would carry nationals from a different country, with boats so far representing Canada, France, Ireland, Spain, Switzerland, Turkey, and the U.S. (The U.S. group named its boat *The Audacity of Hope*, after Obama's memoir.) Israel denounced (6/1) the flotilla action as a political statement to support a "terror organization" (i.e., Hamas) and warned (6/16) that it would use force if necessary to stop the flotilla from reaching Gaza. Soon after, the State Dept. warned (6/24) that Americans

participating in the flotilla could be charged with providing material support to terrorists (which can carry fines and a life sentence), while Secy. of State Clinton separately cautioned (6/24) that "by entering into Israeli waters" the flotilla would "creat[e] a situation in which the Israelis have the right to defend themselves."

Flotilla activists soon ran into other obstacles. On 6/17, IHH withdrew its participation, saying that Israel's damage to the *Mavi Marmara* (which Israel had returned to Turkey in 12/2010) was too extensive to allow the ship to sail again. Soon after, it was revealed (6/20) that Turkish-Israeli talks were currently underway to repair strains caused by the first flotilla incident (see "Turkey" below). Israel also quietly pressed Cyprus and Greece to prevent flotilla ships from using their ports as departure points for Gaza. In mid-6/2011, Israeli and Greek officials met in Athens for talks on bilateral relations, during which analysts suspected (e.g., *The Nation* 6/24) that Israel threatened to cut back trade relations with Greece (already facing a major economic crisis) if it allowed flotilla boats to sail. Ca. 6/23, Greece formally banned sea departures for Gaza.

Meanwhile, Israel threatened (6/26) to ban entry for 10 years to any foreign journalist who rode along with the flotilla, though it quickly backed down (6/27) amid international protests. At the same time, the Israeli press widely reported anonymous Israeli military officials citing intelligence reports of activists loading sacks of chemicals onto flotilla ships and vowing to "shed the blood" of Israeli soldiers. (One such story in the Israeli daily *Ma'ariv* on 6/28 appeared under the headline "Coming to Kill.") The Israeli Government Press Office (IGPO) widely circulated a video purporting to show flotilla organizers praising Hamas and barring participation of a gay rights activist, calling gays "a minority of perverts"; this was quickly revealed (WP 6/28) as a fake made by an Israeli actor and put online by an intern in PM Netanyahu's office.

In parallel, the Israeli advocacy group Shurat HaDin—Israel Law Center warned (ca. mid-6/2011) at least 30 major maritime insurance companies that insuring flotilla boats could result in charges of abetting terrorism. Just before the boats were to set sail (ca. 6/28), the group falsely told Greek authorities that flotilla boats docked there

were without maritime insurance, leading 2 boats to be detained until the matter was clarified. Meanwhile, 2 boats docked in Greece (ca. 6/28) and Turkey (6/30) were sabotaged (their propeller shafts severed).

Flotilla organizers reiterated (e.g., 6/27) their nonviolent intentions, saying “all our passengers sign a declaration of nonviolence. We are training for nonviolence.” American activists sent (6/28) a letter to Pres. Obama, pledging there would be “no weapons of any sort on board,” nor would they deliver anything to Gaza, stressing theirs was a nonviolent mission to show solidarity with Gazans. Organizers showed proof that their boats held insurance and blamed Israel for sabotaging their vessels but, ultimately, as a result of the hostile actions, delayed the flotilla’s departure date by a week, until ca. 7/5. This prompted the Quartet to issue a 7/1 statement urging governments to “discourage” Gaza-bound flotillas, saying efforts to breach the blockade would escalate regional tensions.

Anticipating problems, *The Audacity of Hope* (7/1) attempted to slip out of Athens undetected before the new departure date, as did 2 other boats from Corsica (7/3) and Crete (7/4), but all were detained before they could reach international waters. A French boat made it out of Greek waters on 7/5 but surrendered to Israeli forces without incident on 7/19. Meanwhile, flotilla organizers had formally ended their effort on 7/7, sending remaining activists home to “share their experiences” and claiming that they had successfully redirected international focus to Gaza’s plight and shown “the lengths Israel is willing to go to stop . . . unarmed peaceful activists.”

On 7/11, Israeli pres. Shimon Peres received visiting Greek pres. Karolos Papoulias, praising his efforts to stop the flotilla and heralding “the opening of a new chapter in Greece-Israel relations” and “a great future.”

#### *“Welcome to Palestine” Air Flotilla*

Meanwhile, some 40 Palestinian NGOs had endorsed an online call by Palestinian activists launched on 2/1/11, inviting supporters worldwide to visit Palestine between 7/8/11 and 7/10/11 as part of a nonviolent solidarity action, called the “Welcome to Palestine Air Flotilla,” to raise awareness about the occupation. Organizers urged activists (particularly Europeans who are not on Israel’s security watch

lists) to fly to Ben-Gurion Airport between the given dates and tell immigration officials that the purpose of their trip was to “visit Palestine”; the hope was that Israel would deport them en masse, generating an international media spectacle. As of 7/1, Israel, concerned that as many as 700 pro-Palestinian activists from around the world might participate in the event, had circulated updated no-fly lists (compiled by Israeli intelligence searching Facebook and other social networking sites) to European airlines, along with a letter warning that “pro-Palestinian radicals” planned to use commercial flights “to disrupt order and confront security forces at friction points.” By 7/11, at least 6 European air carriers had denied boarding to unspecified numbers of passengers based on the lists, while Israeli authorities at Ben-Gurion Airport had detained more than 300 arriving passengers on suspicion of taking part in the flotilla; at least 118 were deported as activists, while the rest were deemed legitimate tourists and allowed entry. A handful of activists made it through airport security and joined a separation wall protest n. of Jerusalem on 7/9. The air flotilla spectacle garnered short-term media notice but quickly fell off the radar.

#### *The Palestine 194 Campaign*

Toward the end of the quarter, as the 9/2011 UNGA session approached, senior Fatah officials began calling for mass demonstrations to show popular support for the statehood bid at the UN. The first to do so was jailed Fatah figure Marwan Barghouti, who urged (7/20) “our people in the homeland and in the diaspora to go out in a peaceful, million-man march during the week of voting in the United Nations in September.” On 7/27, Abbas called, without giving a timeframe, for massive nonviolent public rallies in support of statehood. On 8/1, his spokesman Yasir ‘Abid Rab-buh said that mass marches against Israel’s occupation would begin on 9/20/11, the eve of the UNGA session, the hope being that they would culminate in a “million man march” just before the vote. The PA dubbed this the “Palestine 194” campaign, since Palestine would become the 194th UN member state, and stated: “The appeal to the UN is a battle for all Palestinians, and in order to succeed, it needs millions to pour into streets.” Palestinians representing civil society groups, unions, and

youth activists met in Ramallah on 8/9 to form a preparatory comm. to oversee a national campaign to support Palestine 194, but no details were released.

### ***Prisoner Release Talks***

Last quarter, Hamas officials noted that Israel had treated prisoner swap talks more seriously since Pres. Husni Mubarak's fall on 2/11/11 and hoped that a breakthrough could be announced soon. Hamas had already approved a new Egyptian-draft prisoner release agreement, but Israel had not yet responded (see QU in *JPS* 160). While no details about the new proposal were made public, the deal reached in principle by Hamas and Israel at their last serious round of talks in 2010 involved as many as 1,000 Palestinians in exchange for IDF soldier Gilad Shalit (seized in 2006), but had bogged down over Israel's rejection of a handful of names on Hamas's proposed list it called "mass murderers" (see QU in *JPS* 158).

On 6/2, after indications surfaced that Israel had rejected the Egyptian-draft proposal, Hamas negotiators went to Cairo to consult with Egyptian mediators; on 6/5, Israeli DM Ehud Barak followed up with a phone call to Egyptian military leader Muhammad Tantawi. On 6/26, Netanyahu stated that Israel had accepted a German-mediated bridging proposal to secure Shalit's release, which Hamas quickly rejected (6/27) as an endorsement of Israel's demands, adding it would no longer work with the "biased" German mediator.

Nothing further was reported until early 8/2011, when a very senior Hamas delegation (including the head of Hamas military wing Ahmad Jaabari and Hamas Politburo Dep. Dir. Musa Abu Marzuq) visited (ca. 8/8) Cairo for talks with Egyptian intelligence officials on the prisoner issue. According to Abu Marzuq, Hamas at the meeting insisted on the release of prisoners who were sentenced to life terms and on the number of prisoners to be released and said it would reject deportation of any prisoner (suggesting this had been an Israeli compromise proposal for freeing prisoners connected to major attacks). After a 2d round of Cairo talks on 8/15 (Egypt mediators meeting separately with Israeli and Hamas delegations), Palestinian sources said that Israel had shown flexibility on issues that it previously rejected (no details released). Israeli sources stated that there

was "a grain of truth" to the Palestinian reports, while Egyptian mediators said (8/15) that the sides were still far from finalizing a deal. Nonetheless, Hamas announced (8/15) that its leader Khalid Mishal would head to Cairo on 8/16 to take part in a 3d round talks, indicating at least some significant progress.

### ***Intifada Data and Trends***

During the quarter, at least 15 Palestinians and no Israelis were killed as a result of Israeli-Palestinian violence (compared to 64 Palestinians, 9 Israelis, and 1 foreigner last quarter), bringing the toll at 5/15 to at least 7,828 Palestinians (including 51 Israeli Arabs and 19 unidentified Arab cross-border infiltrators), 1,111 Israelis (including 354 IDF soldiers and security personnel, 226 settlers, and 531 civilians), and 66 foreign nationals (including 2 British suicide bombers). These numbers include individuals who died in noncombat-related incidents if their death was a direct result of Israel's occupation and the ongoing conflict (e.g., ailing Palestinians who died when denied access to medical care and Palestinians killed in smuggling tunnel accidents).

### ***Overview of the Violence***

Overall, Israel-Palestinian violence in the occupied territories was low this quarter (see Chronology for details), with neither Israeli assassinations nor major Palestinian attacks.

In **East Jerusalem**, the quarter's only clash took place after Friday prayers on 6/10, when Palestinians at the al-Aqsa Mosque threw stones at nearby Israeli police to protest a 6/9 incident in which the IDF escorted a group of Jews into the al-Aqsa Mosque compound to pray. Israeli police then raided the mosque courtyard and fired tear gas and stun grenades to disperse the demonstrators. No serious injuries were reported.

Most of Israel's actions in East Jerusalem were aimed at intensifying the "Jewish character" of the city and deepening Israel's physical hold to ensure continuation of its present status in any agreement. In addition to settlement expansion efforts (see "Settlers and Settlements" below), Israel's Interior Min. issued building permits for the Simon Wiesenthal Museum of Tolerance on the site of the ancient Mamilla cemetery in Jerusalem, saying work could

begin immediately. Palestinians denounced (7/12) the decision to go forward with desecration of a historic Muslim site. On 6/25, Jerusalem municipal authorities began clearing 100 graves in the cemetery to make way for the museum car park.

Israeli authorities also began (6/12) archaeological excavations at al-Sultan Pool, a registered Islamic holy site near the Old City's walls in East Jerusalem.

In the **West Bank**, 3 Palestinians were killed by the IDF during late-night or pre-dawn incursions into Palestinian refugee camps (r.c.): 1 was shot while running away from incoming forces in al-Fara'a r.c. near Tubas (7/12); 2 were felled by live ammunition when they threw stones at advancing IDF vehicles. A 4th West Bank Palestinian died (7/1) in Israel's Hadassah Hospital of injuries sustained on 1/20/11 when he failed to heed orders to stop near an IDF checkpoint near Hebron. The IDF also shot, wounded, and arrested (6/19) a Palestinian near the Israeli military liaison office in Qalqilya, claiming he attempted to stab a soldier. Palestinians disputed the incident. A Palestinian shepherd (8/12) and 2 Palestinian children (5/20) were injured when they accidentally triggered unexploded IDF ordnance. Most other Palestinian injuries in the West Bank this quarter occurred during the weekly protests against settlement expansion and the separation wall (see "Nonviolent Protests in the Territories" below)

Of particular note: The IDF intercepted (7/25) 2 Palestinians in a rubber dinghy ferrying 10 assault rifles and ammunition across the Dead Sea from Jordan to the West Bank; Israel said it was treating the case as a smuggling incident and not an attempted terrorist attack.

The IDF conducted an average of 90 operations per week in the West Bank, as recorded by the UN Office for the Coordination of Humanitarian Affairs (OCHA)—unchanged from last quarter and likely the minimum needed to maintain "intelligence dominance and freedom of action" (see "Security Coordination" below). Once again this quarter, most IDF incursions into Palestinian population centers were patrols as a show of force without arrest raids or house searches. The IDF also often issued Palestinians summons to appear for interrogation rather than detaining them immediately.

The IDF stepped up efforts to rearrest Hamas-affiliated Palestinian Council (PC)

members and local Hamas leaders who were originally arrested ca. 6/06 as part of Israel's round-up of elected Hamas officials after the 1/2006 PC elections and later released. The trend seemed to begin with the breakdown of peace talks in late 2010 (see QUs in *JPS* 159 and 160 for background). Those detained this quarter included: Hamas-affiliate PC members 'Abd al-Rahman Zidan (6/1 nr. Tulkarm), Aziz Dweik (6/2, no location reported), Ahmad al-Haj Ali (6/6 in Nablus), Samir al-Qadi (6/16 in Hebron), Nassir 'Abd al-Jawwad (6/27 in Salfit), and Khalid Abu Tous (7/28 nr. Tubas), as well as Hamas politburo member Aysha Dar Suleiman (5/22 nr. Ramallah), local Hamas leader Ghassan Thorgan (6/1 in Nablus), and Wasfi Qabaha (6/9 in Jenin). The IDF also raided and searched the Hamas-affiliated Change and Reform party offices in Nablus on 6/6, confiscating a computer and files.

A major IDF operation on 5/30 targeted Islamic Jihad in and around Jenin. Troops raided and searched the homes of at least a dozen local Islamic Jihad figures (arresting all but 1) and raided, searched, and confiscated the files of 2 charities affiliated with Islamic Jihad. The same night, the Jenin offices of the Palestine People's Party were also searched.

Fatah members were also targets: The IDF arrested Fatah PC members Yasir al-Badrasawi (6/1 in Balata r.c.) and Hussam Khader (ca. 6/1 in Nablus), as well as local Fatah official Muhammad Walawil (6/14 in Qalqilya).

The Israeli human rights group B'Tselem reported (ca. 6/17) that the IDF had been conducting nighttime house-to-house searches in Nabi Salih, photographing children and young adults for a database identifying stone throwers.

B'Tselem also reported (7/18) that between 2005 and 2010, 835 Palestinian children were indicted for rock throwing, with only 1 acquitted. Moreover, 93% of the teens and youths convicted of hurling stones were sentenced to prison terms, including 19 children under the age of 14. Israeli civil law forbids, but military law permits, imprisonment of children younger than 14.

In **Gaza**, a total of 10 Palestinians died in conflict-related incidents this quarter: 3 were Palestinian militants hit by IDF air strikes while preparing to launch rockets into Israel (2 on 7/5, 1 on 8/15); 1 was

killed (7/13) in an IDF air strike on a smuggling tunnel on the Rafah border carried out in retaliation for Palestinian rocket fire on Israel; 1 was a teenager fatally shot by troops when he strayed near the Gaza border fence; and 5 died in accidents in smuggling tunnels (5/23, 6/6, 6/11, 7/16, 7/21). An 11th Gazan civilian died in an Israeli hospital where he was being treated since he was wounded in the 1/15/09 Israeli air strike that assassinated Hamas leader Said Siyam.

Palestinian rocket and mortar fire was low. In total, Palestinians fired 4 manufactured Grads, 29 homemade Qassams, and 5 mortars (compared to 32 Grads, around 70 Qassams, and some 200 mortars last quarter); 2 of the Qassams landed inside Gaza, damaging a home and injuring 1 Palestinian in 1 instance, while inside Israel, only 1 bedouin woman was lightly injured and only 2 instances of light damage were reported. In addition, 1 IDF soldier was lightly injured (7/7) when an IDF tank patrolling the Gaza border fence inside Israel triggered a roadside bomb laid by Gazans. It was unclear who was responsible for most of the fire, though the Islamist Tawhid and Jihad group was behind at least 3 Qassams (all on 7/9), and the Salafist Abdullah Azzam Brigades was responsible for 2 Grads (both on 8/3). Hamas was believed to be keeping a tight rein on the fire (its own and overall) to avoid jeopardizing the national unity agreement.

Israel routinely responded to serious rocket firings with Israeli air and (on 1 occasion) artillery strikes and regularly carried out helicopter or drone air strikes on Palestinian rocket-launching teams it could identify. In total, Israel carried out at least 44 air strikes (warplanes, helicopters, and drones combined, compared to more than 115 last quarter) and 2 artillery strikes targeting armed units, smuggling tunnels, suspected weapons manufacturing and storage sites, and Hamas sites (Hamas, as the leadership authority in Gaza, being held responsible for any attacks); in total 4 Palestinians were killed (at least 3 of them militants) and 19 were wounded (at least 11 of them militants and 3 of them innocent children).

The IDF also continued routinely to fire warning shots at farmers and shepherds straying too near the border (wounding 3), at protesters staging nonviolent marches to the border fence (wounding 2), and at

Palestinian fishing vessels to keep them close to shore (wounding 1), but incidents were down slightly this quarter. Unlike previous quarters, there were no reports of the IDF firing warning shots at Palestinian civilians scavenging for construction materials near the border, possibly because Israel allowed more construction imports this quarter (see "Movement and Access Issues" below). IDF cross-border gunfire targeting suspicious movement near the border killed a Palestinian teenager and wounded a mentally disabled woman. The IDF also made a handful of brief incursions to level land and clear sight lines along the Palestinian side of the border fence.

#### *Movement and Access Issues*

This quarter, Palestinian freedom of movement in the West Bank remained relatively good (i.e., it was possible to go almost anywhere, though not necessarily by the most direct route). In general, travel between major population centers continued to be easier than travel to outlying villages. As of 7/27, the Palestinian Center for Human Rights reported 585 manned and unmanned roadblocks across the West Bank, most of which were earthen mounds and unmanned barriers; only a few dozen permanent manned checkpoints were in place. (The IDF's checkpoint infrastructure remained intact, however.)

During Ramadan, Israel limited Palestinian access to East Jerusalem for Friday prayers (8/5, 8/12) to women over age 35 and men ages 45–50.

In Gaza, Israel maintained near total control of borders except at the Rafah crossing, which Egypt declared "fully reopened" on 5/28 for the first time since the Hamas takeover in 6/2007. This was an exaggeration: Under Israeli pressure, Egypt had heavily restricted passage through the crossing between 6/2007 and 1/29/2011. On 1/29/11, Egypt shut it in light of its own domestic unrest and partially reopened it on 2/18/11 (after Mubarak's fall) to allow Palestinians stranded in Egypt to return to Gaza. As of 5/28, most Palestinians with passports were initially permitted to cross into Egypt from 9:00 A.M. to 9:00 P.M. daily, except for Fridays and holidays; only men ages 18–40 were required to secure an additional visa in advance to enter Egypt. From the time Egypt announced the new plans (5/25), Israel said that unrestricted passage through Rafah would

be “very problematic” but that it would not violate bilateral agreements. Egyptian authorities quickly assured Israel that it would not allow the crossing to be used to transfer goods and that it would impose restrictions and take other steps to ensure that “terrorist elements” did not pass.

When the number of Palestinians entering Egypt from Gaza in the first 2 days (5/28–29) exceeded pre-6/2007 levels (ca. 660/day) and neared 770/day, Egyptian border guards began (ca. 5/30) rejecting a high number of travelers at the crossing’s Egyptian entry point and returning them to the Gazan side, keeping the number entering Egypt to 350–400/day (only slightly above the average 300/day in recent months), which effectively undid the “permanent opening.” On 6/4, a day before the planned Naksa Day rallies (see “Naksa Day Rallies” above), Egypt temporarily closed the Rafah crossing for “maintenance work,” without notifying Hamas officials in Gaza in advance and demanded that all travelers apply for a transit visa a day in advance; Hamas protested. Egypt backed off the new visa requirement and reopened the crossing on 6/8, after reaching an agreement with Hamas to limit the number of Gazans entering Egypt to 550/day in exchange for extending operating hours. Through the end of the quarter, Egypt allowed around 500/day out of Gaza and around 550/day in.

Israel continued to restrict use of the Erez crossing to urgent medical cases, VIPs, and employees of international organizations on a case-by-case basis.

Movement of goods was entirely restricted to the Israeli-controlled Kerem Shalom crossing in s. Gaza, which Israel opened on average 5 days/week. (Israel had closed Sufa crossing in 9/2010 and Qarni crossing in 3/2011, though the infrastructure remained.) On average, 1,047 truckloads of goods per week entered Gaza (up slightly from last quarter, but still 37% of the weekly average before Hamas’s takeover of Gaza in 6/2007), with food items constituting 47% of imports on average (compared to 20% before the siege)—an indication that imports were still providing subsistence rather than economic stimulation. With strawberry and flower seasons over, Israel allowed no exports from Gaza.

The range of imports continued to expand but, because of Israeli limitations, as more construction material and

commercial goods were allowed to enter, less fodder and wheat could cross, meaning Gaza faced wheat shortages throughout the quarter. Construction imports (for UN, donor-funded, and public works projects only) remained limited to cement, aggregate, iron, and steel. Commercial goods, initially limited to foodstuffs, later included clothing, shoes, washing machines, refrigerators, electricity generators, water tanks, pumps, cars, and machines for factories (e.g., candy making, nylons). Israel said (8/2) that it would allow textile and furniture imports for the first time since 6/2007, but this did not happen before the close of the quarter.

On 6/21, Israel authorized the United Nations Relief Works Agency (UNRWA) to build 1,200 new homes and 18 new schools in Gaza, pledging to allow passage of the necessary construction materials for what would be Gaza’s largest construction project since Operation Cast Lead (OCL) in 2008–9. (Saudi Arabia funded the \$70 m. cost.) UN Secy.-Gen. Ban welcomed (6/21) the decision but noted that this was only a fraction of what was needed, since some 60,000 Palestinian homes had been destroyed or heavily damaged during OCL. UNRWA spokesman Christopher Gunness, referring to Israel’s past record on the subject, cautioned (6/21) that praise for Israel should be withheld until the materials actually arrive.

Meanwhile, smuggling of goods through the Rafah tunnels remained high. At the close of the quarter, sources noted (e.g., NYT 6/26 and 8/15, WT 7/12) that since Egypt had pulled security forces from the Rafah area in recent months to deal with its domestic unrest, smuggling to Gaza had mushroomed: smugglers were bringing 250 cars/week through the tunnels until Hamas officials limited car imports to 30/week in light of Gaza’s traffic congestion. Meanwhile, an estimated 3,000 tons/day of cement and other construction materials came through the tunnels for private construction projects.

#### *Nonviolent Protests in the Territories*

Regular Palestinian popular protests, often with the participation of Israeli and international activists, against the separation wall and land confiscations continued this quarter at favorite sites such as Bil’in and Ni’lin near Ramallah, Nabi Salih in the north central West Bank, al-Ma’sara near

Bethlehem, and outside Karme Tzur settlement near Hebron. In addition, similar protests were held in Bayt Umar near Hebron, Kafr Qaddum near Qalqilya, and Iraq Burin near Nablus (see Chronology for details). The IDF routinely fired warning shots, stun grenades, and tear gas at the demonstrators, frequently causing light-to-moderate injuries (see Chronology for details). In Gaza, 4 nonviolent protest marches toward the border fence were reported to protest Israel's imposition of a no-go zone. Two Palestinians were wounded by IDF warning shots to disperse the marchers.

On 6/24, Palestinians in Bil'in held what they said would be their last weekly demonstration against the separation wall, noting that the IDF was about to implement (on 6/26) Israel's High Court decision to remove the part of the separation wall that cut off the village from two-thirds of its agricultural land. Michael Sfar, lawyer for the Bil'in residents, praised the village's 6-year protest movement as the first Palestinian nonviolent popular struggle that had brought "tangible results that can be measured in acres." While the IDF did in fact implement the court decision (see "Separation Wall" section below), Bil'in residents resumed weekly protests on 7/15.

Of note: On 7/15, the group Shaykh Jarrah Solidarity organized a march in the East Jerusalem neighborhood to show support for Palestinian statehood. Estimates of the crowd size varied from 2,000 to 4,500, with around 80% of participants Israeli Jews and the rest Palestinians, mostly from Shaykh Jarrah.

On 8/11, 1,200 international activists from 22 countries took part in a peace rally in Nablus to show solidarity with the Palestinians. It was organized by Los Angeles Cable International Center in coordination with Nablus's governor.

#### *House Demolitions and Other Leveling*

"House" demolitions per se were down this quarter, although the IDF targeted bedouin communities, Jordan Valley areas, and areas linking or running along Jewish settlements for clearing. As a result, reports now referred more frequently to demolitions of "structures" (including not only residential buildings but also temporary tents, farm buildings, fences, wells, etc.) rather than houses.

UNRWA reported (6/9) that between 1/1/11 and 5/31/11, Israel had demolished

215 Palestinian structures in the West Bank and 13 in East Jerusalem, displacing more than 300 West Bank Palestinians (including 200 children) and 35 East Jerusalem Palestinians (including 16 children); at least 78 of the structures were residential units. B'Tselem reported (6/22) that Israel had razed 103 structures in the Jordan Valley since the beginning of 2011, putting the total number of displaced at 700.

This quarter, the IDF bulldozed (6/14) the entire bedouin village of Fasayil al-Wusta in the Jordan Valley, claiming it was erected on state land and too near a settler-only bypass road; 103 bedouin were displaced, including 63 children.

On 6/20, the IDF demolished 8 houses and several tents in Khirbat Bir al-'Abid village near Hebron, displacing 50 residents and damaging surrounding village crop land.

On 7/11, the IDF demolished a grocery store, sheep farm, and garage on land in al-Jib village near Jerusalem (strategically located between Givat Ze'ev and Givon settlements) and declared a Palestinian olive grove in the Wadi Qana area near Salfit a closed military zone, uprooting 600 trees.

The IDF also demolished (6/23) 2 barnyards in the Wadi Hassasa area near Bethlehem, dismantled a Palestinian irrigation network along a settlers-only bypass road near Hebron (7/19), and bulldozed 8 wells near Jenin (5/29).

#### *Settlers and Settlements*

On 6/19, the Israeli cabinet voted to move oversight of the World Zionist Organization's settlement division from the Agriculture Min. (where it was effectively controlled by DM Barak's opposition party) back to the Prime Minister's Office. The division has an annual budget of \$7.25 m. for developing West Bank settlements (much of which has gone to unauthorized settlement outposts since 2005) and \$14 m. for developing the Galilee and Negev. Former Israeli PM Ehud Olmert had moved the division to Agriculture Min. control in 2007, hoping the division's efforts would shift to the Galilee and Negev and away from the West Bank. The division's return to Netanyahu's control, as the settler movement had hoped, resulted in renewed attention to the West Bank, and, on 7/10, the settlement division allocated 54,000 dunams (d.; 1 acre = 4 d.) of agricultural land to 21 Jewish settlements in the Jordan

Valley, nearly doubling the total farmland under their control to 110,000 d.; it also increased water allocations to Jewish farmers in the Jordan Valley.

As mentioned above, Israel approved 1,600 new settlement housing units in Jerusalem's Har Homa/Jabal Abu Ghunaym and Pisgat Ze'ev settlements (5/19) timed with Obama's major Middle East policy speech. In 7/2011, 900 new units were approved (7/5) for Jerusalem's Gilo settlement, and tenders were issued (7/18) for construction of 294 units in Jerusalem's Beitar Ilit and Karnei Shomron near Nablus. Toward the end of the quarter, as Israel's July 14 movement denouncing housing costs picked up steam (see "The July 14 Movement" below), Israel accelerated planning and construction of a large number of new housing units in settlements that Israel intended to keep under status: final approval of 930 units in East Jerusalem's Har Homa/Jabal Abu Ghunaym (8/4); final approval of 1,600 units in East Jerusalem's Ramat Shlomo (8/11; first announced during U.S. VP Biden's visit to Israel in 3/2010; see QU in *JPS* 156); preliminary approval of 277 units in Ariel, deep in the West Bank; and intention to approve another 2,700 new units in East Jerusalem's Givat HaMatos and Pisgat Ze'ev. (The Har Homa/Jabal Abu Ghunaym and Pisgat Ze'ev units approved in 8/2010 appeared to be separate from those approved on 5/19.)

On 6/2, the Israeli army and border police demolished 4 structures at the unauthorized settlement outpost of Aley Ayin near Nablus. Later, the Israeli High Court ordered (8/2) the government to remove Migron, the largest unauthorized outpost in the West Bank (300 settlers in 60 mobile homes on private Palestinian land), by the end of 3/2012.

Israel's Macro Center for Political Economics, a formerly government-funded center, issued (5/27) an updated report valuing West Bank settlements beyond the 1967 lines (excluding unauthorized outposts) at \$18.8 b. When the original report was commissioned in 2004 by the government to assess "the efficiency of the 'evacuation-compensation' law to be offered to settlers and collect data to assess what we are actually ceding" in the event of a West Bank withdrawal, the value was assessed to be \$12.6 b. The \$6.2 b. difference, the authors stated, reflected settlement expansion since 2004.

The Israeli government reached (7/31) an \$87 m. settlement with the former residents of Gaza's Gush Katif settlement bloc and of the 4 small West Bank settlements evacuated during the 2005 Gaza disengagement.

Israel's Jerusalem Magistrate's Court ruled (6/15) that a Palestinian family (the Farhans) could not be evicted from the home in Shaykh Jarrah, East Jerusalem, where they have lived since 1948. A committee that had taken over ownership of land owned by Jews before 1948 had sought to evict the family for failing to pay rent and for making changes to the property. The court said the charges could not be proven and ordered the plaintiffs to reimburse the family for its legal fees.

Settler violence against Palestinians was down significantly this quarter (25 incidents compared to 90 last quarter). The breakdown of incidents by region was as follows: Hebron (9); Ramallah (6); Nablus (5); Qalqilya (2); East Jerusalem (2); and Bethlehem (1). Settler actions included: attempting to seize Palestinian land to expand existing settlements and outposts (5/23, 6/10, 6/24, 7/17); entering Palestinian population centers to pray (5/30, 6/9, 6/14, 6/16, 6/29, 8/9); beating, stoning, or harassing Palestinians (5/17, 5/22, 5/26, 6/7, 6/18, 6/24, 7/18, 7/22, 2 on 8/6); vandalizing property, including a mosque (5/22, 6/7, 6/14, 6/24, 7/23); uprooting or setting fire to trees and crops (5/22, 5/30, 6/2, 6/6, 6/13, 6/15, 7/15); killing livestock (6/7, 7/22); and obstructing Palestinian traffic (6/7, 7/23).

Senior Israeli army commander Maj. Gen. Avi Mizrahi warned (7/18) in an interview with Israeli television that unchecked "Jewish terror" against West Bank Palestinians threatened to spark another major conflict. He specifically denounced extremist Jewish settlers from the yeshiva in Yitzhar settlement, calling it "a source of terror against Palestinians" that should be closed immediately. According to Mizrahi, "What's happening in the field is terrorism . . . [that] needs to be dealt with."

#### *Separation Wall*

On 7/11, OCHA released the following facts about the separation wall: total projected length 707 km (more than twice the length of the Green Line between the West Bank and Israel) of which approximately 61.4% is completed, 8.4% under

construction, and 30.5% planned but not yet built. When completed, 85% of the wall will be inside the West Bank, and 9.4% of West Bank lands will be on the Israeli side of the wall, off-limits to Palestinians. The report concluded that the primary reason for the deviation from the Green Line is to enable Israel to effectively annex 80 East Jerusalem and West Bank settlements (i.e., over 85% of the total settler population), along with areas zoned for their expansion.

On 6/21, the IDF began dismantling a section of the wall near Bil'in in keeping with a 2007 Israeli High Court ruling that its path was illegal. Even with modifications, however, more than 100 d. of village land will remain cut off between the separation wall and the Green Line. In keeping with another 2007 Israeli High Court decision, the IDF had begun (6/2) rerouting a section of the wall near Tulkarm's Khirbat Jubara village, which when completed will restore access to the West Bank for some 300 village residents currently trapped between the wall and the seam line, but 600 d. of village crop lands will remain off-limits to them.

On 7/26, the IDF began leveling land for the construction of a new segment of the separation wall near al-Walaja near Bethlehem.

### *Inside Israel*

#### **The July 14th Movement**

The most important domestic event in Israel this quarter was the eruption of the July 14th Movement, which, while relating only tangentially to the Palestinian-Israeli conflict, merits passing mention because it was cited by right-wing Jewish groups as a reason to expand settlements and by Israeli Palestinians to call for true democracy and equality in Israel. The movement began on 7/14 when dozens of young Israelis, inspired by the Arab Spring, set up a tent camp in a high-end shopping district of Tel Aviv to protest rising housing costs. Soon, tent camps had sprung up elsewhere in Israel to complain not only about housing but about the cost of gasoline and other basic goods. After strong endorsement by the Histadrut labor federation, anywhere from 60,000 to 150,000 protestors turned out (7/30) in Tel Aviv, Jerusalem, Beer-sheba, Haifa, and 6 other cities demanding broader economic reforms, "social justice,"

and "a welfare state now." By 8/6, as many as 320,000 Israelis took part nationwide, marking the largest protest in Israel's history. In the early stages, the demonstrators were politically mainstream young Israeli Jews ranging from center-right to far-left, but by early 8/2011, right-wing and settler groups joined in, demanding settlement expansion in the West Bank and East Jerusalem as the solution to the housing crisis. (Starting on 8/4, several settlement construction plans were accelerated largely in response to this call; see "Settlers and Settlements" above.)

Responding to the mass protests, Netanyahu's government and the Knesset pledged new housing construction, housing reform, streamlined bureaucracies, and a crackdown on monopolies but offered few specific action plans. Netanyahu pledged (7/26) *inter alia* to accelerate approval for construction of 50,000 new housing units and the allocation of land for construction of 10,000 new units of university housing, but the offers were rejected as insufficient, and at the end of the quarter the protests continued unabated.

#### **Legislation and Government Affairs**

The Knesset Comm. on Immigration, Absorption and Diaspora held (5/17) a meeting to discuss "the effects of the spread of the Palestinian narrative on European and American public opinion" as well as "how Israel and the Diaspora should meet the challenge of the Palestinian narrative regarding the establishment of the State of Israel." The meeting reportedly (IGPO 5/16) included a presentation on "how the wave of Palestinian propaganda leads to anti-Semitic attacks on Jewish institutions, schools, and synagogues," but no details were released.

On 7/4, a Knesset comm. disqualified (3-5) a bill submitted by Israeli Palestinian MK Ahmad Tibi (United Arab List) to amend the 3/2011 "Nakba Law" such that it would bar state funding to any organizations or authorities that *denied* the Nakba (the exact opposite of the law's meaning as passed; see QU in *JPS* 160). The decision was not only the first time the Knesset disqualified a measure in 7 years but also the first time ever that a bill was disqualified on the grounds that it "rejects Israel as a Jewish and democratic state."

On 7/11, the Knesset passed (47-38) a law to sanction individuals and

organizations calling for a boycott of Israel or its settlements, including by denying them tax breaks and barring them from working on government contracts. The Knesset's legal adviser warned (7/11), however, that the measure was "borderline illegal" because of possible impact on free political expression, and on 7/14, 32 Israeli law professors sent a letter to Israel's Atty. Gen. Yehuda Weinstein declaring the law to be unconstitutional and doing "grievous harm to the freedom of political expression and freedom of protest." The same day (7/14), the Israeli rights group Gush Shalom submitted a formal petition asking the High Court to overturn the law. There was no further movement before the end of the quarter.

Knesset failed to pass (by a vote of 28-57) 2 bills calling for parliamentary inquiries into left-wing NGOs: one called for an investigation of the damage done by left-wing NGOs to IDF by their focus on IDF repression of Palestinians; the other called for investigating the source of foreign contributions received by left-wing NGOs.

MKs Avi Dichter (Kadima) and Ze'ev Elkin (Likud) and 42 cosponsors submitted (8/4) a bill that would amend Israel's Basic Laws to define Israel as a democratic and Jewish state and the homeland of the Jewish people. The bill would also cancel Arabic's status as one of Israel's two official languages; order the state to develop communities for Jews only; and declare that in the absence of a civil law on a given issue, the courts should rule in the spirit of halakha (Jewish religious law). The measure, which needs 61 votes to become law, did not proceed further this quarter.

Israeli MK Tzipi Hotovely (Likud) put forward (5/30) a bill to refer to neighborhoods in East Jerusalem by Hebrew names only. No further action was reported.

Israel's Praver Commission (headed by Netanyahu's director of planning Ehud Praver) issued (6/2) its final report on how best to implement the 2008 Goldberg Commission's recommendation that Israel legalize unrecognized bedouin villages in the Negev provided their territory does not overlap with existing land settlement plans benefiting the Jewish population (see QU in *JPS* 151 for background). The Praver report essentially determined that 50% of the unrecognized village lands lie within Jewish planning areas and recommended that

the bedouin population presently living on those lands (around 30,000; 40% of the total bedouin population in unrecognized villages) be relocated to the 7 existing government-built "bedouin townships," which would be expanded. The Israeli government would offer compensation estimated at \$1.7 b.-\$2.4 b. (including \$365 m. for expanding the townships), with the amount offered to be reduced to zero over a 5-year period to encourage the bedouin to agree quickly. After 5 years, any designated land that has not gone through the compensation claim process would be considered forfeited and registered as state land. The government was supposed to vote on whether to endorse the plan in early 6/2011, but right-wing parties pressed for a delay, arguing that the plan gave too much land to the bedouin.

In an unprecedented move, Israel sued (7/27) the bedouin villagers of al-Arakib in the Negev for \$500,000 to cover the IDF's cost of repeatedly demolishing their village, declaring that the residents had "not respected legal rulings and continue to build illegally" and that the government must protect "the public purse." Since the IDF demolished the 45 structures in the village in 7/2010, it has returned to level the village 20 times, but each time the bedouin return to rebuild.

Former Mossad head Meir Dagan, who harshly criticized Netanyahu last quarter for threatening war on Iran and rejecting serious peace talks (see QU in *JPS* 160), warned (6/2) that his retirement combined with the resignations of IDF chief of staff Gabi Ashkenazi and Shin Bet dir. Yuval Diskin in recent months had created a dangerous void in Israel's decision-making process, stating: "when I was in office, Diskin, Ashkenazi, and I could block any dangerous adventure. Now I am afraid that there is no one to stop Bibi [PM Netanyahu] and [DM Ehud] Barak." Soon after, Israeli TV reported (6/19) that the government had ordered Dagan to relinquish his diplomatic passport in what was believed to be retaliation for his statements.

## INTRA-PALESTINIAN DYNAMICS

This quarter, internal Palestinian issues, including implementation of the new national unity accord, took a back seat to the Palestinian statehood efforts at the

UN. Though tensions between Fatah and Hamas increased as a result, both sides were reported to be determined to avoid an internal crisis.

### **National Reconciliation**

At the close of last quarter, Fatah and Hamas signed (5/4/11) a milestone national reconciliation agreement to form a transitional unity government of independent technocrats with a limited mandate: (1) to oversee new presidential and legislative elections, (2) to take immediate steps to unify West Bank and Gaza institutions divided since 2007, and (3) to rebuild Gaza from the devastation of Israel's 2008-9 Operation Cast Lead (see QU in *JPS* 160). Their first meeting was to be held on 5/16-17 in Cairo to discuss implementation and with hopes of announcing the transitional government within 10 days.

At the 5/16-17 talks, the sides agreed on an "implementation mechanism." The understandings were written up, approved by Abbas and Mishal personally, and signed by Fatah and Hamas delegations in Moscow on 5/22, though no details were released. Differences quickly emerged, however—often as Abbas tried to spin his comments about implementation so as to allay Israel and U.S. fears of Hamas participation in a government. Commenting (5/22) on the Moscow signing, Abbas reaffirmed that the transitional government would comprise only independents, but his statement that "Hamas . . . will take part . . . as [the] opposition" raised concerns. On 5/24, he complained about a popular misunderstanding that the transitional government would be "a power-sharing government between Fatah and Hamas. The government will be my government and will follow my strategies and policies. It will be a government of independents that does not include anyone who belongs to any Palestinian faction." Days later (ca. 5/26), Abbas said that he aimed by mid-6/2011 to form a government of technocrats that would accept the Quartet demands, including recognition of Israel's right to exist (not part of the unity deal).

The statements left at least some in Hamas uncertain about whether Abbas was actually trying to adjust the unity deal to give Fatah an upper hand or whether the aim was to soothe international concerns, apparently causing some division within Hamas. In the Lebanese daily *al-Akbbar*

(5/24), Hamas's Mahmud Zahar, a senior Hamas official in Gaza, denounced Abbas's 5/22 and 5/24 statements, suggesting that Mishal had used questionable judgment in entering into a deal with Abbas and stating that Hamas's power structure should be "reassessed." Asked for comment, Mishal's office said (5/24) that Zahar "spoke out of turn," whereas a Hamas spokesman in Gaza claimed the statements attributed to Zahar had been fabricated. On 6/1, Zahar stated that Abbas's effort "to make the new government . . . his own government, instead of a government of national accord" jeopardized the unity deal.

The controversy died down but revived again ca. 7/2011 over how a temporary government would be installed: Abbas wanted it appointed by himself as president, to underscore that it would be his government; whereas Hamas wanted it to be endorsed by a PC vote to make it truly a government of national consensus (and also to force Abbas to win approval of a body in which Hamas had a majority).

Meanwhile, Fatah and Hamas could not agree on a slate of independent technocrats for the cabinet. The greatest sticking point was over Salam Fayyad as PM: Fatah insisted that he must stay on in his role and that he was technically unaffiliated with any party, but Hamas saw him, after years as PM, as too closely aligned with Abbas and U.S. interests to be considered truly independent. Hamas did acknowledge (6/9), though, that international donors trusted and preferred Fayyad and that the U.S. had explicitly threatened to cut aid to Abbas's government if Fayyad was replaced (see QU in *JPS* 159). Consequently, some sources (e.g., Wafa 5/23) indicated that Hamas would accept Fayyad as finance minister but not as PM. Zahar stated (ca. 6/12) that the greater issue was that Abbas had presented Fayyad's candidacy as an ultimatum, which violated the spirit of the unity accord. Fayyad said (6/14) he would abide by whatever decision the factions reached, stating: "What is important is unity and reconciliation; I won't be a hurdle to reaching any solution."

On 6/9, Hamas officials said that they were seriously considering not taking an active role in future Palestinian governments, even if they won elections, in order to avoid international scrutiny and preserve economic aid to the Palestinians. They said that this had been discussed in leadership

meetings in Gaza, the West Bank, Egypt, and Damascus and had been part of the reason Fatah was able to accept a unity deal with Hamas in 5/2011. The officials said the push for a change in strategy had originated with Mishal in Damascus. Though initially opposed by the political leadership in the territories, which wanted to keep political power, this line of thinking had been growing along with the sense that Hamas would never be allowed to govern fully and that continued participation in the PA (with its failed peace policy) had become delegitimizing. The implication was that if Hamas was prevented by outside forces from testing its mettle within a democratic system, it would fall back on the original source of its popularity and legitimacy—armed resistance.

Implementation talks resumed in Cairo on 6/14, with Fatah and Hamas exchanging lists of prisoners they wanted freed agreed under the reconciliation deal. While the 2 sides had hoped to announce an interim government at the close of the session, instead they said that Abbas and Mishal would meet in Cairo on 6/20 to try to finalize the government make-up. Some Palestinian analysts (see NYT 6/14) were deeply pessimistic, however, with one saying: "It's not a question of appointing a prime minister, but of the political will to share power. I don't see it." Another said, "There is an atmosphere of reconciliation" but "a lack of determination" on both sides. Indeed, Hamas and Fatah canceled (6/19) without explanation the 6/20 meeting, which was never rescheduled.

On 6/30, a senior Fatah official confirmed the swirling rumors that Fatah and Hamas had quietly agreed to delay the formation of the transitional government until after the 9/2011 UNGA session. Abbas apparently made the suggestion to Mishal through Turkish intermediaries when both were in Turkey the week before (see "Turkish Mediation Efforts" below), arguing that the statehood bid at the UN would have a greater chance of success if the first stage of reconciliation was delayed and the status quo maintained until after 9/2011. This marked a strategic shift for Abbas, who originally felt strongly that the international community would be more likely to endorse statehood if a unity government was in place (see QU in *JPS* 160).

On 7/18, Hamas official Ahmed Yousef denied that Fatah had formally asked Hamas to delay implementation of the unity deal. Yousef said that while it might be understandable, if Abbas wanted to stall the implementation to protect the statehood bid, he should have briefed Mishal on his strategy and tried to work on other aspects of the unity deal (i.e., the prisoner release, rehabilitating Gaza, unifying West Bank and Gaza institutions, security service reform, preparing for PA and Palestine National Council elections, even drafting a national unity platform). The same day (7/18), Egyptian mediators invited the sides to Cairo for talks.

Senior Fatah and Hamas officials met in Cairo on 8/7 to identify aspects of their reconciliation agreement that could be implemented quickly, agreeing that within the coming week they would: (1) set up a committee to identify all political prisoners for release as soon as possible; (2) form a committee to issue passports to Gaza residents before the end of Ramadan on 8/30 (the PA had stopped issuing passports for Gazans after Hamas's 6/2007 takeover); and (3) form a task force to reopen institutions that were shut down in the territories because of political animosities. Abbas phoned (8/11) Hamas's acting PM in Gaza Ismail Haniyeh to discuss the Cairo meeting, stressing the importance of moving forward where possible and pledging to make quick progress on political prisoners and passports issues. Haniyeh emphasized the importance of maintaining a "positive atmosphere" around the national unity process. Nonetheless, there was no indication the goals set at the 8/7 meeting were achieved by 8/15.

On the last day of the quarter (8/15), Abbas reactivated the PLO's constitution comm. (headed by Palestinian National Council speaker Salim Za'nun, with Fatah Central Comm. member Nabil Shaath as his deputy; dormant since 2006) to draft the constitution of a future Palestinian state before 9/2011, so it would be ready if the statehood bid won endorsement. PLO officials had urged Abbas to reactivate the comm. in 3/2011, before the reconciliation agreement with Hamas was reached. Hamas did not immediately comment, but it would likely oppose the unilateral move as violating the spirit of the unity accord.

Of note: At a meeting with business leaders in Gaza, Palestine Investment Fund

(PIF) pres. Muhammad Mustafa announced (5/25) the establishment of a \$1 b. investment fund for the reconstruction of the Gaza Strip to position private investors in anticipation that the new unity government would, as pledged, make rebuilding Gaza a top priority. The PIF is an independent organization.

### ***PA Elections***

Under the national unity accord signed last quarter, Fatah and Hamas agreed to hold legislative and presidential elections within a year, with the expectation that this would not occur until after the 9/2010 UNGA session. In 3/2011, Abbas had announced that municipal elections (to be held in several rounds) in the West Bank and Gaza would begin on 7/9/11, but Hamas had said it would not participate. After signing the unity deal in 5/2011, Hamas did not say whether its position on municipal elections had changed.

On 5/17, the PA postponed the start of municipal elections until 10/22/2011 to allow time to organize voting in Gaza (update voter rolls, etc.) and to prevent political distractions in the run-up to the UNGA session in 9/2011. On 7/27, however, the PA declared that local elections set for 10/22/2011 would be held in the West Bank only, because Hamas was “hampering preparations in Gaza” (no details released). Hamas accused (8/14) Fatah of violating the national unity agreement by taking decisions unilaterally.

### ***PA's West Bank Rule***

#### ***Facing a Financial Crisis***

On 7/3, PM Fayyad announced that the PA would pay government employees only half their salaries for 7/2011 because of “the failure of donors, including our Arab brothers, to fulfill their pledges.” Donors had pledged \$971 m. for 2011, of which only \$330 m. had been received. Fayyad noted that the only Arab countries to fulfill their pledges were Algeria, Oman, and the UAE. (Privately, PA officials expressed particular frustration with Saudi Arabia, which had just given Jordan \$1 b. [on top of \$400 m. earlier in 2011] to support it in light of the Arab Spring, but which had not come through with \$30 m. it pledged to the PA for 2011.) The PA's budget deficit as of 6/30 amounted to \$500 m. The PA had already taken out bank loans worth \$1 b.

to cover expenses and had reached its borrowing limit.

When no new money was received by 7/27, Fayyad declared the situation “without a doubt, the worst financial crisis the Palestinian authority has ever faced.” By then, PA employees were threatening to strike if they were not paid in full, and some West Bank ministries had temporarily lost electricity because they could not pay their bills. The PA ordered a cut in bread prices to help families weather their loss of income, but this sparked a strike by bakers, who argued that the PA should subsidize bread prices instead of shifting the economic burden to them. The PA feared that the public mood would worsen in 8/2011 during Ramadan (when household spending typically increases) and 9/2011 (when schools start and education fees kick in).

Sources said (NYT 7/28) that some Arab countries were withholding pledged funds pending formation of a national unity government as leverage to ensure that U.S. and Israeli did not follow through on threats to cut aid/VAT transfers if Hamas joined the government. Palestinian analysts noted (e.g., NYT 7/8) that the economic crisis was politically problematic for the U.S. and Israel insofar as it undermined their favorite, Fayyad. Israeli military officials further feared that the PA security forces (PASF) might rebel or become unreliable if they did not get their salaries.

After the PA government workers union in the West Bank warned of an open-ended strike if member salaries were not paid by 8/2, Fayyad met (7/26) with Arab League reps. to ask Arab donors to disperse \$300 m. in pledged funds for 2011 and vowed (7/31) to pay PA employees' salaries in full in 8/2011, though this would “greatly limit the ability of the PA to meet other needs during the coming month.” As of 8/15, when the quarter closed, no response from Arab donors had been reported, and the salaries had not been paid.

On 5/31, the PA had announced that it had allocated \$428 m. for East Jerusalem development in its 2011–13 budget with the aim of helping Palestinian residents to remain in the city and develop economically. The PA hoped that Arab and international donors would fund the project, even though it violated Israel's unilateral ban on official Palestinian activity in the city, but no donor pledging conference was held

this quarter and no country immediately volunteered.

#### *Corruption Probes*

On 6/12, the Fatah Central Comm. expelled its former Gaza security chief Muhammad Dahlan, who had been stripped of his party privileges in 12/2010 for criminal, financial, and other misdealings, including attempting to oust Abbas and assume the PA presidency himself (see QU in *JPS* 159). Dozens of Fatah members threatened (6/13) to quit the party in protest over his removal, but apparently none did. On 7/28, a day after a PA court rejected an appeal challenging Fatah's decision to expel Dahlan, PASF raided Dahlan's Ramallah home, arresting 23 guards and assistants and confiscating 16 guns, a computer, and 2 cars; Dahlan himself was in Jordan. Then, on 8/6, the Fatah commission charged with investigating allegations of Dahlan's corruption issued its final report concluding not only that Dahlan had embezzled upward of \$300 m. and plotted to unseat Abbas, but that he helped poison Palestinian leader Yasir Arafat. (Arafat died of a mysterious illness in 1994 after months of being besieged in his Ramallah headquarters by Israel; many at the time accused Israel of secretly poisoning him.) Despite the magnitude of the charge, the report generated almost no comment either on the Palestinian street or in the media. The commission was headed by senior Fatah officials Azzam al-Ahmad, Tayyib 'Abd al-Rahim, Othman Abu Gharbiyya, and Nabil Shaath.

The PA's anticorruption comm. referred (8/14) PA Economics M Hassan Abu Libdeh to the PA atty. gen. for questioning on corruption charges, including mismanagement and receiving bribes.

#### *Hamas in Gaza*

On 8/11, the U.S. publicly warned that it would cut off around \$100 m. in aid for healthcare, agriculture, and water projects in Gaza if Hamas authorities did not back off recent demands to audit, register, and monitor the finances of the charities funded by the U.S. The U.S. argued that laws forbidding contact with Hamas (as a U.S.-designated terrorist organization) would legally oblige it to suspend aid to the charities if Hamas audited them. Norway sent a similar message at about the same time, arguing that under Palestinian

law it was the PA Interior Min. in Ramallah that should undertake the audits, noting that most foreign charities had already submitted their own private audits to the ministry. The U.S. warning came after Hamas authorities forced the International Medical Corps to suspend operations in Gaza until it submitted to an audit; several other international charity groups subsequently suspended their operations in protest. Hamas never explained its motives, but analysts believed (e.g., NYT 8/12) that it was concerned that the foreign funds given to these charities were being diverted to rival political factions (especially Fatah) and were being used to run covert intelligence-gathering operations against Hamas. When Hamas did not immediately respond to the 8/11 U.S. warning, the U.S. "paused" its funding, but restored it on 8/14 when Hamas backed down.

Meanwhile, officials in Gaza's Finance Min. announced (8/7) that civil servants in Gaza would not receive their 7/2011 salaries until the end of 8/2011 due to government cash shortages. It was unclear whether the budget shortfall in Gaza was linked to the PA shortfall in the West Bank (see "PA's West Bank Rule" above) or whether Hamas was having its own problems funding operations in Gaza.

Of note: A Gaza military court sentenced (5/31) a Palestinian man to death for collaborating with Israel; according to the Palestine Center for Human Rights in Gaza, 116 people had been sentenced to death since the PA was created in 1994. Of these, 93 were from Gaza, of whom 17 had been executed (6 of them since 2010). On 7/26, Hamas authorities hanged 2 Palestinians convicted of collaborating with Israel; the men, a father and son, had been arrested in 2003 and convicted and sentenced in 2004 by the Fatah-led PA.

#### *Security Coordination*

Israeli-PA security coordination continued to be strong this quarter, with no disruptions. As the 9/2011 UNGA session approached, the PA ordered (8/4) its security forces to prevent violence surrounding the UN vote in 9/2011 and informed Israel that it intended to keep the peace and avoid confrontation.

An anonymous senior IDF officer stated (8/2) that IDF troops in the Ramallah area were averaging 6 raids per night in Palestinian-controlled area A (where the

PASF has security control during the day but the IDF insists on the “right” to enter at night), explaining that to maintain “intelligence dominance and freedom of action, this is the minimum number of entries we have to make per night,” and that to reduce the number further would require a political decision and pose a security risk. He also said that since the Palestinian national unity deal was signed in 5/2011 (see QU in *JPS* 160), the PASF’s arrest rate had declined while the number of Hamas members it had released had gone up, adding that: “They tell us who they are going to release in hopes we will not go after them, but we are not going along with that. We have had to step up our arrests because of their pulling back.” Nonetheless, Israel released (8/4) 200 Palestinian prisoners who were soon to complete their sentences as a goodwill gesture to mark the start of Ramadan. The group included senior Hamas official Shaykh Hassan Yousef (arrested in 2006 and set for release in 9/2011).

The IDF continued to be aggressive about entering area A (under full PA security and civil control), including making uncoordinated entries into Jericho (5/19, 5/26, 5/31, 6/7, 6/9, 6/16, 6/19, 6/25, 7/12, 7/14, 7/16, 7/29, 8/7), which until last quarter had been rare (see QU in *JPS* 160). For the 3d straight quarter, the IDF also photographed PA security sites, cultural heritage sites, and other buildings during patrols in Silat al-Dahir nr. Jenin (5/30), Hebron (6/21), and Jericho (7/29).

**PALESTINIAN OPINION**

*The following data are excerpted from a poll conducted by Palestinian Center for Policy and Survey Research (PCPSR) between 16 and 18 June 2011. Results are based on a survey of 1,200 men and women from the West Bank (including East Jerusalem) and Gaza. The poll, the 40th in a series, was taken from PCPSR’s Web site at [www.pcpsr.org](http://www.pcpsr.org).*

**1. President Abbas says that there is no point in returning to negotiations without an acceptable term of reference or a freeze on settlement construction and that he intends to go to the UN in 9/2011 to seek a**

**recognition of a Palestinian state. Do you support or oppose this Palestinian intention?**

	West		
	Bank	Gaza	Total
a. Certainly support	19.7%	23.0%	20.9%
b. Support	56.5%	53.0%	55.3%
c. Oppose	18.2%	19.0%	18.5%
d. Certainly oppose	2.9%	1.5%	2.4%
e. Don’t know/ No answer	2.7%	3.5%	3.0%

**2. If Palestinians pull out of the current talks or if peace negotiations fail, would you support or oppose going to the UNSC to obtain recognition of a Palestinian state?**

	West		
	Bank	Gaza	Total
a. Certainly support	22.7%	25.8%	23.7%
b. Support	56.3%	56.5%	56.4%
c. Oppose	17.2%	14.0%	16.1%
d. Certainly oppose	2.1%	2.9%	2.4%
e. Don’t know/ No answer	1.8%	0.8%	1.5%

**3. If at the end of 2011 the Palestinian side unilaterally declares the establishment of a Palestinian state without an agreement with Israel, do you think such a declaration will lead to actual change in the current conditions in the Palestinian areas with regard to settlements and control of the occupation forces over roads and crossings in the West Bank?**

	West		
	Bank	Gaza	Total
a. Certainly will lead to positive change	2.0%	7.8%	4.0%
b. Will lead to a change for the better	20.8%	27.3%	23.0%
c. Will not lead to any change, positive or negative	25.6%	33.3%	28.2%
d. Will lead to negative change	37.1%	24.3%	32.8%
e. Certainly will lead to negative change	11.1%	5.7%	9.3%
f. Don’t know/ No answer	3.3%	1.6%	2.7%

**4. If you use the internet to surf social sites like Facebook, Twitter, and**

**various groups or to access email,  
how often do you normally do that?**

	West		
	Bank	Gaza	Total
a. More than once a day	6.7%	14.1%	9.2%
b. Once a day	17.8%	20.1%	18.6%
c. 2-5 times per week	8.6%	13.6%	10.3%
d. Once a week	6.1%	8.2%	6.8%
e. Once a month	3.9%	5.7%	4.5%
f. Other	0.3%	1.7%	0.8%
g. Not interested/ No access	56.6%	36.6%	49.8%

**FRONTLINE STATES**

**EGYPT**

Egypt's interim military government (in place since 2/11/11) kept up efforts previously undertaken by the Mubarak regime to mediate a Palestinian reconciliation agreement (see "National Reconciliation" above) and Hamas-Israel prisoner swap (see "Prisoner Release Talks" above). Israel, however, expressed concerns over policy changes that seemed to be underway. In particular, Israeli PM Netanyahu pointed to a "popular delegation" of 40 Egyptian public figures who visited (5/30) Tehran for talks on resuming Egyptian-Iranian relations, noting that Egypt's Muslim Brotherhood (not represented in the group) had already sent its own delegation for similar talks. Netanyahu also alleged (5/30) that Hamas had transferred some of its activities from Damascus to Cairo due to violence in Syria, warning that "international terror organizations are stirring in Sinai and their presence is increasing due to Sinai's connection to Gaza." Hamas denied (5/30) that it had shifted its operations.

Israel continued to have heightened concerns about Egyptian border security given the unstable political situation in Egypt. The Israeli DMin. announced (6/2) that it had completed the 1st segment of a permanent border fence between the countries (see QU in *JPS* 155), and that with a stepped-up work pace, the 135-mi. fence would be completed by mid-2012.

Unidentified assailants attacked Egypt's natural gas pipeline in the Sinai 3 times this quarter (7/4, 7/11, and 7/30), cutting supplies to Israel and Jordan. Responding to these incidents and increased attacks

on Egyptian police in the Sinai, Egypt sent (8/13) 250 tanks and armored vehicles, 1,000 special forces, and 1,000s police into the n. Sinai (including the Rafah area) to secure the region. It was unclear if Israel approved the increased military presence, which is limited under the 1979 peace treaty.

Egyptian authorities arrested (6/12) a U.S.-born Israeli man, Ilan Grapel, on charges of inciting Egyptian protesters to riot and of spying and recruiting for the Mossad. Grapel's family said he was a law student in Atlanta who came to Cairo in 5/2011 to intern for a legal aid group and had merely attended some of the recent popular demonstrations. Israel denied Grapel was a spy, saying he was in Egypt under the jurisdiction of the U.S. consulate.

**JORDAN**

This quarter, Jordan's involvement in the peace process was limited to remaining in contact with the parties and occasional mediation. King Abdallah and Abbas met twice in Amman: on 5/23 to discuss the Fatah-Hamas unity deal and on 8/9 to discuss the Palestinian statehood bid at the UN. Toward the end of the quarter, Jordan reportedly hosted secret talks between Israeli pres. Peres and Abbas aimed at reviving peace talks (see "Intensive Behind-the-Scenes Efforts" above).

King Abdallah visited Washington ca. 5/16-17 for talks with Obama and his senior Middle East experts on regional affairs and bilateral relations, strongly urging the U.S. to take the lead in reviving the peace process. Following the visit, he stated concerning discussions on the peace process that with admin. officials, Arab leaders felt "we get good responses" from the State Dept. and Pentagon "but not the White House, and we know the reason why is because of Dennis Ross." Commenting on Obama's speeches and meeting with Netanyahu on a 5/22 appearance on ABC News, Abdullah stated: "My instincts tell me not to expect much over the next couple of months. . . . [I] have the feeling that we're going to be living with the status quo for 2011."

Of note: Right-wing Israeli MK Aryeh El-dad (National Union) tried (5/24) to submit a petition to the Jordanian embassy in Tel Aviv asking King Abdallah to declare Jordan a state for the Palestinian people. The

Jordanian ambassador declined to meet him or receive the petition.

#### LEBANON

Lebanon's main focus this quarter was on forming a new government and preventing a crisis over the UN Special Tribunal for Lebanon's sealed indictments that were expected to implicate Hizballah in the 2005 assassination of former PM Rafiq Hariri.

##### *A New Government Is Sworn In*

On 6/13, after a delay of almost 5 months, Lebanon's PM-designate Najib Mikati was able to propose a government slate to parliament. Of 30 cabinet seats, 18 were allotted to Hizballah and its allies. Though Hizballah's majority worried Western governments, short of a clear two-thirds majority (which Hizballah had sought), it could not block an opposition veto. Domestically, therefore, the division was seen as a victory for Mikati, who had fought hard to keep a one-third-plus-one bloc for himself, the president, and their allies (including Druze leader Walid Jumblat) to give them a constitutional veto on major decisions. Another reason for the delay had been sparring over control of the interior and defense ministries, which Gen. Michel Aoun (Free Patriotic Movement [FPM], a Christian group allied with Hizballah) sought to control. In the end, the DMin. went to Maronite leader Suleiman Franjeh Jr. (a close ally of Syria) and the Interior Min. went to a retired internal security officer who was jointly named by Gen. Aoun and Pres. Michel Suleiman. Hizballah opted to keep only 2 minor cabinet portfolios, while its ally, the FPM, came away with the most cabinet seats (8). Parliament speaker Nabih Birri (Amal) helped broker the government deal by offering 1 of the 6 Shi'i cabinet seats to the Sunni community, meaning that for the first time in decades the cabinet had 7 Sunni ministers and 5 Shi'i ministers rather than the 50-50 split guaranteed under Lebanon's confessional system. Some analysts (e.g., Carnegie Middle East Center 6/15) believed that Mikati deliberately drew out the government formation process, hoping that Syria's domestic unrest would undermine Hizballah's bargaining position; instead, Hizballah seemed to maintain its strength, and Mikati was left "on very cool terms with the Aounist camp," Hizballah, and Amal.

Before seeking parliament's endorsement, Makati's new team drafted its policy statement, which recognized "the people, the army, and the resistance" (a nod to Hizballah) and pledged to follow the path of the UN Special Tribunal for Lebanon (a nod to Sa'ad Hariri's Future Party). After this was approved by parliament on 6/30, the new cabinet won a vote of confidence on 7/7. In total, only 68 of 128 MPs voted in favor; Future Party members and allies walked out as voting began.

##### *The UN Tribunal*

The UN Special Tribunal for Lebanon had handed down its sealed indictments in 1/2011 for extended review in the Hague, and on 6/30 it delivered them to prosecutors in Lebanon. The accused were not publicly named, but an anonymous Lebanese judicial official read them to an Associated Press reporter, who published them; the Information Min. later confirmed them. The four persons sought were Hizballah members previously mentioned as suspects in the 2005 Hariri assassination: senior members Mustafa Badr al-Din (brother-in-law of former Hizballah cmdr. Imad Mughniyah, assassinated in 2007) and Salim Ayyash; and lower-ranking members Hassan Anaissy (also reported as Oneissi) and Asad Sabra. The details of the charges against them were not leaked. Lebanon promptly issued the arrest warrants, but on 8/9 informed the tribunal that it had been unable to serve warrants to or detain the suspects.

Meanwhile, Hizballah leader Hassan Nasrallah vowed (7/2) that the 4 Hizballah members would never be arrested, dismissing the charges against them as a U.S.-Israeli conspiracy to fuel sectarian strife. He also claimed to have material, including videos, that would help the tribunal find the true culprits. On 7/4, UN special tribunal prosecutor David Bellemare invited Hizballah to submit such material, and on 7/13, Hizballah officials hand delivered a package to his office.

##### *Palestinians in Lebanon*

On 7/11, PM Mikati received Abbas's personal envoy and senior Fatah official Azzam al-Ahmad in Beirut for talks on Lebanese-Palestinian relations. Afterward, Mikati stated that while Lebanon would not naturalize Palestinians living in the country, he would work to improve the

conditions of the Palestinian camps in Lebanon. In line with Lebanese policy, he stated that the Palestinian “right to return to their independent country with its capital Jerusalem” must be preserved.

Palestinian refugees in Lebanon’s ‘Ayn al-Hilwa r.c. demonstrated (6/6) against the killing of Naksa Day protesters on the Syrian border on 6/5, but it was unclear whether the protests were against Israel, Syria, or the Palestinian leadership. (See “Syria” below for related information.)

#### ***The Maritime Border with Israel***

On 7/10, the Israeli cabinet approved maps demarcating Israel’s maritime border with Lebanon in a move to assert its economic rights in offshore areas (particularly in potentially lucrative off-shore natural gas fields). Netanyahu said (7/10) that the move was necessary in light of a maritime map recently submitted by Lebanon to the UN that shows the border further south in what Israel considers its territory. By 8/11, Israel was using unmanned drones to monitor its declared maritime boundaries to “protect” disputed natural gas fields from Hizballah, which had repeatedly vowed to defend Lebanon’s natural resources (see QUs in *JPS* 158, 159 for background). In response, the Lebanese parliament passed (8/4) an act formally delineating Lebanon’s maritime areas in line with the map submitted to the UN.

#### ***Other Security Issues***

Israeli and Lebanese troops briefly exchanged fire across their common border on 8/1, causing no injuries. Lebanese troops fired first, stating that the IDF patrol strayed into Lebanese territory (which the IDF denied).

Six members of the UN Interim Force in Lebanon’s (UNIFIL) Italian contingent were wounded (5/27) when their convoy triggered a roadside bomb planted outside Sidon in s. Lebanon. No group took responsibility for the attack, the first against UNIFIL forces since 1/2008. UNIFIL members offered (5/27) as possible explanations (1) the political instability in Lebanon, (2) Syria’s possible desire to flex its muscles or create a distraction from its internal violence (see “Regional Affairs” below), and (3) anger in the Palestinian refugee camps over UNIFIL’s perceived failure to prevent the IDF from firing on protesters during the Nakba Day March to

Palestine (see QU in *JPS* 160). On 7/26, 5 French UNIFIL members were wounded in a similar roadside bombing of their convoy near Sidon; no group took responsibility.

After Friday prayers on 6/17, residents of Tripoli rallied in support of antigovernment demonstrators in Syria (see “Regional Affairs” below), sparking clashes between residents of the Sunni neighborhood of Bab al-Tabbana (against the Syrian regime) and the Allawi neighborhood of Jabal Mohsen (supporting the Syrian regime) that left at least 7 dead and 20 wounded. The Lebanese army set up checkpoints around the city until violence abated.

Of note: A World Press Photo exhibit in Beirut opted to close on 5/16, 10 days ahead of schedule, after Lebanese authorities ordered the removal of photos by an award-winning Israeli photographer, stating that Lebanon was still in a state of war with Israel.

#### **SYRIA**

Syria was almost entirely focused on its own domestic unrest this quarter, as state violence against antigovernment protesters spiraled (see “Regional Affairs” below). A senior U.S. admin. official speaking anonymously stated (6/21) that there was currently no plan to attempt to revive Syrian-Israeli peace talks, adding in reference to Syrian pres. Bashar al-Asad: “We can’t really contemplate a peace negotiation with someone who is actively killing their own people.”

Meanwhile, the Asad regime stirred up trouble on its border with Israel to draw attention away from its internal crack-down. Following the Nakba Day violence last quarter (see QU in *JPS* 160), this quarter it was the Naksa Day march (see “Naksa Day Rallies” section above), which involved cross-border clashes between the IDF on the Israeli side and Palestinian refugees and their Syrian supporters on the Syrian side, resulting in perhaps the most deadly border violence since the 1973 war. Analysts noted (NYT 6/6) that protesters could not have approached the border fence, normally a Syrian closed military zone, without the acquiescence of the Syrian government and that the march was covered live on Syrian television, which had been blocking coverage of Syria’s nationwide antigovernment uprising. Syrian opposition groups claimed (6/5) that the

government paid Palestinian refugees as much as \$1,000 to take part in the march and promised to pay as much as \$10,000 to the family of anyone killed, but this could not be corroborated. Hamas in Gaza and Fatah in the West Bank condemned (6/5) the deaths but in a muted tone, and the PA released no official statement, signs experts believed (e.g., NYT 6/7) indicated that the Palestinians felt Syria exploited the refugee issue to its own ends.

Netanyahu publicly accused (6/6) Asad of abetting Palestinian protesters in “an attempt to divert international attention from the wholesale killing of civilians that is happening in Syrian cities.” He defended IDF actions, saying the army complied with international law by warning protesters not to approach the border and that sharpshooters opened fire “as a last resort” after nonlethal means failed to halt their approach; the U.S. State Dept. agreed (6/6) with Netanyahu’s assessment. The IDF later warned (8/10) that it would engage Syrian military forces if Palestinians in Syria attempted to storm the border with the Golan in connection with the 9/2011 UN vote, noting (8/14) that Israel had begun reinforcing the border fence and laying new mines.

When funerals for some of the Naksa Day victims were held (6/6) in Yarmuk r.c. near Damascus, 10,000s of angry mourners attacked the Popular Front for the Liberation of Palestine-General Command (PFLP-GC) headquarters and drove away Hamas’s Khalid Mishal and the PFLP-GC’s Ahmad Jibril, who had come to express condolences. They denounced camp leaders (particularly the PFLP-GC, close to and strongly supported by Asad’s regime) for inciting the youth and putting them in harm’s way to be used as “cannon fodder” against Israel and called for the downfall of all political factions. PFLP-GC members fired on protesters outside the headquarters, sparking clashes that left 14 dead and 43 injured; Mishal and Jibril were not harmed. The PFLP-GC blamed (6/6) the PA in Ramallah for orchestrating the clash.

Meanwhile, with regard to Nakba Day last quarter (see QU in *JPS* 160), blogger Michael Weiss (with London’s *Telegraph*) released (6/14) what he said seemed to be an authentic Syrian government document dated 5/14/11 that he obtained from a well-connected Syrian. The document showed orders to the army to allow

busloads of protesters to approach and even cross the border into the Golan Heights and engage with Israeli troops on Nakba Day on 5/15/11, stressing that protesters must be thoroughly checked to make sure that they did not carry military IDs or weapons. The authenticity could not be corroborated, but analysts emphasized (e.g., WT 6/15) that the protesters never could have organized or moved toward the border fence without government foreknowledge. Israel declined to comment.

On 8/15, PLO and UNRWA officials reported for the first time that the Syrian military had hit a Palestinian area, stating that attacks on Latakia in recent days had included assaults on Raml, a Palestinian refugee neighborhood there. The PLO accused the Asad regime of “a crime against humanity,” but provided no details of the incident. Other Palestinian officials said that Raml, while harmed, did not appear to have been a specific target of the security forces. UNRWA said some 10,000 Palestinian refugees had fled the area and that it had no idea where they were, speculating that they had headed into the countryside or to Aleppo.

Of note: An International Atomic Energy Agency (IAEA) investigation concluded (5/24) that Syria had very likely been building a secret nuclear reactor at Dayr al-Zur when Israel struck in 9/2007 (see QU in *JPS* 146), saying the targeted site was probably a reactor intended for making fuel for nuclear bombs. On 6/9, the IAEA’s governing board voted (17-6, with 11 abstaining, 1 absent) to report Syria to the UNSC, saying the covert construction at Dayr al-Zur violated its nuclear agreements. Throughout the quarter, Britain and France pressed for a UN res. condemning Syria based on the report, but Russia threatened a veto, blocking the effort.

## REGIONAL AFFAIRS

Regional attention this quarter was divided between the Arab Spring and the intense diplomatic activity surrounding the Palestinian statehood initiative planned for the UN in 9/2011. Arab League FMs were in constant contact with the Palestinians coordinating and helping to advance the initiative. In total, the Arab League held 4 major meetings on the issue: on 5/28 and

7/14 to endorse Abbas's plans to pursue the initiative, on 8/3–4 to help the PLO begin drafting the formal petition it would submit to the UN, and on 7/26 to discuss financial contingencies if Israel and the U.S. retaliated by cutting off funds to the PA.

In terms of regional reactions to Obama's 5/19 speech, an op-ed in the *Washington Post* on 6/10 by Saudi Arabia's Prince Turki al-Faisal (former Saudi intelligence chief and ambassador to the U.S.) summed up what seemed to be the common Arab view. After criticizing Obama for praising democracy movements across the region while "conspicuously fail[ing] to demand the same rights to self-determination for Palestinians," the op-ed was especially harsh about the lead given to Netanyahu to "set the terms of the agenda." In particular, Turki emphasized that Obama's reference to 1967 lines as a starting point for negotiations represented no change in U.S. policy and had long been accepted by Israel as well. Given a U.S. policy "unduly beholden to Israel," the op-ed also applauded the Palestinian move to "bypass" the U.S. and Israel by seeking endorsement for statehood at the UN.

#### **Popular Protests Regionwide**

The regional protests that began in 12/2010 continued this quarter but lost some of their idealistic sheen as realization set in that it would be a long road to true reform. There were no more quick successions, as in Egypt and Tunisia (see QU in *JPS* 159). By the end of the quarter, with lessening focus on the Arab Spring, the immediate repercussions of the protests for the Palestinian situation and the Arab-Israeli conflict diminished, though instability in Egypt and Syria was a major concern for Israel, the Palestinians, and the U.S.

In **Syria**, there were reports for the first time of civilians using rocket-propelled grenades and automatic weapons against soldiers (late 5/2011 in the Homs area); of security forces firing on fleeing civilians from helicopter gunships, burning crops, strafing cattle with machine-gun fire, and poisoning water sources (early 6/2011 in the Jisr al-Shughur area near the Turkish border in what Amnesty International said seemed to be "some kind of scorched-earth policy" to drive residents from the area); and of fire from navy gunboats (launching a "sustained bombardment"

of Latakia on 8/14). Reports emerged of a mass grave found in Dara'a (revealed 5/16, unconfirmed) and the brutal torture killing in detention of a 13-yr.-old protester (revealed 5/29, confirmed). The fighting forced some 30,000 Syrians to flee to Turkey and 100s to cross into Lebanon and displaced 10,000s if not 100,000s internally. Activists kept up nationwide daily protests (up to 100,000 strong on Fridays) but these efforts were localized and ad hoc, showing no signs of galvanizing into a coordinated effort to overthrow the regime, and Damascus and Aleppo remained relatively quiet.

Meanwhile, a group of 300 exiled Syrian opposition figures met (5/31–6/2) in Turkey to call for the formation of a transitional committee and immediate transfer of power, and 190 domestic opposition figures met (6/27) in Damascus, but there was no effort to link up either together or with the grassroots activists leading the demonstrations on the ground. Local activists reportedly (NYT, WP 7/1) felt some anger that the exiles in particular were attempting to assume the lead role in transitioning Asad from power.

During the quarter, the U.S. firmly and repeatedly called for Asad to reform or step aside (Obama in his 5/19 policy speech, Clinton on 6/2, 7/11, 8/10). Turkey did likewise (most forcefully on 8/9, 8/10). The EU and U.S. at several points (e.g., 5/18, 5/23, 6/21, 8/10) increased sanctions, and the U.S. froze (7/3) some Syrian assets. Up to the end of the quarter, however, there was no UN action or other coordinated international effort to halt Asad's crackdown. (Chinese and Russian opposition blocked Britain and France from introducing a UNSC resolution to condemn the violence.)

Asad briefly expressed willingness to work with the opposition (in a speech on 6/20, followed by allowing internal opposition leaders to meet on 6/27 and a temporary pull-back of troops ca. 6/29), but the opposition groups were skeptical and did not seriously engage. Syrian VP Faruq al-Shara'a held (7/10–12) a "national dialogue forum," offering to discuss a transition to democracy and crediting demonstrators with forcing the regime to consider reforms, but stated that protests must cease before a transition could begin. Some opposition members attended the session, but many boycotted, calling

the dialogue a charade. Attendees issued a final statement calling for various political and constitutional reforms to promote a transition to a multiparty system. The government followed up by passing (7/25) a new law permitting the formation of opposition parties, but new parties would have to be vetted by a government committee and pledge allegiance to the constitution, which currently guaranteed Ba'ath party supremacy. The law also barred parties based on tribal, religious, denominational, or professional affiliation, which would exclude Islamist parties. Opposition groups and activists dismissed the move as not serious and insufficient.

A sharp escalation at the end of 7/2011 marked a turning point. Following a 7/28 call by grassroots activists for stepped-up nightly demonstrations during Ramadan (8/1-30), the government launched (7/31) major military operations in Hama (7/31-ca. 8/9), Homs (ca. 8/2-5), Dayr al-Zur (8/7-ca. 8/12), Latakia (beginning 8/13, ongoing at the end of the quarter), and other restive towns to crush the opposition there and stepped up arrest sweeps nationwide to get as many protesters off the streets as possible. The worst violence was in Hama, where tanks and snipers shelled residential areas and fired on anything that moved, killing scores. In response to the new bloodshed, Bahrain (8/9), Kuwait (8/9), and Saudi Arabia (8/8) recalled their ambassadors; the UNSC finally passed (8/3) a tepid resolution expressing "profound regret" over the killings in Syria; and Turkey and the U.S. issued (8/10) warnings of a stiff international response if government violence did not immediately stop. On 8/8, Assad had named his army chief of staff as DM, citing "health reasons" of the former as cause. Analysts, however, attributed (see NYT 8/9) the change to the former DM's increasing unhappiness about the military crackdown, which continued through the end of the quarter. As of 8/15, the estimated toll stood at more than 2,000 dead (including around 370 security forces), 1,000s injured, and 15,000 currently jailed (up from 900 dead, 1,000s injured, and 10,000 jailed at the close of last quarter).

In **Libya**, the protests had escalated into full civil war. NATO-led air strikes begun in 3/2011 were extended (6/1) for 90 days, ostensibly to defend a no-fly zone to protect Libyan civilians but essentially to

provide cover for the rebels allied with the provisional government in Benghazi to unseat Col. Mu'ammār Qaddafi (see NYT 5/27 for anonymous NATO officials discussing these unstated goals). However, the NATO effort was poorly orchestrated and suffered without the U.S. oversight and full military participation it had during the first days of the campaign (3/19-23). Without direct U.S. offensive military support and funding from the broader international community, the NATO intervention only created a violent stalemate; fierce fighting raged non-stop, with the advantage swinging back and forth between the Qaddafi loyalists and the opposition, with no end in sight as the quarter closed.

Meanwhile, the international community took further steps to pressure Qaddafi to step down and allow the rebels to take power. The International Criminal Court in the Hague issued (5/18) arrest warrants for Qaddafi, his son and chosen successor Saif al-Islam, and his intelligence chief Abdullah al-Senussi on charges of murdering civilians. Western and Middle Eastern countries approved (6/9) the transfer of frozen Libyan government assets to the rebel's Transitional National Council (TNC), pledging to send \$1 b. immediately and significantly more in the coming weeks. At an international conference on 7/15, the U.S. and 29 other nations recognized the TNC as Libya's legitimate representative; Germany, Turkey, and several other nations had done so before and at least 2 (Britain and Italy) did so after. The U.S. also transferred (ca. 8/3) control of the Libyan embassy in Washington (shut down by the U.S. on 3/10/11) to the TNC.

The 7/28 assassination in Benghazi of Gen. Abdul Fattah Younis, head of the TNC and the rebels' top military leader, apparently by his own men (who suspected that he had never truly cut ties with Qaddafi) greatly reinforced existing concerns about the nature and stability of the transitional rebel leadership and sparked immediate worries (e.g., WP 7/29) about the impact of the assassination on international support for the rebel movement. The TNC's dismissal (8/8) of its entire cabinet following internal disputes over the assassination led some NATO officials to suggest (8/13) that concerns over the capabilities of the rebels given interfactional and tribal rifts might jeopardize the renewal of the NATO mission beyond 9/2011.

As of 8/14, NATO reported having carried out a total of 18,884 sorties, including 7,174 strike sorties, since operations began. The death toll of the conflict was estimated to be in the low 10,000s, with 10,000s more injured and some 1 m. having fled the country.

In **Yemen**, popular protests (numbers ranging from the 10,000s to 100,000) continued during the quarter, but by late 5/2011 were largely overshadowed by fighting between government forces, rival tribes, and Islamist groups seeking to capitalize on the unrest sparked by anti-government protests to oust a weakened Pres. Ali Abdullah Saleh. Last quarter, Gulf Cooperation Council (GCC) mediators had presented Saleh with a deal involving a power transition to Yemen's formal opposition parties (see QU in *JPS* 160), which he resisted. His refusal to sign and fears of the fallout from rapid deterioration of the situation led the U.S. and EU to reassess (late 5/2011) their military and economic support for Saleh's regime, while the EU called (5/23) on Saleh to "transfer power now." On 6/3, however, Saleh was severely wounded in an assassination attempt by tribal forces aligned with his rival, Gen. Sadiq al-Ahmar. On 6/4, he was evacuated (6/4) to Saudi Arabia for treatment and convalescence, vowing to return soon and not to cede power. From Saleh's departure through the end of the quarter, many of the largest demonstrations (e.g., 6/14, 6/17, 6/26, 6/27, 7/17, 8/12) were popular calls denouncing Saleh's pledge to return and calling for his resignation.

By early 7/2011, Saudi efforts (begun 6/6) to press the convalescing Saleh to accept the GCC deal and allow his VP and acting pres. Abed Rabbo Mansour Hadi to begin the transition had failed, while a cabinet split (6/6) in Sana'a and leadership disagreements over how to go forward heightened worries about the situation as violence among the political and tribal factions continued. On 7/10, Obama dispatched his chief counterterrorism adviser John Brennan to Riyadh to meet with Saleh to urge him to step down, and then to Sana'a (7/11) to urge Hadi to publicly endorse the GCC transition plan. The State Dept. later issued (8/8) a statement urging Hadi to "move forward without" Saleh. Meanwhile, senior figures in the protest movement (many of whom were at odds with Yemen's formal opposition parties)

declared (7/16) formation of a shadow government ("transitional council") that would be prepared to take control if Saleh stepped down. Nothing more was heard about the initiative before the quarter's end.

Elsewhere in the region, the antigovernment protests were on the wane. In **Bahrain**, the 3-month state of emergency imposed on 3/15/11 broke the momentum of protesters. In light of the quiet, the king lifted the emergency regulations 2 weeks early, on 6/1, and announced plans to open "a comprehensive, serious dialogue" with the opposition in 7/2011 aimed at relaunching political reforms, but warned that he would not tolerate a resumption of demonstrations. (Small demonstrations were held in some 20 villages around Manama that day, but very few thereafter. The largest was a rally of 30,000 in Manama on 7/15 calling for reforms and democratization.) The national dialogue talks began on 7/2, but the main opposition party broke them off on 7/17, saying the government was not serious about reform. Meanwhile, a special military court convicted (6/22) 21 mostly Shi'i activists of trying to overthrow the government during recent demonstrations, sentencing 8 to life in prison and the others to terms up to 15 years. Another 137 detained protesters who were facing military trials were freed on 8/10, though the government said some would still face charges in civil court. On 6/29, Saudi Arabia began a "gradual withdrawal" of the 1,000 troops that it sent Bahrain in 3/2011 (though stating it would not withdraw all); it was unclear how many remained at the close of the quarter. Kuwait removed its small contingent on 7/2. The status of the 500-member UAE contingent was unknown.

Protesters in **Jordan** continued to hold small weekly Friday antigovernment rallies calling for reform and a halt to corruption, but protesters were too divided in their aims and too easily dispersed by security forces to be effective. Only 3 incidents of serious violence were connected to the protest movement: On 6/13, King Abdullah's motorcade was stoned by angry pro-reform demonstrators in Tafila (south of Amman) who were denied a meeting with the king; riot police intervened, sparking clashes that left as many as 30 police officers injured and 5 police cars destroyed. On 6/15, a group of about 10 government

loyalists raided and vandalized the Agence France-Presse offices in Amman as punishment for reporting the attack. On 7/15, club-wielding police officers beat 100s nonviolent protesters marching after Friday prayers in Amman, as well as several journalists covering the event, causing no serious injuries.

In response to widespread calls for democratization, King Abdallah pledged (6/12) that the government would be elected, not appointed, in the future, but he did not set a timetable. (Currently, the lower house of parliament is elected and the upper house and cabinet are appointed.) On 7/2, he shuffled the cabinet to replace 3 ministers involved in bribery and corruption scandals. At the close of the quarter, Abdallah unveiled a proposal for constitutional reforms ceding some of his powers to parliament and enhancing civil liberties, but activists said the proposed changes did not go far enough.

In **Kuwait** and **Morocco**, leaders recommended political reforms, increased subsidies on basic goods, and approved salary increases for civil servants aimed at warding off antigovernment protests. While this succeeded in Kuwait, in Morocco 10,000s protested (6/26, 7/3), calling the king's proposed constitutional reforms inadequate.

Meanwhile, **Saudi Arabia** was (in WP 5/29's words) "flexing its financial and diplomatic might across the Middle East in a wide-ranging bid to contain the tide of change" in the region sparked by the Arab Spring, seeking to protect itself and its allies (particularly Sunni Arab monarchies) from popular discontent and to counter Iran. Besides granting (ca. 5/20) \$4 b. in aid to Egypt, reportedly to shore up the military council against the Muslim Brotherhood, there was continued though reduced military presence in Bahrain (see above), a proposal to include the kingdoms of Jordan and Morocco in the GCC (preliminary talks were underway at the end of the quarter), and construction of a massive new, self-contained, bunkered embassy complex in Amman (strategically located near Amman's airport). The *New York Times* reported (6/9) that since the start of the Arab Spring, the kingdom had spent \$130 b. domestically on new salary subsidy programs (giving all government employees an extra 2 months' salary), housing projects, and donations to

religious organizations to neutralize opposition. Some small protests in the Eastern Province by Shi'i activists demanding basic rights and release of political prisoners were reported but were apparently minor.

By the end of the quarter, the interim governments in **Egypt** and **Tunisia** were slowly working their way forward. Tunisia delayed (6/8) its first democratic elections from 7/2011 to 10/23/11, citing the work needed to organize the vote and make sure that all 3 million eligible Tunisians were properly recorded in the electoral database and had valid identity cards. No major protests were reported.

Egypt's transitional military council efficiently handled day-to-day governance, but progress on implementing reforms was slow. As a result, and in response to unpopular decisions, mass rallies in Tahrir Square were often held (e.g., 5/27, 6/28, 6/29, 7/6, 7/23, 7/29) as reminders of the people's expectations and as warnings of "The Revolution, Part 2." A small tent camp was revived in the square on 7/8 but dispersed by security forces on 8/1. The only serious violence was reported on 7/23, when 100s of protesters engaged in hours of street clashes with security forces in Cairo, leaving 150 injured and marking the worst violence since Mubarak fell.

Meanwhile, progress on elections was also slow. Parliamentary elections had been targeted for 9/2011 and presidential elections for 10/2011 or 11/2011, but by the end of the quarter no exact dates had been set and no logistical preparations reported, though the council declared (7/20) that it would not allow international monitors, saying (as Mubarak had done before) they would undermine Egypt's sovereignty. Under popular pressure, the transitional military council swore in a new cabinet led by PM Essam Sharaf that includes 12 new members and 13 old members, removing long-standing cabinet ministers with ties to Mubarak who had not yet been purged.

The trial of Mubarak and several members of his inner circle opened on 8/3 but was not concluded before the end of the quarter. Initially, it was aired on live TV and on giant screens outside the courthouse, but after fights broke out between Mubarak supporters and opponents watching the proceedings, the chief justice announced on 8/15 that the trial would no longer be televised, outraging

democracy advocates, who had pushed for transparency.

### *Turkey*

#### *Turkish Mediation Efforts*

Turkey continued to promote itself as a regional peace broker this quarter, interjecting itself into several issues, including trying to help advance Palestinian reconciliation and the formation of a transitional Palestinian unity government, and efforts to halt the bloodshed in Syria.

On the Palestinian front, Turkish FM Ahmet Davutoglu met with Hamas's Mishal in Istanbul on 6/21 and with Fatah's Abbas in Ankara on 6/22 to discuss implementation of the national unity agreement reached in 5/2011. Though Abbas and Mishal were in Turkey at the same time, they did not try to meet. Turkish PM Tayyip Recep Erdogan received Abbas on 6/24 and pledged Turkey's help in mobilizing support for the Palestinian statehood initiative at the UN. On the sidelines of a 2-day conference of Palestinian ambassadors held in Istanbul (ca. 7/22) to discuss the UN statehood initiative, Abbas met with Erdogan and Davutoglu again to discuss regional affairs, the Palestinian statehood initiative, Palestinian national reconciliation, and bilateral relations. In a 5/20 interview with the *Wall Street Journal*, Turkish pres. Abdullah Gül called on Hamas to recognize Israel's right to exist to facilitate the national unity accord, stating that he had already privately pressed the movement to do so.

Turkey repeatedly called on Syria to institute massive, radical reforms quickly and halt violence to save the regime. When Syria ignored the appeals, Turkey first hosted (5/31-6/2) 300 exiled Syrian opposition figures in Antalya for a 3-day "Syrian Conference for Change" to discuss establishing a "transitional council" for Syria. On 8/9, Turkish FM Davutoglu held a 6-hour meeting with Asad in Damascus, delivering a strong message from Secy. of State Clinton and warning that continued assaults would give the West cover for stronger action. When no immediate concessions were forthcoming, Erdogan publicly warned (8/10) that Asad had 2 weeks to implement reforms or face serious consequences. Some Syrian activists (e.g., WP 8/13, 8/15) complained that this appeared to give Asad a green light to carry out his crackdown for another 2 weeks, though

Turkey said this was not intended. Meanwhile, Turkey prepared 4 Red Crescent refugee camps along the border to care for some 30,000 Syrians fleeing the violence and 1,000s more camped on the Syrian side of the border considering whether to flee. The number of refugees inside the camps seemed to fluctuate throughout the quarter, with refugees entering and returning depending on the level of violence. Turkey said (6/20) it had the capacity to care for 250,000 refugees, though it hoped it would not come to that.

Turkey also offered (6/10) Qaddafi a "guarantee" to leave Libya (no details released) and end the fighting, but there was no response.

#### *Turkish-Israeli Reconciliation Effort*

On 6/20, an anonymous senior Israeli official revealed that Israel and Turkey were engaged in intensive secret talks to try to prevent a further diplomatic crisis over Israel's 5/2010 attack on the Turkish aid flotilla to Gaza that killed 9 Turkish activists aboard the *Mavi Marmara* (see QU in *JPS* 157). The final report of the UN's Palmer Commission investigating the flotilla attack had been scheduled for release in early 7/2011, but the preliminary conclusions shown to the Turkish and Israeli representatives to the commission had sparked anger on both sides that threatened to deepen the divide, leading to the convening of the talks (confirmed 6/20 by Turkish FMin and U.S. officials). According to UN insiders, the draft shown had concluded that Israel's siege of Gaza was legal under international law but that Israeli commandos had used excessive and disproportionate force to halt the flotilla; Turkey was faulted for not doing enough to prevent its departure.

On 7/6, the UN announced postponement of the Palmer report's release until 7/27 to give Israel and Turkey time to formulate a joint statement to be issued at the same time as the report that could convey a sense of reconciliation, disperse tensions, and put the issue in the past. (An Israeli official stated: "We were looking for [this] to be . . . a ladder where everyone could climb down.") Turkish and Israeli positions, however, seemed stuck where they were last quarter (see QU in *JPS* 160), with Turkey demanding an apology for the attack on the *Mavi Marmara*, and Israel saying that at most it would express regret.

(Diplomats said [7/6] that they were trying to find wording that would come across as an apology in Turkish but not in Hebrew.) With discussions apparently still far from agreement on 7/25, the UN postponed release of the report to 8/20.

On 7/28, Israeli DM Barak, visiting Washington, told U.S. officials that Israel's current proposal to Turkey was that Israel would apologize to Turkey for "mistakes made, if there were any" in exchange for Turkey barring legal action against the Israeli troops involved. Barak said that U.S. Secy. of State Clinton endorsed the formula, but the State Dept. said that while Clinton and Barak had discussed the issue, it was up to Israel and Turkey to decide.

Later, on 8/11, anonymous Israeli sources said that Israel had made an "informal offer" to pay \$100,000 in restitution to the families of each of the 9 Turks killed during the *Mavi Marmara* assault. In exchange, Israel wanted Turkey to rescind demands for an apology over the incident and accept a statement that Israel "deeply regrets" the deaths. Meanwhile, the Israeli Foreign Min. said the government had yet to decide whether it would send a new ambassador to Ankara when the current ambassador's term ran out at the end of 2011.

### **Iran**

With international attention focused on the Arab Spring and the Israeli-Palestinian peace impasse, there was no serious diplomacy on Iran by the P5+1 (the 5 UNSC permanent members and Germany) this quarter. Just before the quarter opened (on 5/10/11), Iran had accepted in principle EU foreign policy chief Catherine Ashton's 2/2011 invitation to renew talks on halting Iran's nuclear program but apparently only if the key issue of uranium enrichment was off the table (see QU in *JPS* 160). Ashton made no effort this quarter to revive the talks. On 7/11, Iran said that it would be willing to expand cooperation with the IAEA, but only if the agency dropped its investigation into claims that Iran had a secret nuclear weapons program; the IAEA immediately rejected this as contrary to its basic mandate.

The U.S. and EU did expand sanctions against Iran aimed at forcing greater accommodation on the nuclear issue and to punish it for allegedly aiding the Syrian government crackdown on domestic unrest (see "Popular Protests Regionwide"

above). The EU expanded (5/23) travel sanctions and froze assets of another 100 Iranian companies, entities, and individuals, while the U.S. barred (5/24) American interaction with an additional 7 foreign firms (including 1 Israeli company and its Singapore affiliate) that had helped Iran to import gasoline in contravention of existing sanctions. The U.S. also imposed (6/9) new bilateral sanctions on Iran's police chief, the Republican Guard Corps, the Basij militiamen, and law enforcement bodies that claimed to be involved in attacks on Iranian voters in 2009. At the close of the quarter, Washington was considering new sanctions against Iran's police force and several senior security officials in connection with Iran's alleged role in the violence in Syria.

As in previous quarters (e.g., QUs in *JPS* 158 and 160), credible rumors circulated that the Western powers and Israel had active covert programs to undermine Iran. The German daily *Der Spiegel* cited (8/2) anonymous Israeli intelligence sources as confirming that the Mossad was responsible for the late-7/2011 assassination in Tehran of Iranian nuclear scientist Darioush Rezaei. Rezaei's killing marked the 3d assassination of an Iranian nuclear physicist in 20 months as "part of a campaign to sabotage, or at least slow down, Iran's nuclear program," according to Israeli intelligence sources quoted by *Der Spiegel*. Israel did not officially confirm or deny the report. Iran stated (5/21) that it had arrested 30 people on charges of operating a CIA spy network; the U.S. did not comment.

Meanwhile, Tehran announced (6/8) that it was moving production of highly enriched uranium from Natanz to a facility in a mountain bunker where it planned to triple output and quality. The Natanz facility currently enriched uranium to 3.5% purity, adequate for energy purposes; the new facility would enrich to 20% purity, which the government said would be better for producing nuclear isotopes for medical purposes, but Western sources noted could also be a step toward producing weapons grade uranium (90% enrichment). Iran also held (6/27-7/6) 10 days of naval, ground, and missile exercises, including tests of short-, middle-, and long-range missiles (some capable of carrying nuclear warheads), drones, and air defense systems. In the process, Tehran unveiled (6/27) underground missile silos designed

to make missiles less vulnerable to attack. In addition, the IAEA concluded (5/24) that Iran had carried out research to build a triggering device that could only be used for a nuclear weapon.

## INTERNATIONAL

### UNITED STATES

This quarter, the Obama admin. was primarily concerned with the Palestinian statehood bid at the UN, the possibility of reviving direct Israeli-Palestinian negotiations, the long-term effects of the Arab Spring, and the upcoming 2012 presidential elections.

#### *Obama's 5/19 Speech as Policy Reassessment*

As alluded to above (see "Obama's 5/19 Speech and the Peace Process" in the "Palestinian-Israel Conflict" section), Obama's major Middle East policy speech at the State Dept. on 5/19 (see Doc. D1) was meant to redefine U.S. interests in the region in light of the Arab Spring and the 5/1/11 U.S. assassination of al-Qa'ida leader Osama Bin Laden. (The address was timed for noon in Washington, which was evening prime time in the Middle East, to reach both domestic and regional audiences.) Obama argued that the regional uprisings coinciding with the end of U.S. combat missions in Iraq, the pending draw-down of U.S. forces in Afghanistan, and the growing irrelevance of al-Qa'ida created a moment of opportunity for a "new chapter in American diplomacy." He stressed that the U.S. would continue to pursue its historic core interests in the region (e.g., halting nuclear weapons, ensuring free flow of trade, guaranteeing Israel's security, and pursuing peace), which are in the interests of all nations, but that now more attention must be paid to the needs and desires of the region's masses. Thus, while the theme of his 2009 Cairo speech that U.S. relations with the Middle East and Muslim world must be based on mutual interest and mutual respect (see Doc. D2 in *JPS* 153) was still valid, the U.S.'s top priorities must now include weighing the stability of nations against the citizens' right to self-determination; while repression might provide short-term stability, only political and economic reform and democratization could ensure long-term stability. (He also

stressed that each case must be weighed individually, apparently to counter international criticism that the U.S. response to the uprisings, ranging from military intervention in Libya to ignoring crackdowns in Saudi Arabia, had been inconsistent and self-serving.)

On this basis, Obama stated, the U.S. would support transitions to democracy even in places where transition "has yet to take place." Here he pointed to Syria, stating for the first time that Pres. Bashar al-Asad "can lead the transition or get out of the way," and that until then the U.S. would actively "challenge" him from abroad. He also urged Yemen's pres. Ali Abdullah Saleh to transfer power and U.S. ally Bahrain to take serious steps toward democratic reform and to open a credible dialogue with its opposition.

Emphasizing the importance of parallel political and economic reform, Obama announced major new economic initiatives to foster democratic change, including billions of dollars in debt relief, loan guarantees, and trade and development offers for Egypt and Tunisia. (The EU, meanwhile, announced billions of dollars in development aid for Egypt, Libya, Tunisia, and other regional states.) He also promised to reward states or movements that work for a transition to democracy by helping them to integrate into the global economy, with special emphasis on building a regional trade and investment regime in the Middle East, similar to efforts in the EU and former Soviet states. (This model strongly reinforced existing U.S.-Israeli demands, not explicitly repeated in this speech, for Arab states to normalize relations with Israel to encourage Israel to make peace.)

The above messages (with the exception of Obama's first call for Syria's pres. Asad to step aside) were largely lost in the ensuing uproar over Obama's statements on the peace process and the dispute between Obama and Netanyahu over 1967 lines. Overall, Obama's speech was generally seen (e.g., Brookings, *Huffington Post* 5/19) as weak and lacking substance or vision.

#### *2012 Election Jockeying Begins*

By the opening of the quarter, a number of Republicans had declared their intention to run for president in 2012 and were positioning themselves for the 8/2012 Iowa straw poll. The Israeli-Palestinian conflict,

though often an issue in elections, became a prime focus for the Republicans in light of the stalled peace process and difficult relationship between Obama and Netanyahu. As such, the Republicans pounced on the 5/19 speech to make themselves seem “more reliable protectors of Israel than the Democrats,” stressing that Obama should “not be trying to push Israel into a deal that is not good for Israel.” Republican presidential front-runner Mitt Romney accused (ca. 5/24) Obama of throwing Israel “under the bus,” and presidential candidate Tim Pawlenty said (ca. 5/24) the president had made a “mistaken and very dangerous demand” in calling for 1967 lines as the basis of peace talks. The tumultuous applause Netanyahu received when he appeared before Congress on 5/24 (see “Netanyahu Addresses Congress” above) could be seen as an effort by Democrats and Republicans to outbid each other in support for Israel, with the 2012 elections in mind.

In the same vein, some sources suggested (e.g., JTA, WP 5/23) that Obama’s 5/22 AIPAC speech was aimed especially at Jewish voters and donors in light of the 2012 presidential elections. In addition to clarifying his positions on the peace process in the 5/19 speech to make them seem more in line with Netanyahu’s views (see “The AIPAC Speeches” above), Obama stressed his “ironclad” support for Israel, Israel’s security as a personal and national priority, and the efforts he has made on Israel’s behalf, including: supporting funding for the Iron Dome anti-missile defense system, guaranteeing Israel’s qualitative military edge, working to curb Iran, and opposing attempts to delegitimize Israel. Specifically, he cited his opposition to the Palestinian statehood initiative at the UN, his refusal to attend the upcoming Durban review conference (see “United Nations” below), his rejection of the UN’s 9/15/09 Goldstone report on Operation Cast Lead (see QU in *JPS* 154), his continual support for Israel’s right to self-defense, and his veto of the 2/18/11 UN resolution on the illegality of Jewish settlements (see QU in *JPS* 160), which he described as a Palestinian “effort . . . to insert the United Nations into matters that should be resolved through direct negotiations.” Even some senior Democrats at the conference (including Senate majority leader Harry Reid [D-NV] and House minority whip Steny

Hoyer [D-MD]) joined Republicans in censuring Obama for repeating his position on 1967 lines, saying the president was forcing Israel to give away too much, too soon.

### *U.S.-Israel Relations*

Israeli DM Barak visited Washington 7/26–28 to meet with senior U.S. officials (including VP Biden, Secy. of State Clinton, Defense Secy. Leon Panetta, and NSA Donilon) as part of the regular U.S.-Israel strategic dialogue. Issues discussed included Iran, the Arab Spring, and the Palestinian statehood initiative at the UN; the only detail released was that Israel reiterated its long-standing position that it would not rule out a preemptive strike on Iran’s nuclear sites. On 7/29, Barak traveled to New York to meet with UN Secy.-Gen. Ban, who urged Israel to halt settlement construction and return to negotiations.

On 7/8, Daniel Shapiro replaced James Cunningham as ambassador to Israel. Shapiro had previously coordinated Jewish outreach for Obama’s 2008 presidential campaign and when named ambassador was director for the Middle East and North Africa at the National Security Council (NSC). He was replaced at NSC by Steve Simon, who held (ca. 6/19) an “introductory phone call” with leaders of the U.S. Jewish community to “establish [a] Jewish rapport,” according to a participant in the conference call, who also noted Simon’s stress on his personal visits to Israel as well as his work experience, which includes stints at the NSC under the Clinton admin. and as Middle East expert at RAND Corp. and the Council on Foreign Relations. He has also written a book on the Iranian nuclear threat (recommending a containment policy until Iran halts its program) and has recommended opening a quiet dialogue with Hizballah to urge it to disarm.

### *Congress*

There was an overwhelming push this quarter in Congress to pass legislation to punish the Palestinians if they took their statehood initiative to the UN or allowed Hamas to join a unity government. To this end, 1 measure was introduced in the Senate and 5 were introduced in the House; of these, 2 went to vote and were passed, 1 was sent to the full House for debate, and 3 were referred to committee for further consideration.

All but 6 members of Congress voted in favor of nonbinding Senate and House companion measures (S.Res.185 and H.Res. 268) vowing to “consider restrictions on aid to the [PA] should it persist in efforts to circumvent direct negotiations by turning to the United Nations or other international bodies” (quoting the Senate version) and vowing to oppose the inclusion of Hamas in any Palestinian unity government unless it accepted peace with Israel and renounced violence. S.Res.185, sponsored by Sens. Ben Cardin (D-MD) and Susan Collins (R-ME), passed unanimously on 6/28. H.Res. 268, endorsed by AIPAC and sponsored by House majority leader Rep. Eric Cantor (R-VA) and minority whip Rep. Hoyer, passed by 406-6 on 7/7.

Similarly, Republicans in the House, led by Rep. Ileana Ros-Lehtinen (R-FL), submitted (7/19) to the House Foreign Affairs Comm. the draft FY 2012 Foreign Relations Authorization Act (H.R. 2699) with proposed amendments that would: (1) expand the existing U.S. ban on dealing with PA governments that include Hamas in the cabinet to include barring the U.S. from dealing with any “member of Hamas or any other foreign terrorist organization serv[ing] in any policy position in a ministry, agency, or instrumentality of the [PA]”; (2) condition U.S. funding to the PA on White House certification to Congress that the PA had halted all anti-Israel incitement in every PA-controlled venue and publication; (3) set 1/1/2014 as the deadline for moving the U.S. embassy to Jerusalem; (4) ban all military aid to Lebanon until presidential certification that the Lebanese government was dismantling terrorist groups (especially Hizballah); and (5) limit the president’s ability to waive these clauses for national security reasons. The amendments were debated by the committee on 7/21 and 7/22, and, after the Democrats blocked amendments 2 and 4 as undermining the president’s ability to make foreign policy, the revised draft was sent to the full House for consideration. When debate on the act started in the full House on 7/26, the only point on which Democrats and Republicans concurred was on increasing aid to Israel to \$3.075 b. (as previously agreed by Israel and the U.S. as part of the existing 10-year aid plan).

On 7/7, Rep. Joe Walsh (R-IL) and 34 cosponsors introduced the Palestinian Accountability Act (H.R. 2457) to bar funding

to the PA unless the secy. of state can certify to Congress PA compliance with a number of demands, including: excluding Hamas from government (unless Hamas recognizes Israel and renounces violence), recognizing Israel as a Jewish state, dismantling and “bring[ing] to justice” any group that takes part in terrorism or incitement against Israel, and ceasing all participation in boycotts of Israel (including boycott of settlement-made goods).

On 6/21, Rep. Thaddeus McCotter (R-MI), with 1 cosponsor, introduced H.R. 2261 to withhold funding to the UN or any UN agency if the UN or any UN body supports recognition of an independent Palestinian state. Rep. Steve Chabot (R-OH) introduced (6/3) H. Res. 297 expressing a similar sense of Congress.

Other House measures on Israel-Palestine initiated this quarter but sent to committee for further consideration were: (1) H.R. 2589, known as the “Antiboycott Act,” that would make permanent the ban against participation in the Arab League boycott of Israel (introduced on 7/7); (2) H. Res. 314 declaring that it is U.S. policy to support Israel in seeking peace that results in a 2-state solution with a “nonmilitarized Palestinian state living side-by-side in peace and security with the Jewish State of Israel, the home of the Jewish people” (introduced on 6/16); and (3) H.Res. 317 marking the 5th anniversary of IDF Cpl. Gilad Shalit’s capture and calling for his immediate release (introduced on 6/21).

The House Defense Appropriations Comm. approved (6/3) a recommendation to increase aid to Israel for the David’s Sling and Arrow 3 missile defense programs \$235.7 m. in FY 2012 from \$217.7 m. in FY 2011. The change must still be incorporated into the FY 2012 defense appropriations act to become final, though this was expected to occur.

The State Dept. granted (6/29) \$500,000 for a study to examine incitement in Israeli and Palestinian textbooks to be conducted by the Council of Religious Institutions of the Holy Land, a Jerusalem-based organization of Islamic, Jewish, and Christian religious leaders. The study will involve a team of 6 bilingual researchers (3 Israeli Jews, 3 Palestinians) examining the poems, narrative descriptions, maps, stories, photographs, and illustrations in 141 Palestinian and 486 Israeli textbooks used from grades 1 to 12. The State Dept.’s

grant comes from a \$4 m. fund appropriated by Congress for work pertaining to religious freedom. The results, due in 2011 or early 2012, will be used to make educational reform recommendations to the Palestinian and Israeli governments.

As of 8/8, at least 81 House reps. planned to tour Israel during summer recess. The trips were to be funded by AIPAC's affiliate, the American Israel Education Foundation (AIEF). Of the participants, two-thirds were Republicans and 47 were freshmen. AIEF specifically targeted Republicans because they had pushed hardest for deep budget cuts to stem the U.S. debt crisis, and AIEF wanted to press them to protect aid to Israel from the spending cuts. Of note: Rep. Eric Cantor (R-VA) said (8/15) that the fact that "the White House and president have not been as clear" as possible in support of the U.S. special relationship with Israel "has added interest on the part of the members" to show solidarity with Israel, particularly against the security threat from Iran. At least 1 of the delegations met (8/11) in Ramallah with Abbas, who urged them to support the statehood initiative.

On 8/5, 221 members of Congress signed (8/5) letters to Obama urging him to impose stronger sanctions on Syria. The House letter was initiated by Reps. Ros-Lehtinen (R-FL) and Berman (D-CA), the senior members of the House Foreign Affairs Comm.; the Senate letter was organized by Sens. Barbara Boxer (D-CA) and Jim DeMint (R-SC). In addition, the Senate and House introduced companion drafts of the Syria Sanctions Act of 2011 (S.1472 introduced on 8/2, H.R. 2106 introduced on 6/3) that would penalize companies that invest in Syria's energy sector to punish the Assad government for its ongoing domestic crackdown and its long-standing material support to regional "terrorist" groups (e.g., Hamas, Hizballah).

In mid-6/2011 (after a new Lebanese government with a Hizballah majority was formed), Rep. Howard Berman (D-CA), who is Jewish, and Reps. Darrell Issa (R-CA), Charles Boustany (R-LA), and Nick Rahall (D-WV), who are Lebanese-Americans, formed an unusual bipartisan alliance to cosponsor the Hizballah Anti-Terrorism Act (H.R. 2216) that would eliminate U.S. aid to Lebanon if Hizballah was in the ruling government. The draft stated that the bill would "make certain that no U.S. taxpayer

funds benefit the terrorist organization Hizballah or any party that allies itself with Hizballah."

More than 90 senators signed (8/4) a letter urging Obama to implement sanctions targeting Iran's central bank. The letter was initiated by Sens. Charles Schumer (D-NY) and Mark Kirk (R-IL).

### **Lobbies**

As noted, the most influential lobbying venue this quarter was AIPAC's annual conference in Washington (5/22-24), where Obama and Netanyahu were main speakers (see "The AIPAC Speeches" above). A main purpose of the conference was to identify the most important themes to be addressed by pro-Israel activists during their lobbying day on Capitol Hill (5/24). This year, the themes were: containing Iran, isolating the PA if unity plans with Hamas were pursued, blocking the Palestinian statehood initiative at the UN, and maintaining aid levels to Israel despite the economic downturn. More than 10,000 activists representing all 50 states attended the conference, and congressional turnout included 67 U.S. senators and 286 representatives attending the gala banquet (5/23). Republican presidential contenders Newt Gingrich and Rep. Michele Bachmann (MN) and newly appointed Democratic Party chairwoman Rep. Debbie Wasserman Schultz (FL) held "after parties" to fete conference delegates and dignitaries.

Coinciding with the AIPAC conference (5/21-24), the U.S. Campaign to End the Occupation and Code Pink together held their own conference titled "Move Over AIPAC" to offer a more critical view of Israeli and U.S. policies. The conference focused on "the extraordinary influence AIPAC has on U.S. policy and how to strengthen an alternative view that respects the rights of all people in the region." Speakers included international law experts Stephen Walt and John Mearsheimer and veteran journalist Helen Thomas.

More than 5,000 people attended (7/18-20) the 6th annual Christians United for Israel (CUFI) conference in Washington. CUFI declared that it was now the largest pro-Israel organization in the U.S. with 700,000 members and 100s of pro-Israel events across the country each year. CUFI also touted its college campus

coordination program that arranges some 350 pro-Israel campus events per year “to counter anti-Israel activity by groups supporting the Palestinians.” Netanyahu addressed the conference by video, while Israeli amb. to the U.S. Michael Oren spoke in person. Right-wing commentator Glenn Beck, keynote speaker at the main “Night to Honor Israel” banquet, told attendees that “every person will be judged by God by how they treat Israel.” The capstone event—modeled (like the entire conference) on AIPAC—involved a day (7/20) on Capitol Hill, urging their representatives to oppose Palestinian statehood efforts at the UN.

J Street brought Israeli generals (retired and reserve) to Washington on 7/26 to meet with high-ranking U.S. officials (including the White House, State Dept., Pentagon, and NSC) and with members of Congress to urge the U.S. to make a greater effort to broker Israeli-Palestinian peace. They also urged opening direct talks with Hamas, stating that “you negotiate with whoever is on the other side of the table.” The group included Gens. Nehemiah Dagan (former IDF chief education officer), Shlomo Gazit (former military intelligence chief), and Natan Sharoni (former IDF planning chief).

In mid-6/2011, American supporters of jailed spy for Israel Jonathan Pollard shut down the White House switchboard by flooding it with calls urging Pollard’s release to attend his father’s 6/20 funeral. The Netanyahu admin. also officially requested that the Obama admin. grant Pollard a leave from prison to attend the funeral. The Conference of Presidents of Major American Jewish Organizations issued (6/20) a statement “regretting” the administration’s decision not to allow him to attend. Pollard had been estranged from his family since 1996, so the move was seen (e.g., JTA 6/20) as purely political. On 7/26, Israeli amb. Oren visited Pollard in prison to hear his latest plea for Israel to appeal to Obama for clemency and release.

### **Legal Action**

A U.S. federal judge dismissed (7/10) a default judgment against the PA in a case brought by survivors and families of victims of a 2002 bombing in Karnei Shomron settlement in which 3 teenagers (including 2 with U.S. citizenship) were killed

and some 30 injured. While the Popular Front for the Liberation of Palestine (PFLP) claimed responsibility for the bombing, the families sought \$300 m. in damages from the PA, arguing that the PA as governing body bore responsibility. The PA initially would not contest the case, arguing that U.S. courts had no jurisdiction, and allowed the court to rule in favor of the plaintiffs by default. In the 7/10 ruling, the judge dismissed the default judgment on the grounds that the PA was now willing to mount a defense.

A U.S. appellate court in Washington, DC, overturned a previous ruling to allow the family of a U.S. security contractor killed in a roadside bombing attack on a State Dept. convoy in 2003 (see QU in *JPS* 130) to sue the PA for damages. The suit alleged that PASF abetted “terrorism” by giving the bombers the explosives and the planned timing and route of the convoy and by failing to prevent the attack. At the time, the Popular Resistance Committees (an umbrella group comprising all Palestinian factions) took responsibility.

In late-5/2011, an American-Lebanese couple, Hor and Amara Akl, agreed to a plea deal in which they would confess to planning to courier \$1 m. to Hizballah in exchange for sentences of 7 years or less. (A conviction of providing material support to a designated terrorist organization could have resulted in life sentences.) The couple was arrested in 6/2010 after they accepted the first \$200,000 from an FBI agent, with plans to hide the cash in an SUV imported to Lebanon.

The FBI added (7/6) to its most wanted list Fouzi Ayoub, a Canadian citizen and native of Lebanon who once lived in Michigan and was charged in 2009 with plotting to travel to Israel to detonate a bomb on behalf of Hizballah. His whereabouts were unknown.

### **RUSSIA**

Russia’s hosting of the 5/22 Fatah-Hamas meeting to sign their understandings on implementing their unity agreement (see “National Reconciliation” above) marked one of Russia’s most significant interventions in the peace process in years; Mustafa Barghouti, of the Palestinian National Initiative, stated (5/22) that it elevated Russia to cosponsor (along with Egypt) of reconciliation talks.

On 5/18, Israel acknowledged that Russia had expelled its military attaché, Vadim Leiderman, from its Moscow embassy for spying, stating that the charges were unfounded. Russia said (5/18) that it had warned Israel 3 times that Leiderman had inappropriately contacted Russian military officials without coordinating with the Russian FMin. and had expelled him the 4th time he did so. Russian security officials said Leiderman attempted to obtain information on secret military sales to Arab states, recruited Russian civilians as spies for Israel, and inappropriately lobbied on behalf of an Israeli defense company. Soon after, a senior Russian government minister canceled (5/23) a planned visit to Israel for defense talks amid tensions over the issue.

#### EUROPEAN UNION

EU efforts on the peace process this quarter focused on reviving Palestinian-Israeli peace talks and on the anticipated 9/2011 Palestinian statehood bid at the UN. European parliament pres. Jerzy Buzek toured (ca. 6/13-15) Israel and the Palestinian territories. In his address to the Knesset on 6/15, he stated that the EU supported both Obama's call for negotiations based on 1967 borders with agreed swaps and France's proposal for a conference in Paris to explore reviving peace talks (see "Revival of the French Initiative" above). Buzek also visited Gaza (6/13), where he called on Israel to lift its blockade immediately; and Ramallah (6/14), where he told PA officials that while the EU does not oppose Palestinian unilateral efforts at the UN, it strongly favors negotiations as the best route to a viable, long-standing peace with Israel.

As was the case last quarter (see QU in *JPS* 160), Palestinian and Israel officials lobbied EU members throughout the quarter to either support or oppose the Palestinian statehood initiative at the UN. In addition, 20 prominent Israelis (including former Knesset speaker Avraham Burg, former FMin. dir-gen. Alon Leil, and Nobel laureate Daniel Kahneman) signed a 5/27 letter to European leaders urging them to support a Palestinian declaration of statehood as a "positive, constructive step" given the peace impasse.

On 7/11, 106 of 736 members of the European parliament sent a letter to EU

foreign policy adviser Catherine Ashton urging the EU to oppose the Palestinians' unilateral bid for statehood. Ashton was in Washington for the senior-level Quartet meetings to discuss possibly launching a new initiative to revive the peace talks (see "The Quartet Meets" above).

#### UNITED NATIONS

Though the upcoming 9/2011 UNGA session was of major interest this quarter because of the Palestinian statehood initiative, few actions affecting the peace process took place in UN bodies.

The UN issued (7/6) a report on the Nakba Day bloodshed on the Israel-Lebanon border on 5/15, concluding that Israeli troops "used direct live fire against unarmed demonstrators" and that "other than firing initial warning shots, the [IDF] did not use conventional crowd control methods or any other method than lethal weapons against the demonstrators," calling Israel's actions disproportionate and in violation of UN Res. 1701, ending the 2006 Lebanon war. The report, based on UNIFIL reports, dealt only with the marches on the Lebanon border, where the IDF killed 7 protesters and wounded 111 (see QU in *JPS* 160 for details).

For the first time since its creation in 12/1968, the UN Special Committee to Investigate Israeli Practices in Occupied Territories gained entry (mid-7/2011) to Gaza, facilitated by the new Egyptian government via the Rafah crossing. Previously, the committee had been barred by Israel from entering any of the occupied territories—a restriction Egypt had observed, forcing the committee to interview West Bank and Gaza Palestinians twice a year in Cairo, Amman, or Damascus. On 7/29, the committee released a report expressing dismay at Israel's "continuing disregard of its obligations under international law" and condemning Israel's "oppressive restrictions imposed on Gaza" as having "the effect of collectively punishing the population."

The Obama admin. formally confirmed (6/1) that the U.S. would not participate in the international gathering marking the 10th anniversary of the 2001 World Conference Against Racism (WCAR) in Durban to be held at the UN in 9/2011, as the meeting was expected to reinforce the original WCAR summit's "ugly displays of

intolerance and anti-Semitism<sup>7</sup> toward Israel. Senior U.S. officials had suggested for months that the U.S. would boycott the conference but had not officially informed organizers (see QU in *JPS* 159).

In late-6/2011, UNESCO's World Heritage Committee condemned Israel over planned renovations at the Mughrabi Gate in East Jerusalem based on a complaint filed by Bahrain, Egypt, Iraq, Jordan, the UAE, and others. Israel expressed particular anger at Jordan, saying the kingdom signed an agreement with Israel endorsing the construction.

#### OTHER

At the 50th anniversary ministerial conference of the Organization for Economic Cooperation and Development (OECD) in Paris (5/25–26), organizers refused to allow right-wing Israeli FM Avigdor Lieberman to make a Middle East policy speech, saying it would be inappropriate for him to stray from discussing economic issues. Israeli sources also said that U.S. Secy. of State Clinton refused to meet Lieberman during the OECD meeting; the U.S. did not comment.

#### DONORS

No major donor meetings were held this quarter. Even the Local Development Forum, the body that oversees donor coordination on the ground, did not appear to convene as it typically does quarterly or monthly to assess how the PA is meeting its budget and development goals. A special donor's session to discuss the Palestinian civil defense system was held on 7/26 in Ramallah, but no details were publicly released. Of the 4 main donor "strategy groups" (SGs), only the governance and reform SG met (7/5). Various SG subcommittees did hold regular follow-up meetings, however. These included the economic SG's fiscal sector working group (SWG; 6/30), agriculture SWG (7/6, 8/3), micro and small finance task force (6/14), and the private sector development and trade SWG's Gaza thematic group (5/26); the governance SG's judicial reform SWG (5/31) and security SWG (7/21); the infrastructure SG's water and sanitation SWG (7/5), municipal development and local governance SWG (7/18), and solid waste thematic subgroup (12/4); and the social and humanitarian assistance SG's health SWG (8/8) and education SWG (6/28).



Bedouin evacuate livestock as the Israeli military demolish their homes and structures in the village of Hadidiyya, located in area C of the West Bank on 21 June 2011. (Saif Dalah/AFP/Getty Images)