



UNIVERSITY OF CALIFORNIA PRESS  
JOURNALS + DIGITAL PUBLISHING



---

Quarterly Update on Conflict and Diplomacy

Author(s): MICHELE K. ESPOSITO

Source: *Journal of Palestine Studies*, Vol. 33, No. 4 (Summer 2004), pp. 139-165

Published by: [University of California Press](#) on behalf of the [Institute for Palestine Studies](#)

Stable URL: <http://www.jstor.org/stable/10.1525/jps.2004.33.4.139>

Accessed: 30/03/2015 11:30

---

Your use of the JSTOR archive indicates your acceptance of the Terms & Conditions of Use, available at  
<http://www.jstor.org/page/info/about/policies/terms.jsp>

JSTOR is a not-for-profit service that helps scholars, researchers, and students discover, use, and build upon a wide range of content in a trusted digital archive. We use information technology and tools to increase productivity and facilitate new forms of scholarship. For more information about JSTOR, please contact support@jstor.org.



*University of California Press and Institute for Palestine Studies are collaborating with JSTOR to digitize, preserve and extend access to Journal of Palestine Studies.*

<http://www.jstor.org>

# QUARTERLY UPDATE ON CONFLICT AND DIPLOMACY

16 FEBRUARY-15 MAY 2004

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.*

## BILATERALS

### PALESTINE-ISRAEL

This quarter was marked by Israeli PM Ariel Sharon's presentation on 4/14 of a detailed plan for Israel's unilateral disengagement from Gaza, drawn up in close consultation with the U.S. and without any input from the Palestinians or other parties. U.S. Pres. George W. Bush's formal endorsement of the plan the same day marked a dramatic shift in U.S. policy involving support of Israel's position on the Palestinian right of return and effective endorsement of Israel's annexation of Greater Jerusalem. Bush also vowed to block any peace initiatives other than the road map.

As the quarter opened, Sharon's plan was still only a vague proposition to evacuate all Jewish settlers from Gaza (see Quarterly Update in *JPS* 131), with the Palestinian Authority (PA), U.S., and international community uncertain as to its seriousness. As such, Israeli and PA officials continued talks (ongoing since 11/03) toward convening a meeting between Sharon and PA PM Ahmad Qurai' to discuss road map implementation, while Palestinian factions began consultations on how to govern Gaza and maintain security there should the Israel Defense Forces (IDF) withdraw. Actual hearings by the UN's International Court of Justice (ICJ) on the legality of Israel's separation wall in the West Bank were held this quarter (2/22-25; see UN section below), but the issue was less charged than last quarter as participants had already submitted and publicized their positions (see Quarterly Update in *JPS* 131). A ruling was not expected for months.

On the ground, Israeli-Palestinian violence was high (see Chronology for details), with the IDF stepping up assassinations, bulldozing of Palestinian agricultural land

and infrastructure, house demolitions, and random firing on residential areas in Gaza; the stated aim was to eliminate the militant leadership and increase hardship on Gazans so that any disengagement would not be viewed as a Palestinian victory (see Quarterly Update in *JPS* 131). In the West Bank, the IDF maintained tight restrictions on Palestinian movement, confiscated vast tracts of Palestinian land for construction of the separation wall, routinely conducted house searches and arrest raids, and allowed Jewish settlers free reign to harass neighboring Palestinians (see below). Palestinian militants sniped at IDF soldiers and settlers, lobbed homemade mortars and rockets, and occasionally attempted to infiltrate settlements, mostly in Gaza and usually without effect. As of 5/16, at least 3,029 Palestinians (including 38 Israeli Arabs and 15 unidentified Arab cross-border infiltrators), 855 Israelis (including 260 IDF soldiers and security personnel, 181 settlers, 414 civilians), and 48 foreign nationals (including 2 British suicide bombers) had been killed since the start of the al-Aqsa intifada.

### *Sharon's Plan Takes Shape*

On 2/18, U.S. National Security Council Middle East Adviser Elliott Abrams, Asst. Secy. of State William Burns, and Dep. National Security Adviser (NSA) Stephen Hadley arrived in Israel for consultations on Sharon's plan. The officials stressed that they were not negotiating with Israel but merely offering ideas and "helping the prime minister and his people think them through." After preparatory meetings (2/18) with Sharon chief of staff Dov Weisglass, the U.S. team met (2/19) with Sharon, who outlined 5 things that he would expect from the U.S. in exchange for leaving Gaza: (1) acceptance of Israeli plans to strengthen control over large West Bank settlement blocs and

*Journal of Palestine Studies* XXXIII, no. 4 (Summer 2004), pages 139-165.

ISSN: 0377-919X; online ISSN: 1533-8614.

© 2004 by the Institute for Palestine Studies. All rights reserved.

Send requests for permission to reprint to: Rights and Permissions, University of California Press, Journals Division, 2000 Center St., Ste. 303, Berkeley, CA 94704-1223.

agreement that these would go to Israel under any final status arrangement; (2) backing for an amended separation wall route closer to the Green Line; (3) agreement that Israel can retaliate against "terrorist" acts with "strong military action" in areas from which it had withdrawn; (4) backing for the disengagement plan in the international community; and (5) support for Israel's calls on Egypt and Jordan to strengthen economic ties with the Palestinian areas after Israeli withdrawal. The U.S. team questioned whether evacuating Gaza would strengthen Hamas and to what degree the IDF would still operate in Gaza after the settlements were dismantled, but Sharon said that he had not yet decided on any details. The U.S. team then met in Ramallah with PA Negotiations Affairs M Saeb Erakat and PA head Yasir Arafat's chief of staff Hasan Abu Libdah to reiterate the U.S. commitment to the road map and a 2-state solution. Afterward, U.S. Amb. to Israel Dan Kurtzer issued a statement saying that the U.S. supported Sharon's plan and had urged the PA to halt "terrorism" and implement reforms. The U.S. team briefed (2/21) Bush, VP Dick Cheney, NSA Condoleezza Rice, and Secy. of State Colin Powell upon their return.

Days later, Sharon told (2/23) his Likud party that he would not negotiate with the PA leadership because it had failed to undertake its obligations under the road map. Instead he would ask Bush in their next meeting (the date of which had not been set) to recognize Israel's security lines in the occupied territories as a "long-term interim arrangement," explaining that "We want to ensure there will be no diplomatic plan or demands on Israel from any source until a different Palestinian leadership is set up that fights terror and applies the road map. In the interim period, we shall fix the security line, and that is why the Palestinians are so worried about this." He stated that he aimed to have his disengagement plan be part of a formal agreement with the U.S. under which the U.S. would (1) issue a memorandum of understanding (MOU) outlining the 5 points presented to the U.S. team on 2/19; (2) agree that no Palestinian state would be created during the long-term interim period; (3) agree that the settlement blocs of Ariel, Ma'ale Adumim, and Gush Etzion would never be returned to the Palestinians; and (4) provide Israel with a compensation package in exchange for evacuating the settlements and withdrawing from Palestinian territory. Sharon authorized Israeli Finance

M and Likud rival Benjamin Netanyahu to meet with U.S. Amb. Kurtzer to present Israel's proposals (drafted by Netanyahu) for the compensation package, which he hoped to have finalized by his meeting with Bush. He also aimed to be able to submit for cabinet approval the disengagement agreement, MOU, and a referendum approving both by the end of 5/04.

On 2/25, senior U.S. and Israeli officials (paraphrased by the *Washington Post* 2/26) acknowledged that, since "productive" talks with the PA were "impossible for the moment," they were discussing a "fresh approach" to the peace process under which the Bush administration would endorse Sharon's unilateral disengagement plan "as a way of encouraging Palestinians and Arab states to take their own steps toward peace." The officials acknowledged that the "interim arrangement" they envisioned, under which Israel would withdraw from Gaza settlements in exchange for "greater flexibility to build housing in West Bank areas," could last for years. Israeli amb. to the U.S. Danny Ayalon stated that the plan would put the peace process "in a parking place" until the Palestinians "do their part." Bush reportedly (*New York Times* 2/26) was eager to hold a high-profile meeting with Sharon "hailing what seems to be progress as a way of defusing Democratic criticism that he has been passive on the search for peace."

On 3/1, Sharon's chief of staff Weisglass and Israel's NSA Giora Eiland led a team to Washington to discuss with Powell and Rice "practical steps" to carry out unilateral disengagement. Most notably, the U.S. officials reportedly pressed Weisglass to delay until after the 11/04 presidential elections the evacuation of Gaza settlements (which could spark chaos in Gaza) and requests for additional financial aid to cover implementation (which could alienate voters). Israeli DM Shaul Mofaz confirmed (3/5) that Israel had agreed to delay any withdrawal.

After giving Sharon and Eiland more time to consult with their top security advisers on disengagement implementation, Abrams, Burns, and Hadley returned (3/11-12) to Israel for a quick round of "shuttle consultancy" (not negotiations, the U.S. stressed) with Israeli and PA officials; no details were released. Simultaneously, Israeli DM Mofaz was in Washington to brief (3/11) Cheney and Powell on Sharon's latest thinking and to seek U.S. approval, but the Americans said they still needed more details.

With Sharon's disengagement from Gaza appearing more likely, other parties began to position themselves for the eventuality. The PA's official stance, repeated throughout the quarter, was that it would welcome any Israeli withdrawal from Palestinian territory recognized as a first step in full withdrawal from all occupied territories. The European Union (EU) recommended (2/23) that Sharon's plan and 5 conditions be rolled formally into the road map timetable, be coordinated and negotiated with the PA, that it not include the relocation of Gaza settlers to the West Bank, and that Israel contribute to the rehabilitation and reconstruction of Gaza. UN Special Envoy Terje Larsen praised (2/18) Sharon's "boldness and vision" in offering his plan, but also stressed that any withdrawal must be negotiated with the Palestinians. King Abdallah of Jordan similarly stated (3/10) that Sharon's plan would be "a step in the right direction" if coordinated with the PA, Jordan, Egypt, and the Quartet.

Israel sent Shin Bet head Avi Dichter to Cairo to brief (2/26) Egyptian officials on Sharon's plan. Afterward, Egypt said that it would not object to Israeli withdrawal from the Gaza Strip, but expected it to result from a negotiated Israeli-PA agreement. Soon after, Egyptian intelligence adviser Omar Sulayman secretly traveled (3/8-10) to Israel and Ramallah to meet with Sharon and confer with Arafat. On 3/11, Israeli FM Silvan Shalom met in Cairo with Egyptian pres. Husni Mubarak and FM Ahmad Maher, who provided assurances that Egypt would secure its border with Gaza if Israel withdrew. To Israel's offer (3/12) to amend the Camp David Accords to permit Egypt to deploy militarily along the Gaza border following a pullout, Egypt replied (3/16) that this was unnecessary, as deployment of civil police with light weapons would be sufficient. Following these meetings, Egypt offered (3/12) to mediate talks in Cairo and the occupied territories between the PA and the Palestinian factions on how best to govern Gaza postwithdrawal, but such discussions were already underway (see below for details).

On the ground, the IDF continued military operations in Gaza, notably assassinating Islamic Jihad military cmdr. Muhammad Judah in Jabaliya refugee camp (r.c.) on 2/28 (also killing his brother and another senior Islamic Jihad member and wounding 11) and bulldozing (2/27) 84 shops in Bayt Hanun to widen the northern Gaza buffer zone around Erez crossing. Israel also expropri-

ated (2/22) 27 dunams of Palestinian land for a security fence around Gaza's Netzarim settlement, raising questions about the seriousness of Sharon's settlement evacuation plans. On 2/25, Israel staged a major raid on 4 banks in Ramallah and seized \$6.7 m. —\$9 m. from 400 accounts allegedly "linked to terrorist activities," including the accounts of families of wanted Palestinians and suicide bombers. Israel justified the move as "part of the comprehensive U.S.-led measures currently being carried out around the world against terrorist organizations." The State Dept. criticized the action due to risks of destabilizing the Palestinian banking system and stated its preference for "Israeli coordination with Palestinian financial authorities." Sharon spokesman Raanan Gissin claimed the seized money would be spent on providing Palestinian health services and food aid (nothing more was heard of this), and "improving the infrastructure at crossing points and checkpoints," adding, "We're actually providing the opportunity for the [PA] to regain control."

On 3/2, the IDF announced plans to "intensify our antiterror operations in Gaza" so as to "eliminate as many terrorists as possible" before a unilateral withdrawal. Immediately after, the IDF assassinated 3 senior Hamas members in Gaza City (3/3). On 3/4, it made a major raid on Rafah and assassinated the local head of the Palestinian Resistance Comms. (PRCs), destroying 1 house, seriously damaging 9, and bulldozing 23 dunams (4 dunams = 1 acre) of land. The IDF also attempted (3/7) a major raid on Gaza's Bureij r.c. and Nussayrat r.c. but met fierce resistance (rifle fire, rocket-propelled grenades, homemade antitank missiles, Molotov cocktails) from Palestinian militants who prevented troops from entering the camps and almost cut off their exit; the 8-hour battle left 14 Palestinians dead, 83 injured, and no IDF casualties.

Between 2/16 and 3/13, Palestinian attacks also escalated: an al-Aqsa Martyrs Brigade (AMB) suicide bomber detonated (2/22) a device on a bus in Jerusalem, killing 8 Israelis and wounding 50; 2 AMB gunmen fatally shot (2/26) 2 IDF soldiers in Gaza's Erez Industrial Zone before being shot dead; an Islamic Jihad suicide bomber on a bicycle detonated (2/27) a device near Gaza's Kefar Darom settlement, killing only himself; gunmen from the AMB and Popular Front for the Liberation of Palestine-General Command (PFLP-GC) ambushed (2/27) and fatally shot 2 Israelis driving near Beersheba, inside

Israel, and escaped; and the AMB, Hamas, and Islamic Jihad staged (3/6) a joint, 4-man suicide attack on Erez crossing that killed 2 members of the PA Preventive Security Forces (PSF) at a PSF post outside the IDF-controlled transit zone. The IDF struck back at the AMB, assassinating 2 wanted members in Balata r.c. on 2/29 and 5 wanted members in Jenin on 3/10. Across the territories, IDF restrictions on Palestinian movement, as well as shootings, bulldozing, arrest raids, and house demolitions, continued (see Chronology for details). By 3/13, the cumulative death toll had reached 3,094 Palestinians and 867 Israelis.

#### *Operation Continuous Story*

The pace of events quickened and violence escalated sharply on 3/14, when an AMB member and a Hamas member, both from Gaza's Jabaliya r.c., staged a double suicide bombing inside Israel's heavily guarded Ashdod port complex, some 30 mi. north of the Strip, killing 11 Israelis, wounding 20, and marking the first suicide bombing inside Israel from Gaza and the first targeting civilian infrastructure. The IDF later speculated that the bombers, dressed in IDF uniforms, carrying Kalashnikov rifles, and using bombs made of plastic explosives, had entered the port in the false bottom of a truck cleared through the Erez crossing; the only other bombing using plastic explosives during the intifada was in the 4/03 Tel Aviv bombing carried out by 2 British Muslims having entered Israel on British passports. The IDF immediately launched air strikes on 3 metal foundries and a printing press (alleged weapons factories) in Gaza City, wounding 1 Palestinian, and fatally shot 3 armed Palestinians attempting to infiltrate Netzarim settlement.

The next day, Israel's security cabinet approved an aggressive new campaign, dubbed Operation Continuous Story, against Palestinian militants in Gaza, vowing it would be "a long, continuous operation" using assassinations and "other methods too—everything we can to crack down on the infrastructure that is feeding the operation of terrorist organizations." Sharon confirmed (3/16) that he had authorized the IDF and Shin Bet to "act without limitations against top figures from all terror organizations." The IDF imposed (3/15) an "indefinite" comprehensive closure on the West Bank and Gaza, sealing all border crossings but Rafah, that lasted through the end of the quarter. Overnight on 3/15–16, the IDF raided and destroyed

the educational studies campus of Gaza City's al-Aqsa University near Shuhada Junction, blowing up 2 buildings (housing 16 classrooms, 6 offices, 3 labs, a library, and a 3,000-seat cafeteria), bulldozing the 5.5 dunam campus and 30 dunams of surrounding agricultural land, and causing damages estimated at \$700,000. The IDF then attempted to assassinate (3/16) Islamic Jihad Gaza head Muhammad al-Hindi, killing 2 Islamic Jihad members and wounding 7 bystanders; assassinated (3/16) Rafah PRC leader Faraj Abu Jarrar (3/16), fellow PRC member Mahmud Abu Nahal (3/16), and wanted Izzeddin al-Qassam Brigades member Basim Kadih (3/21); launched (3/17) a major raid on Rafah, killing 4 Palestinians, wounding 18, and demolishing 31 Palestinian homes completely, 18 partially, and damaging 46 others; and stepped up bulldozing operations and house demolitions in the Khan Yunis–Abasan area. On 3/19, Hamas members detonated a roadside bomb near an IDF unit that was building new earthen barriers in Mughraqa in central Gaza, disabling a tank and injuring 4 soldiers; the IDF retaliated by demolishing 5 Palestinian homes in the area. On 3/21, Israeli DM Mofaz briefed Israel's security cabinet on further plans to "severely weaken" Hamas prior to unilateral disengagement.

The next day (3/22), the IDF assassinated Hamas spiritual leader Shaykh Ahmad Yasin, firing 3 internationally banned flechette shells at him as he left a Gaza City mosque after morning prayers, also killing his 3 bodyguards, 4 bystanders, and wounding at least 17, including Yasin's 2 sons. The move brought international condemnation—from the UN and almost every UN member state except the U.S., which said only that it was "deeply troubled" and urged "restraint," while reiterating that Hamas was a "terrorist" group and that Israel had a right to "defend itself." Across the territories, 100,000s of Palestinians took to the streets, churches rang their bells, and mosques broadcast Qur'anic verses; Palestinian prisoners in Israeli jails rioted. Later that day, 21 PSF officers served as an honor guard for Yasin's funeral, attended by some 200,000 Palestinians. Major demonstrations (often blaming Israel and the U.S. equally) took place on 3/22 in Egypt, Iraq, Jordan, Lebanon, Pakistan, Sudan, Syria, Turkey, and Yemen. Protest rallies numbering in the 100s and 1,000s were reported across the Middle East (including a march by 1,000s of Israel Arabs in Nazareth on 3/23), in Afghanistan,

and in Nigeria over the next 2 weeks. Sharon meanwhile congratulated (3/22) the IDF on a successful operation, noting that he personally had authorized the assassination and that it was the “natural right of the Jewish people . . . to hunt down those who rise to destroy it.” Israeli defense chiefs met later on 3/22 and agreed to target the entire remaining Hamas leadership immediately, without waiting for Hamas to retaliate, declaring, in an apparent allusion to Arafat and Hizballah head Hassan Nasrallah, “There is no immunity to anyone, and this means anyone to the last person.” (Sharon stated on 4/5 that he no longer felt bound by his 3-year-old commitments to Bush not to harm Arafat.) Hamas quickly named (3/23) spokesman ‘Abd al-‘Aziz Rantisi as acting political head in Gaza and Hamas politburo chmn. Khalid Mishal, in exile in Damascus, as acting head of the movement. (Hamas chose a West Bank head as well, but kept his identity secret for security reasons.)

#### ***The U.S. and Israel Discuss Details***

Despite the sharp escalation, Israel and the U.S. sped up the pace of talks on Sharon’s disengagement plan. Israeli FM Shalom conferred with Cheney, Powell, and Rice in Washington on 3/22 as planned. The next day, Weisglass and Eiland arrived in Washington on a 3-day visit to present Rice with the first comprehensive outline of Sharon’s “preferred plan,” under which Israel reportedly would evacuate all Gaza settlements plus 6 West Bank settlements (Ganim, Hermesh, Homesh, Mevo Dotan, Qadim, and Sanur) in exchange for which it would annex 8-10% of the West Bank to include 80% of Jewish settlers (and 100,000s of Palestinians). (On 4/5, Sharon scaled back the West Bank disengagement to no more than 4 settlements and stated that the creation of a Palestinian state could be delayed “for many years.” On 4/3, he said Israel would continue to provide Gaza with electricity and water after a withdrawal, but might cut off supplies in the event of Palestinian violence.)

During the 3/23-25 Weisglass-Eiland visit, U.S. officials reportedly promised that the U.S. would give “favorable consideration” to Israel’s request for an undisclosed amount of additional aid (including grants for Negev development and “combating terror”) if the Israeli government approved and implemented the disengagement plan. The Israelis agreed that the aid request would not be submitted formally at this stage or discussed by Sharon during his meeting with Bush so as

not to “be seen as a direct quid pro quo for Israel’s evacuation of Gaza.” Weisglass also reportedly asked the U.S. to explicitly reject the Palestinian right of return in its MOU to make Sharon’s plan more palatable to hard-line Likud members. On Weisglass and Eiland’s departure, the White House announced (3/26) that Bush would receive Sharon in Washington on 4/14 and would meet with Mubarak on 4/12 and King Abdallah on 4/21, reportedly to gain their backing for the plan and assurances that they would help shore up the PA’s security hold on Gaza after an Israeli pullout.

In the run-up to the 4/14 Bush-Sharon meeting, Sharon stated (3/29) that he would put his unilateral disengagement plan to a cabinet vote upon his return from Washington and would form a new governing coalition if it were not endorsed. At a Likud convention on 3/30, he called for a party referendum on the plan, which he said he would consider binding (though it would not legally be so); Likud set the date as 5/2. Explaining his timing to the Israeli press (*Ha’Aretz* 4/2, *Ma’ariv* 4/2, 4/5), Sharon stated that “a situation has been created in which it is possible to do the things I want and to get an American commitment” and added that disengagement “will harm Palestinians severely. It will bring their dreams to an end.”

Meanwhile, the U.S.’s Abrams, Burns, and Hadley met (3/30) with senior Quartet reps. in Brussels to urge them to support Sharon’s plan. They then traveled to Israel (3/31), where they worked on drafting the statements to be given by Bush and Sharon after their 4/14 meeting, and to Ramallah (4/1), where they reportedly discussed the possibility of a large package of political, economic, and security aid after an Israeli withdrawal provided that the PA take certain steps, including arresting those responsible for the death of 3 American security officers in an Erez roadside bombing in 10/03. In separate meetings in Jericho on 4/9, the PA’s Erakat assured U.S. Consul Gen. David Pearce and EU special adviser Marc Otte that the PA was prepared to take over full responsibility for any areas from which Israel withdraws.

During the 2 weeks after the 3/22 Yasin assassination, Palestinians stepped up mortar and rocket fire on Gaza settlements, IDF posts, and the Negev, causing light damage and no injuries. In the only fatal Palestinian attack, a gunman infiltrated (4/2) a Jewish settlement near Tulkarm and shot dead 1 settler and wounded another. Meanwhile the

IDF also assassinated a wanted AMB member in Hebron (3/28) and a wanted Izzeddin al-Qassam Brigades member in Tulkarm r.c. (4/4); bulldozed 62 dunams of land in al-Qarara in southern Gaza (3/23); razed 5 farms, 10 houses, and a main road in Khan Yunis, effectively dividing the town in half (3/24–25); staged a major raid on Rafah (4/2–3), demolishing 39 houses; and clashed with stone-throwing Palestinians at the al-Aqsa Mosque (4/2), injuring 45 in the worst violence there since Sharon's 9/00 visit that sparked the intifada. Israel's tight restrictions on access to Gaza prevented UNRWA from restocking food supplies there, forcing the agency to halt food aid deliveries to the refugees on 4/1 (see below). Around 4/5, Israel scaled back military operations significantly, while further tightening (4/5) restrictions on movement in Gaza and sealing (4/6) the West Bank and Gaza for the Passover holidays, reducing the likelihood of a major clash in the week before the Sharon-Bush meeting. By 4/10 the death toll had reached 3,161 Palestinians and 879 Israelis.

#### ***Bush Endorses the Sharon Plan***

On 4/10, Mubarak arrived in the U.S. for a 5-day visit that included meeting Bush in Crawford, TX. The same day, Weisglass, Eiland, and Sharon's foreign policy adviser Shalom Turjeman arrived in Washington to finalize the wording of the statements and letters that Bush and Sharon would exchange on 4/14. Mubarak's Crawford meeting, held on 4/12, addressed not only the Israeli-Palestinian conflict but also U.S. relations with Syria and the war in Iraq. In the press conference that followed, Bush made his first public comments on the Sharon Gaza withdrawal plan, calling it a "positive step" and saying it would not take the place of the road map. Mubarak stated that any Israeli withdrawal would be welcome but that Israel must be "compelled to compromise" on its occupation of the West Bank and should consult with the PA at each stage of implementation. He also noted that Arab states were skeptical about the Gaza disengagement plan's true intentions, pressed for "ever greater" U.S. involvement in the peace process, and offered to train PA policemen to take over security in Gaza to prevent a vacuum.

Back in Washington, after 2 days of meetings with lower-level officials, Weisglass phoned (4/11) Powell to warn him that unless the Bush statements being crafted for the

4/14 meeting reassured Israel on refugees and final borders, Sharon's visit would not take place. Powell promised to work something out. On 4/12, he spoke (4/12) with senior Quartet members UN Secy. Gen. Kofi Annan, German FM Joschka Fischer (for the EU), and Russian FM Sergey Lavrov, as well as Jordanian FM Marwan Muasher, to explain Bush's intended stance with Sharon and to urge their support. Meanwhile Sharon, concerned that Arab and EU pressures would result in a vaguely worded U.S. letter of assurances that would leave him without enough diplomatic cover to implement the plan, privately threatened (4/12) to cancel his trip hours before takeoff. That evening, Sharon addressed a Passover celebration in Ma'ale Adumim settlement, stating that his disengagement plan "will assure the future of the large settlement blocs and the security zones. Only this will allow us to wage a relentless war on terror." He also vowed that 5 West Bank settlements—Ariel, Givat Ze'ev, Gush Etzion, Kiryat Arba (along with several tiny settlement enclaves in Hebron), and Ma'ale Adumim—would remain under Israeli control. He then headed to the airport where he kept his plane on the ground for 3 hours until he viewed and approved the final draft of Bush's statements before agreeing to proceed with the visit—his 9th trip to the U.S. as PM and his 10th meeting with Bush.

On 4/14, Sharon and Bush met privately in the White House residence (a rare honor reportedly meant to emphasize Bush's support for Sharon), where they exchanged letters outlining their positions (see Special Docs. A and B). Appended to Sharon's letter were the key principles (but no timetable) of the disengagement plan (see Special Doc. C). Afterward, Bush publicly endorsed Sharon's vision as "courageous" and "a real contribution to peace." In a dramatic shift in U.S. policy, Bush stated that it was "unrealistic" to return to the 1967 borders, that "existing major Israeli population centers" in the West Bank should stay under Israeli control, and that Palestinian refugees should not expect to return to their homes inside Israel. Bush's letter pledged that the U.S. "will do its utmost to prevent any attempt by anyone to impose any other plan" than the road map, promised to "preserve and strengthen Israel's capability to deter and defend itself, by itself, against any threat" and endorsed Israel's right to retaliate against targets in Gaza after its withdrawal. As for Sharon's letter, it pledged withdrawal from

Gaza and from the West Bank settlements of Ganim, Homesh, Qadim, and Sanur (500 settlers); vowed to speed construction of the separation wall; and reserved the right to seek "reimbursement" for the loss of physical structures in the territories returned to Palestinian control. Unnamed senior Israeli officials were quoted (*New York Times* 4/15) as saying that withdrawals could begin in 9–12 months but that timing would be dependent on "operational details" such as finding new homes for evacuated settlers and that "Sharon is betting that he can use Mr. Bush's commitments to stop the withdrawal where he chooses and retain as much as half the West Bank." Commentators noted that while both Bush and Sharon presented the disengagement plan as a vehicle for implementing the U.S.-drafted road map and realizing Bush's 6/02 vision of a 2-state solution, the plan actually brought Bush's vision into line with Israel's interpretation of the road map as outlined in its road map reservations of 5/27/03 (see Special Doc. G in *JPS* 128). An anonymous senior White House official explained (4/14) that Bush's blunt statements with regard to the Palestinians were aimed at "eliminating taboos and saying the truth about the situation," adding that "getting people to face the reality in this situation is going to help, not hurt."

As the U.S. demanded in exchange for Bush's endorsement, Weisglass provided (4/19) Rice with a follow-up letter outlining the understandings reached in the private meeting on 4/14 (see Special Doc. D). The U.S. reportedly had wanted the letter to list in detail all the road map commitments Israel had yet to fulfill (e.g., removing settlement outposts, easing restrictions on movement, improving humanitarian conditions) along with a detailed timetable of when each would be implemented and to contain assurances that settlement growth would be frozen and unauthorized outposts removed. In the end, the letter merely reiterated commitment to the road map and added a new pledge that Israel and the U.S. would jointly define the "construction line" of each settlement.

Reaction to Bush's endorsement was swift. Qurai' said (4/14) it spelled the end of the peace process. Arafat (4/14) accused Bush of killing the chances of peace, security, and stability in the region. The PLO's rep. to the UN Naseer al-Kidwa declared (4/15) the U.S. "no longer qualified" to mediate the peace process. The EU warned (4/14) that unilateral actions would not

bring lasting peace. Russia said (4/14, 4/16) that Sharon's plan jeopardized the road map and cautioned that failure to coordinate with the PA would likely ruin any positive aspects of withdrawal. Mubarak (4/14, 4/19) said that he was "shocked" and embarrassed that weeks of behind-the-scenes talks with the U.S. had failed to prevent an endorsement and that Egypt could never support violating UN resolutions by unilaterally giving Israel guarantees on final status issues. Arab League secy. gen. 'Amr Musa phoned (4/15) Arafat to assure him that the league would support the Palestinian legal and political positions on final status. King Abdallah, already in the U.S. in advance of his visit with Bush, postponed (4/19) the 4/21 meeting pending "clarification" of the U.S. position on final status and returned to Jordan.

Within hours of the Bush-Sharon meeting, Israel dramatically escalated military operations in Gaza. Late in the evening on 4/14, the IDF launched a raid on Rafah that lasted for 3 days, killing 1 Palestinian, wounding 24, demolishing 29 Palestinian homes, and severely damaging 9. The IDF also bulldozed (4/16, 4/21) large tracts of land in Dayr al-Balah and al-Qarara and shelled (4/17) residential areas of Dayr al-Balah and Khan Yunis.

On 4/17, following a Palestinian suicide bombing in the Erez Industrial Zone that killed an Israeli border policeman, the IDF assassinated newly appointed Hamas leader Rantisi, firing missiles at his car as he drove through Gaza City, also killing 2 bodyguards and wounding 4 bystanders. As after the Yasin assassination, 100,000s of Palestinians took to the streets throughout the territories, and major demonstrations across the Middle East and as far away as Bosnia and Nigeria continued for several weeks. The IDF then raided (4/19) Silwad near Ramallah, home of exiled Hamas leader Mishal and Izzeddin al-Qassam Brigades West Bank cmdr. Ibrahim Ma'ari Hamid, detaining 70 Palestinians (including Hamid's 5 brothers, 9 of Hamid and Mishal's sons, and other relatives). This was followed by major raids on Bayt Lahiya (4/20–21), which left 14 Palestinians dead and at least 75 wounded, and Rafah (4/22), where another 22 homes were bulldozed. The IDF also assassinated 9 wanted AMB members (3 each in Tulkarm r.c. on 4/22, Qalqilya on 4/23, and Jenin on 4/24). In the 2 weeks following the Bush-Sharon meeting, 54 Palestinians and 3 Israelis were killed, bringing the death toll to 3,218 Palestinians and 882 Israelis.

### *Likud Rejects Disengagement*

In the run-up to the 5/2 Likud referendum on the disengagement plan, Sharon and his cabinet took a hard line, portraying Bush's endorsement as giving Israel everything it wanted. With regard to the military escalation, Sharon vowed (4/20) that assassinations would continue and claimed that Bush's assurances "permit Israel to take care of its security and, as part of it, to take harsh action against terror groups." He also stated that the understandings with Bush "ensure our national interests to strengthen the large settlement blocs in Judea and Samaria and leav[e] them in Israeli hands as part of a permanent solution"; Finance M Netanyahu had already pledged (4/19) to approve tens of millions of dollars to "fortify our hold" on West Bank settlements. In an address to the Knesset, Sharon called (4/22) Bush's endorsement "the heaviest blow inflicted on [the Palestinians] since the War of Independence." Meanwhile Bush, apparently unfazed by international criticism of Israel's actions, told (4/21) a stunned Washington audience that, "In my judgment, the whole world should have said, 'Thank you' to Sharon for his disengagement plan. However, when Sharon told the press (4/23) that during his meeting with Bush he had "freed myself from this obligation not to physically harm Arafat," Rice phoned Weisglass to object and warned that the U.S. would protest if Arafat were harmed. According to *Yedi'ot Abaronot* (4/25), however, an unnamed U.S. official stated that the White House was in fact angry with Sharon for having "grossly violated diplomatic etiquette" by revealing what was said in private conversations. The PLO warned (4/26) that it would revoke recognition of Israel if Arafat were harmed.

While Sharon bragged about the plan's advantages to the press, he never launched an effective, comprehensive campaign to promote it, did not mobilize his cabinet ministers to drum up support, and did not use his Holocaust Remembrance, Memorial, or Independence Day speeches to stump for it. Sharon's main effort to directly appeal to the public was an open letter in the Israeli daily *Yedi'ot Abaronot* on 3/31 (see Special Doc. F), 2 days before the vote, declaring that "Those who want to prevent Israel from being flooded by refugees, those who want to keep the large settlement blocs forever, those who want to make sure that as long as the Palestinians don't fight terror, there won't be any political pressure on Israel . . . must be in favor of the disen-

agement plan." Instead, it was the Jewish settlers (most of whom are not Likud members) who mobilized a well-financed and effective series of phone appeals, letter campaigns, and demonstrations to defeat it; the largest antidisengagement rally was attended by 70,000 settlers and Israelis in Gaza's Gush Katif settlement on 4/27. As the 2 weeks to the referendum passed, Israeli polls showed a steady drop in support for disengagement. (It should be noted that a corruption scandal involving Sharon did not help. State Atty. Edna Arbel, Israel's top prosecutor, had recommended (3/28) to Atty. Gen. Menachem Mazuz that Sharon be indicted on bribery charges for his role when he was FM in a 1999 deal to construct a Greek island resort. If indicted, the Knesset could strip Sharon of his immunity from prosecution and possibly force him to resign. Mazuz's judgment could come at any time, potentially freezing efforts on the disengagement plan.)

On 5/2, the Likud soundly rejected Sharon's unilateral disengagement plan, with 60% voting against; only 52% of the roughly 200,000 members participated. Sharon stated (5/2) that he would not resign as a result and was still committed to the plan, but would consult with Likud MKs on possible revisions. He survived a Knesset no-confidence vote (46-62) the next day and, on 5/4, canceled plans to address the annual American-Israel Public Action Comm. (AIPAC) conference on 5/17 and to hold further consultations with Bush.

Reacting to the vote, the State Dept. acknowledged (5/2) that it was a "setback" but said the U.S. still supported the plan and viewed it as a positive step toward peace (though a spokesman hedged slightly by saying, "I don't think we've hitched our wagon to any single effort"). Qurai' pointlessly declared (5/5) that the PA was ready to reopen final status negotiations with Israel immediately. (Indeed, the PA had done little to oppose Sharon's plan internationally: Qurai' had merely toured Amman, Cairo, and Saudi Arabia [4/24-26] to urge pressure on the Quartet to insist on a solid linkage with the road map and a detailed timetable, while PA FM Nabil Shaath held [5/1-2] talks in Brussels with the senior EU, Russian, and UN reps. to the Quartet, who gave assurances that they would work to prevent steps that prejudged final status.) The Quartet held several days of low-level talks in New York, followed by a senior-level meeting (5/4) comprising EU foreign policy dir. Javier Solana and Irish FM Brian Cowan for the EU,

Russia FM Sergey Lavrov, UN Secy. Gen. Annan, and Powell. The EU, Russia, and UN pressed the U.S. for clarifications and assurances that the final status of refugees and settlements would still be negotiated between Israel and the PA. In light of discussions, the Quartet issued a qualified endorsement of the Sharon plan (see Special Doc. G), stressing the need for negotiated settlement, for disengagement from Gaza to mark the complete end of occupation there (hinting that Israel should turn over control of ports and air space), for an "empowered" Palestinian PM to implement PA reforms (wording seen as EU, Russian, and UN acceptance of the U.S.-Israeli refusal to deal with Arafat), and for an "appropriate coordinating oversight mechanism" to insure implementation.

Meanwhile, in late April (before 4/29), King Abdallah had sent Bush a letter saying he would not reschedule their postponed meeting unless the pres. gave him a letter of guarantees stating that U.S. endorsement of Sharon's plan would not prejudice final status, that refugees would be compensated if not allowed to return, and that Palestinians would be compensated for any occupied territory Israel retained under final status. The White House did not respond until 5/3, when it announced that there would be no letter of guarantees, though later the same day it did say "there may be a letter, but not until after the visit" and not necessarily containing the promises sought. On 5/4, under pressure from the Quartet, the U.S. confirmed that it would give Abdallah something in writing when he came. Two days later, Abdallah arrived in Washington for talks with Bush on the Sharon plan, but his opposition was muted by his need simultaneously to lobby for increased and expedited economic aid and to expand the U.S.-Jordan free trade agreement. Jordan played up the vague and contradictory letter (see Special Doc. H) Bush supplied as a significant reversal of the U.S.'s 4/14 endorsement, and as a gesture to Abdallah, Bush used the visit to announce that he would send Powell to Amman (5/15) and Rice to Berlin (5/17) to meet with Qurai' to "make sure the Palestinians understand my desire for a just peace." The following day (5/7), however, the U.S. said that Powell and Rice were being sent to Europe and the Middle East to promote Sharon's plan as the only path toward peace, with Bush adding that he no longer believed that the road map's goal of creating a Palestinian state by the end of 2005 was realistic.

(Jordan labeled this as renegeing on Bush's 5/6 pledges to the king.)

On the ground, Israeli-Palestinian violence remained high. The day of the Likud vote (5/2), 2 Islamic Jihad and PRC gunmen ambushed a Jewish settler vehicle near Gush Katif, killing a pregnant woman and her 4 children; the gunmen were killed by the car's IDF escort. The IDF retaliated (5/2) by assassinating 2 Nablus AMB commanders (killing 2 other AMB members traveling with them and injuring 3 bystanders); rocketing a building in Gaza City housing a Hamas radio station, a Fatah radio station, and the *al-Ayyam* and *al-Quds* newspaper offices, causing no injuries; and bulldozing 15 Palestinian homes in Wadi al-Silqa near the site of the attack. On 5/3, the IDF announced plans to step up operations in southern Gaza. The IDF then launched (5/4) a major incursion into Khan Yunis, fatally shooting 2 Palestinians, wounding 23, and demolishing 50 houses; deployed (5/4) troops around Arafat's Ramallah compound; launched a major raid (5/5) on Nablus, carting off at least 60 Palestinians to an undisclosed location; assassinated (5/5) senior Izzeddin al-Qassam Brigades member Imad Janajra outside Nablus; demolished (5/5, 5/7) an apartment building and 9 Palestinian homes in Rafah; bulldozed (5/4-5) another 17 dunams in Wadi al-Silqa; and began construction (5/6) of a fence along Gaza's Kissufim-Katif bloc bypass road, designed to prevent Palestinian attacks on settler vehicles. On 5/9, 2 Islamic Jihad gunmen opened fire on Jewish settlers holding a memorial service at the site of the 5/2 ambush, causing no injuries. The IDF fatally shot the gunmen and then bulldozed 11 Palestinian houses and 22 dunams of surrounding land that had allegedly provided them cover.

On 5/11, the IDF staged a major raid on Gaza City's Zaytun neighborhood, meeting uncharacteristically heavy resistance. Hamas and Islamic Jihad members detonated a roadside bomb next to an armored personnel carrier (APC) carrying explosives for IDF demolitions, causing a massive explosion that killed 6 IDF soldiers (the highest IDF toll since 11/02). AMB and Islamic Jihad members, in an unprecedented action, took the soldiers' remains hostage, demanding in exchange for their release a halt to IDF raids on Gaza and the reopening of talks on releasing Palestinian prisoners. Israel instead sent in massive reinforcements, vowing to conduct house-to-house searches until all the remains were recovered, bulldozing roads and water

systems, cutting electricity, uprooting trees, crushing Palestinian cars, fatally shooting 8 Palestinians, and wounding more than 120. Hamas, senior Muslim clerics, the PA, and the International Comm. of the Red Cross (ICRC) appealed (5/11) to the militants to release the soldiers' remains, without effect. The IDF continued operations overnight into 5/12, killing another 7 Palestinians, wounding at least 50, and demolishing 2 apartment buildings before pulling out in the afternoon, after Egyptian mediators had secured the return of the soldiers bodies.

Meanwhile, Islamic Jihad attacked (5/12) an IDF convoy operating in the Israeli buffer zone (the "Philadelphi Route") along the Rafah-Egypt border, firing a rocket-propelled grenade at another explosives-laden APC, killing 5 more IDF soldiers and injuring 3. The IDF responded by sending (5/13) reinforcements into Rafah, killing 12 Palestinians, wounding scores, and launching a bulldozing operation to widen the Philadelphi Route that lasted until 5/15, leveling (by UNRWA estimates) 80–120 Palestinian homes and threatening to bulldoze 100s more. The IDF also sent (5/13) forces back into Gaza City to demolish 6 apartment buildings in Zaytun, killing 4 Palestinians and wounding 13 during ensuing clashes. During the 5 days of fighting—some of the heaviest and most concentrated since Operation Defensive Shield in 4/02—13 IDF soldiers and 34 Palestinians were killed, nearly 300 Palestinians were wounded, some 1,100 Palestinians were made homeless, and 1,000s of Palestinians fled Rafah's front-line area in fear.

As the violence continued unabated, Sharon informed (5/9) his cabinet that he intended to present a revised unilateral disengagement plan in about 3 weeks, and Bush sent (5/11) a letter to Qurai' (see Special Doc. J) urging him to view Sharon's plan as an opportunity to move the peace process forward. When Powell met with Qurai' in Amman on 5/15, he brought no new ideas or offers of postwithdrawal assistance to the PA, and Qurai' offered no substantive alternatives. Powell told Qurai' and other Arab leaders he met on the sidelines of the World Economic Forum sessions in Amman that "while you are expressing your annoyance and dissatisfaction, you also need to get ready for the reality that may be upon you." He also encouraged Qurai' to "seize the opportunity" of disengagement but admitted, "Frankly, we have to wait and see what the proposal actually is."

### *Intifada Data and Trends*

During the quarter at least 248 Palestinians and 45 Israelis were killed (nearly double the figures of last quarter), bringing the toll at 5/15 to at least 3,277 Palestinians (including 39 Israeli Arabs and 15 unidentified Arab cross-border infiltrators), 900 Israelis (including 278 IDF soldiers and security personnel, 187 settlers, 435 civilians), and 48 foreign nationals (including 2 British suicide bombers).

This quarter, Israel carried out 33 killings (up from 10 last quarter, more than in any previous quarter) that were clearly or almost definitely assassinations, in the process killing 19 bystanders and wounding 52. Moreover, Israel assassinated the highest-ranking Palestinian political figures to date—Hamas founder and spiritual leader Shaykh Ahmad Yasin (3/22) and his replacement as political head of Gaza 'Abd al-'Aziz Rantisi (4/17)—marking a serious qualitative escalation of its assassination policy. Others assassinated this quarter were: the **AMB's** Rihad Abu Shallah (2/29), Muhammad Oweiss (2/29), Ibrahim Dayri (3/3), Tarad Jamal (3/3), Ammar Hassan (3/3), Ihab Abu Jafr (3/10), Muhammad Abu Samra (3/10), Basil al-Mahdi (3/10), 'Amr Qasrawi (3/10), Ayman Sabana (3/10), Jamil al-Tal (3/28), Bilal Abu Amsha (4/22), Ayman Barahma (4/22), Ghanim Ghanim (4/22), 3 unidentified members (4/23), Husni Daraghma (4/24), Said Hardan (4/24), Kamal Masa'id (4/24), Hasim Abu Hamdan (5/2), and Nadir Abu Layl (5/2); **Hamas's** Basim Kadih (3/21), Khalid Kharwish (4/3), and Imad Janajra (5/5); **Islamic Jihad's** Muhammad Judah (2/28), Husni Sarafti (3/16), and Nassir Yasin (3/16); and the **PRCs's** Awni Kulab (3/4), Faraj Abu Jarrar (3/16), and Mahmud Abu Nahal (3/16). The death of an AMB member in a mysterious explosion on 3/26 was probably an assassination. Attacks on 3/16 and 5/15 were clearly failed assassination attempts on Islamic Jihad Gaza leader Muhammad al-Hindi, which killed 2 senior Islamic Jihad members and wounded 15 bystanders. In three incidents (3/2, 4/11, 4/23), the IDF killed Palestinian civilians it mistakenly identified as wanted.

During the quarter, there were 11 Palestinian suicide attacks (down from 12 last quarter), which killed 30 and injured about 99 (compared to 21 killed and about 81 injured last quarter). Of these, 5 were bombings (2/22, 2/27, 3/14, 4/17, 4/18). The other 6 attacks (2/26, 3/6, 4/2, 4/12, 5/2, 5/9) could be called "suicide" in that they were certain to result in the deaths of those

who staged them. Of the 11 attacks, 2 were joint AMB– Hamas operations (2/14, 4/17), 2 were joint AMB– Hamas– Islamic Jihad operations (3/6, 4/12), 1 was a joint Islamic Jihad– PRC operation, and 1 was unclaimed (4/2). Although there were barrages of heavy Palestinian rocket and mortar fire in days following the Yasin and Rantisi assassinations, overall Palestinian use of mortars, rockets, and roadside bombs seemed to drop significantly this quarter. Qassam rockets and mortars caused light damage and minor injuries in 4 incidents (3/22, 4/11, 4/18–19, 5/13), which is comparable to previous quarters.

In general, Palestinian fighting continued to be on the level of civil uprising— localized, opportunistic, and often symbolic incidents of violence— rather than broadly coordinated, planned, strategic offensives or campaigns. There were however some indications of a growing military sophistication. For example, Palestinians seemed to become more effective in using roadside bombs, rocket-propelled grenades and anti-tank fire, injuring soldiers on 2/20, 3/19, and 4/22. Palestinian militants caused relatively heavy casualties on 5/11 and 5/12, when they identified vulnerabilities in IDF APCs carrying explosives for house demolitions, forcing the IDF to revise and reconsider some of its operating procedures for the first time since the Palestinians successfully lured and destroyed tanks with roadside bombs in 9/02 and 2/03 (see Quarterly Updates in *JPS* 126, 127). The defense of Bureij and Nussayrat camps on 3/7 (see above), when Palestinians held off a major IDF incursion for 8 hours and nearly cut off the IDF's retreat, marked a level of coordination not seen since Nablus during Operation Defensive Shield, demonstrating that Palestinians have the ability to put up formidable resistance when attacked.

IDF demolition of Palestinian houses remained high this quarter, escalating sharply in 5/04 (see Chronology for details). The vast majority (nearly 350) were in southern Gaza, with upward of 250 in Rafah and 75 in Khan Yunis (not counting 1 apartment building in Rafah on 5/5). In addition, the IDF blew up 8 apartment buildings in Gaza City (5/12–13), 11 houses in central Gaza, and 2 houses and 84 shops near the Erez crossing in northern Gaza. UNRWA estimated (5/16) that the IDF demolished 191 houses in Gaza in the first 2 weeks of May alone (80–120 in Rafah), leaving 2,197 Palestinians homeless. UNRWA reported that since the start of the intifada, the IDF had demolished or damaged beyond

repair at least 2,018 homes across the Gaza Strip, leaving 18,382 Palestinians homeless, of whom 12,600 are in Rafah. In the West Bank this quarter, the IDF demolished 11 houses in Hebron, 10 in Bethlehem, 6 in Nablus, 5 in Ramallah, 3 in Tulkarm, 2 each in Jenin and Salfit, and 1 each in Qalqilya and the Jerusalem environs.

The IDF also continued heavy bulldozing of Palestinian land in Gaza: about 289 dunams in southern Gaza (mostly in Rafah and al-Qarara), 186 dunams in central Gaza (mostly in Dayr al-Balah and Mughraqa), and 56 dunams in northern Gaza (mostly in Gaza City). The IDF also confiscated (2/22) 27 dunams of Palestinian land for construction of a security fence around Netzarim settlement. In the West Bank, Jewish settlers bulldozed 188 dunams and appropriated 60 dunams of Palestinian land in the Hebron area, destroyed 29 dunams and seized 6 dunams in the Bethlehem area (the IDF seized another 15 dunams for construction of a fence along a settler bypass road between Hebron and Bethlehem), and bulldozed 150 dunams in the Qalqilya area.

Jewish settler violence was up dramatically this quarter, especially in Hebron and East Jerusalem (precisely the areas Sharon vowed [4/12] to keep under any final status arrangement). Settlers carried out many actions, including seizing and bulldozing Palestinian land, in plain view of the IDF or even under IDF escort. Settlers in Hebron conducted (3/4) joint patrols with IDF soldiers in the Palestinian section of the city, photographing Palestinian homes, raiding and vandalizing 1; rampaged (3/27, 4/13) through Palestinian neighborhoods for hours, harassing residents and vandalizing homes; occupied (4/11) a mosque; fired on homes and set fire to trees in the neighboring village of Ourif (4/25); harassed farmers (4/24, 5/3) and stole a tractor (4/24); and assaulted a 13-year-old Palestinian girl (2/18), a young woman (3/8), a group of elementary school students (4/5), a 75-year-old man (4/6), and another Palestinian (4/16). In East Jerusalem, Jewish settlers seized 2 multifamily buildings (mid-3/04, 3/19) and 4 houses (3/19, 4/7, 5/2), and deliberately ran over (ca. 3/1) a 16-year-old Palestinian boy, who later (3/8) died of his injuries. Settlers also rampaged (4/30) through Um al-Rihan near Jenin, assaulting several residents and threatening to destroy an elementary school; beat and threatened to kill a Palestinian near Nablus (3/16); fired (2/21) on local Palestinians near Bethlehem, wounding 3; attacked

Palestinians in Silwad near Ramallah (2/23); and vandalized property (4/11) and harassed Palestinians (4/21) near Nablus.

Israel continued to deport West Bank Palestinian administrative detainees to Gaza as punishment, arguing that they could not be tried so as not to jeopardize intelligence sources. At the opening of the quarter, as many as 20 detainees had already been deported (see Quarterly Update in *JPS* 131). This quarter, at least 3 more were transferred (2/19, 2/26, 3/3), with one for 5 years—the longest sentence to date. On 3/15, the IDF allowed Intisar Ajuri, the only female detainee transferred to Gaza (among the first 3 expelled on 9/4/02 for 2 years), to return to the West Bank.

The Israeli High Court ruled (4/25) that it was illegal for the Israeli government routinely to deny Palestinian journalists press passes (giving them access to officials and closed press events) even after they received security clearance to enter Israel. Israel stopped renewing Palestinians' press passes in 2001, saying they should automatically be considered security risks. There was no evidence by the end of the quarter that press accreditation had been restored to any Palestinian journalists. This quarter 6 clearly identifiable Palestinian journalists and cameramen were wounded (3/9, 4/8, 4/24, 4/29, 5/5, 5/12) and 1 was killed (3/22) by the IDF while covering clashes in the territories. On 4/20, the IDF without explanation barred journalists' entry to Nablus for 72 hours; the only military operation reported in the area during that period was a botched assassination (4/23) in a village outside Nablus.

This quarter, at least 6 Palestinians died (2/22, 3/10, 4/17, 4/19, 4/24, 5/12) because the IDF denied them access to medical treatment. Three mentally handicapped Palestinians who strayed into closed military zones were fatally shot (3/13, 4/17, 4/26) by the IDF. The IDF also bulldozed (4/22) a center for handicapped Palestinians in Bayt Lahiya and raided (4/1) a Bethlehem psychiatric clinic in search for wanted gunmen (the hospital denounced the IDF and the AMB for irresponsibility). In addition, the IDF fired (2/23, 4/21) on medical teams in the field, injuring 3 medics and damaging 1 ambulance. As of 5/14, the Palestinian Red Crescent Society reported that since the start of the intifada, the IDF had restricted access to 1,342 ambulances; shot at 297 ambulances, damaging 126 (including 28 beyond repair); and arrested 80 on-duty medical workers, injured 197, and killed 12.

The Associated Press reported (2/29) that 1,000s, perhaps 10,000s, of Palestinians had fled heavy battle zones, buffer zones, and isolated areas for neighboring towns or villages, including an estimated 15,000 Palestinians from the Israeli-controlled section of Hebron, 4,000 from the encircled city of Qalqilya (pop. 41,000), and 5,000 from the Rafah-Khan Yunis area for Gaza City. Meanwhile, the Israeli daily *Ma'ariv* reported (3/11) that nearly 1 m. Israelis are thought to have sought citizenship from Poland or other Eastern European states slated to join the EU on 5/1 to facilitate their residence and work in the EU while the intifada and economic downturn in Israel persist.

The Bank of Israel estimated (3/30) that the al-Aqsa intifada had cost Israel \$1.5 b.-\$2 b. as of 12/31/03, not including defense costs. The PA estimated (4/8) that to date the intifada had cost Palestinians \$11 b. The Israeli daily *Ha'Aretz* reported (2/23) that budget cuts had forced the IDF to cut the number of soldiers in the West Bank by 25% over the previous 6 mos.

#### *Separation Wall*

Construction on Israel's separation wall in the West Bank continued this quarter, with work starting on new segments outside Husan near Bethlehem; along 26 mi. between Elkana settlement near Qalqilya and Ofer detention center south of Ramallah (2/24); and along 1.24 mi. between Dahiyat al-Barid checkpoint north of Jerusalem and the Qalandia checkpoint south of Ramallah (4/4), which will isolate and prevent the expansion of Dahiyat al-Barid and al-Ram. The IDF issued orders (3/12) for the confiscation of more than 32,000 dunams along the Green Line north of Jerusalem near Ariel settlement for construction of a 3 mi. segment of the wall; by 3/24, 600 dunams had been seized.

The IDF also seized large tracts of Palestinian land along the Green Line near Jenin for construction of an industrial zone. (Reports said 8,866 dunams on 3/24 and 6,700 on 3/29; it is unclear whether these are 2 different confiscations or conflicting figures for a single one.) Israel and the PA had discussed a Jenin industrial zone and in 1997 an Israeli firm was actually contracted to build it, but the Netanyahu administration put the plans on hold in 1998. Israel has since incorporated the idea of industrial zones into its separation wall plan, considering construction of up to 7 zones, which would provide Israeli firms with cheap Palestinian labor

without having to allow the workers into Israel. To date, 4 areas (near Hebron, Jenin, northern Jerusalem, and Tulkarm) have been proposed as zones.

On the eve of the ICJ hearings on the legality of the wall (see below), Israel began (2/22) dismantling a 5 mi. stretch of the wall running east of the northern West Bank village of Baqa' al-Sharqiyya (though the wall running west of the city was to remain) and declared that it would not build the 12.5 mi. stretch cutting off Jenin from the Jordan Valley, would not dig deep trenches around Ben-Gurion Airport, and would remove 2,953 feet of wall in the Qalqilya area—all actions that outgoing Atty. Gen. Arbel had told Sharon would be difficult to defend to the ICJ (see Quarterly Update in *JPS* 131). The Israeli High Court also temporarily halted (2/29–3/6) wall work while it considered a petition from the Israeli-Palestinian group, the Popular Comm. Against the Wall, which it ultimately rejected. On 3/10, the IDF said that the government had decided against extending the wall 110 mi. into the Jordan Valley because of the “diplomatic damage” it would cause.

Palestinians held near daily protests along the separation wall this quarter (see Chronology). Protests usually numbered in the 10s and were nonviolent, though youths occasionally threw stones at troops as demonstrations broke up. On many occasions the IDF fired on protesters even when stones were not thrown, sometimes using live ammunition: 4 Palestinians were killed during these protests (2 on 2/26, 4/16, 4/18) and injuries were frequently reported (e.g., 2/2, 2/24, 3/14, 3/15, 4/7, 4/8, 4/14, 4/16, 4/18). On 4/19 near Biddu, IDF soldiers handcuffed a 12-year-old Palestinian to the roof of a jeep, using him as a human shield to deter protesters from throwing stones at them.

#### THE PA AND INTRA-PALESTINIAN RELATIONS

The PA remained largely absent and ineffectual this quarter, though the Palestinian Council (PC) seemed to hold its regular weekly meetings. (A special session scheduled for Gaza on 2/19 was canceled when the IDF banned West Bank members from traveling to the Strip.) Despite Israel's sidelining of the road map in favor of the disengagement plan, the PA continued efforts, albeit limited, to implement reforms required by the road map, especially regarding fiscal transparency (urgent as the PA continued to face bankruptcy) and reasserting security

control—in the face of increasing lawlessness in Palestinian population centers (see Quarterly Update in *JPS* 131).

Qurai' chaired (5/11) what was apparently the first meeting of the National Comm. for Reform and Development (comprising PA Executive Authority [EA or cabinet] members, PC members, and reps. from civil society and business groups) since its 7/03 inauguration (see Quarterly Update in *JPS* 129). The group agreed to hold regular monthly meetings.

#### Political Developments

On 3/9, Arafat convened a secret meeting of 49 of the 65 Fatah PC members (a majority of the 88-seat PC) and convinced them to remove PC speaker Rafiq Natsheh (Fatah-Hebron) and replace him with PA Agriculture M Rawhi Fatuh (Fatah-Rafah). Ostensibly the move was to send a message to Sharon that he could not separate Gaza and the West Bank, but privately there was speculation that Arafat disapproved of a plan Natsheh had drawn up to strengthen the independence and power of the legislature. On 3/10, the PC duly elected Fatuh as speaker, but in a surprise turn, also elected as dep. speaker the fervently anti-Arafat human rights activist and PC member Hasan Khurayshi (Ind.-Tulkarm) over the pro-Arafat Fatah candidate Muhammad Hourani. Israel allowed Fatuh to travel to Ramallah for the opening of the new PC session on 3/11, convened in the PC's new headquarters building, funded by Japan and inaugurated on 3/1.

The PA announced (5/10) plans to hold municipal elections in stages beginning in Jericho in late 8/04, even if the IDF does not withdraw from population centers during voting. (Presidential and PC elections, however, would have to wait until after an IDF withdrawal.) Current mayors and municipal council members are appointed by the PA, and many are accused of being corrupt. Municipal elections were to be held in 1997 but were postponed indefinitely out of concern that Hamas would dominate (see Quarterly Update in *JPS* 108). The last municipal elections were held in the West Bank in 1976 under Israeli military rule and in Gaza more than 40 years ago. The PA reportedly made the decision after many municipal leaders threatened to resign because of increasing lawlessness in their towns. Ghassan al-Shak'a (Fatah) resigned (2/27) as mayor of Nablus effective 5/1 citing his city's “slide into chaos.” His decision came after unidentified Palestinian gunmen attempted to

assassinate him on 11/25/03, killing his brother (see Quarterly Update in *JPS* 130).

The EA formally approved (3/18) the merger of the ministries of industry, supply, and trade and economy to form the National Economy Min. The ministries were effectively merged with the formation of the new EA in 11/03 but had not previously been approved through the required legal procedures.

### **Security Efforts**

In early 3/04, rumors circulated that British and PA security officials had held secret talks on ways to improve the security situation, streamlining security procedures and restoring the rule of law, especially in Gaza. Britain was said to have drawn up a plan under which Britain would fund the PSF (including setting up a central headquarters, providing communications equipment and vehicles) and send military advisers to Gaza if Qurai' agreed to unify the security services under a central command. The West Bank and Gaza would be segmented into autonomous zones, each with a commander who would take responsibility for the territory evacuated by the IDF, prevent arms smuggling and rocket fire, and arrest wanted militants. The PA reportedly agreed to the British plan on 3/4. Israel was said (3/9) to have rejected it, since Arafat was officially party to it, but the U.S. reportedly (3/17) gave it grudging support, saying Britain could set up 2 "operational control rooms" in Gaza City and Ramallah. The Gaza City office was reportedly functioning by 3/17.

On 3/9, the PA announced a 5-week plan, approved by Arafat and the PA National Security Council, to assert PSF control over Gaza and implement the rule of law. The plan laid out the following schedule for the PSF: week 1: hold a meeting with Gaza PC members, reps. of the National and Islamic Higher Coordinating Comm. of the Intifada (NIHC), trade union officials, and heads of leading families to secure their backing and issue a joint appeal for order; week 2: resume patrols and secure PA ministry offices; week 3: crack down on tax evaders and those who have not paid utility bills; week 4: crack down on criminals; and week 5: ban the carrying of weapons in public. In keeping with the plan, the PSF opened talks with the NIHC on 3/13 and deployed large numbers of officers to patrol Gaza City streets beginning on 3/11, but no further implementation steps were reported.

On 3/17, PSF officers at a newly installed Gaza City checkpoint attempted to halt and search a carload of armed Hamas members, but the Hamas members attacked the checkpoint with grenades and gunfire, killing 1 bystander and wounding 17 (at least 10 of them PSF officers). The PSF also arrested (ca. 5/8) 2 Islamic Jihad members who were allegedly plotting a suicide bombing.

On 5/2, PA Police General Investigation Division head Majid Abu al-Shamaliyya resigned, saying the current structure of the PSF made it impossible for him to draft a plan to unite the security forces, regain control of the streets, and prevent crime. He did not elaborate.

Of note: the PA confirmed (2/24) that Hizballah had helped fund the 1/29 and 2/22 suicide bombings. The next day, the IDF raided the 4 banks in Ramallah to seize "terror" accounts (see above). The PA also reported (3/25) that it had arrested at least 140 Palestinians in Gaza as collaborators since the start of the intifada.

### **Fiscal Matters**

The State Dept. reiterated (2/22) that the U.S. would continue to withhold financial aid to the Palestinians and to encourage other donors to do the same until the PA implemented economic reforms, cracked down on Palestinian militant groups, and conducted a full investigation of the 10/15/03 Erez roadside bombing that killed 3 American security officers and properly tried those responsible. The PA military court's indictment of 4 Palestinians in connection with the bombing was judged insufficient (see Quarterly Update in *JPS* 131). The U.S. similarly stated (4/1) its readiness to offer the PA a Gaza aid package after an IDF withdrawal, contingent upon resolving the Erez bombing case. Of note: the PA High Court ordered (3/14) the release of the 4 Palestinian suspects, citing lack of evidence, but delayed the release pending a direct order from Arafat, which was not forthcoming. On 4/21, PRC members raided Gaza City's Saraya Prison and freed at least 3 of the suspects.

On 3/2, Arafat agreed to long-standing demands by Qurai' and Finance M Salam al-Fayyad to pay PSF officers by direct deposit to their bank accounts, rather than in cash by their supervisors, which international donors have complained fosters corruption. The direct deposits began on 4/1.

Palestinian Stock Exchange dir. Hasan Yasin reported (3/10) that the PA-owned Palestinian Commercial Services Company

had transferred all of its stock holdings to the Palestinian Investment Fund (PIF) as part of Fayyad's plan to unify the PA's investments under the PIF, thus improving transparency.

The PC voted (38-2, with 3 abstentions) to recommend that Arafat fire Palestinian Monetary Authority (PMA) head Amin Haddad after an investigation concluded that he was involved in corruption and mismanagement. There was no word if Arafat followed through.

PA Economic M Mahir al-Masri, Jordan's Trade M Muhammad al-Halayqa, and Islamic Development Bank (IDB) pres. Ahmad Ali inaugurated (3/2) the new Palestinian Trade Center (Pal Trade) in Amman. The IDB has allocated \$21.5 m. to support Pal Trade projects aimed at rehabilitating Palestinian industry, promoting Palestinian exports, and funding trade missions and exhibitions.

Apparently inspired by similar cases in U.S. courts (see below), an Israeli court ruled (4/21) that the PA must pay \$16 m. compensation to the families of 2 Israelis killed in a suicide bombing in 2002. The PA, which does not recognize the jurisdiction of the Israeli court, did not submit a defense. The Israeli lawyer for the families said he would ask the court to place a lien on the VAT taxes Israel collects on the PA's behalf.

#### **National Unity**

This quarter, Palestinian factions held extensive contacts over how to govern and maintain security in Gaza in case of Israeli withdrawal. As early as 2/19, Fatah, Hamas, and Islamic Jihad started discussing ideas for forming an "emergency government" in Gaza in such circumstances. By 3/11, the Democratic Front for the Liberation of Palestine (DFLP) and the Popular Front for the Liberation of Palestine (PFLP) joined the talks and drafted together with Hamas an "honorary document that would regulate the internal Palestinian relations in Gaza," which they circulated to Fatah and Islamic Jihad for debate. By 3/13, the PA had opened talks with the factions through the NIHC as part of its 5-week security plan (see above). The factions were soon shuttling working papers back and forth sharing concrete ideas for joint security control mechanism.

By the end of 3/04 the following concept was taking shape: Once the IDF withdrew, the PA would be considered dissolved in Gaza, and a joint national leadership body—including PLO officials, former PA officials, and reps. of all factions—would be formed to oversee political decision making. The

formal dissolution of the PA (considered illegitimate by Hamas and Islamic Jihad as a product of the "unlawful" Oslo Accord) would provide political cover for the PA and Hamas to work together. The PLO Executive Comm. on 3/28 formally invited Hamas to participate in the leadership of Gaza after Israeli withdrawal, and the Fatah Central Comm. (FCC), with Arafat's blessing, offered a similar invitation on 4/5. Hamas agreed (4/6) in principle but sought clear assurances that the PLO and FCC would view the proposed joint leadership body as having no affiliation to the PA. Talks continued on and off through the end of the quarter.

Also of note: Following the Yasin and Rantisi assassinations and the Bush endorsement of the Sharon plan, the Damascus-based Fatah-Uprising and PFLP-GC approached (mid-4/04) Arafat requesting that they be allowed to rejoin the PLO and reunite Fatah ranks in the interest of national unity. Arafat adviser Mamduh Nofal confirmed (3/21) that Arafat had approved the PFLP-GC's request. (There was no word on Fatah-Uprising.) In late 4/04, Arafat reportedly sent PLO Executive Comm. member Samir Ghawshah to Damascus to brief Syrian pres. Bashar al-Asad on developments.

When word of the Gaza governance plan broke, the U.S. warned (4/6) the PA against integrating a "terrorist organization" into its political structure, saying Hamas must be "ostracized and disempowered." The U.S. reportedly wanted former Gaza PSF head Muhammad Dahlan to take charge of security in the Strip if Israel withdrew to avert a Hamas takeover and sideline Arafat. (Arafat and Dahlan fell out in 2002 when Arafat began to suspect that Dahlan, with the encouragement of Israel and the U.S., was attempting to form his own power base in Gaza. Many recent attacks on Arafat loyalists are rumored to have been carried out by Dahlan supporters; see Quarterly Update in *JPS*131.) Arafat in fact held talks (2/19) with Dahlan regarding containing intra-Palestinian violence in Gaza.

On 3/15, PA security officials stated that there are in Gaza alone around 10 main Fatah military groupings and several smaller family-based Fatah offshoots. In their estimation, the PA has no control over most of the AMB, and a "significant segment" of Fatah militants in Gaza (especially the Abu Raysh Brigades and Saladin al-Ayubi Group) are no longer taking orders from Ramallah but are answering to the Hamas leadership. The officials reported this to be particularly the

case in the Dayr al-Balah area of central Gaza, Abasan and Dahaniyya further south and the Jabaliya r.c. in the north.

The Fatah Revolutionary Council (FRC) met (2/25-27) in Ramallah to discuss convening its 6th general congress to elect a new FCC and possibly to amend the Fatah charter. (Some members wanted to eliminate phrases advocating armed struggle and the elimination of Israel and to add clauses ensuring containment of illegal arms.) The FRC meeting had originally been set for 2/8 but was canceled after the resignation of 356 Fatah members on 2/7 (see Quarterly update in *JPS* 131). Arafat stormed out of the meetings twice during the 3 days, angry over accusations of corruption and autocracy within Fatah and of ineptitude of the PSF but ultimately pledged to hold FCC elections within a year. At the meetings, the FRC issued a report calling for a cease-fire with Israel, rejection of attacks on civilians, resumption of dialogue with the Israelis, restriction of resistance to nonviolent methods only, application of the rule of law, independence of the judiciary and a clear separation of powers in the PA, clear statement of a unified Fatah position, and appointment of a single Fatah spokesman to relay the movement's official position on all issues. Members of the AMB immediately declared (2/27) that they would not adhere to a cease-fire. The FCC nonetheless reiterated (3/26) the appeal after the Yasin assassination.

Soon after the FRC meeting, officers under the authority of PA military intelligence chief Musa Arafat raided (ca. 3/5) the Gaza home of senior Arafat aide Nasr Yusuf, confiscating his jeep and his guards' weapons. At the FRC meeting, Yusuf had criticized Arafat's divide-and-rule policy with regard to the PSF and called for unification of the security branches, prompting one of Arafat's walkouts.

Other Gaza incidents thought to be related to Fatah power struggles included the following: Unidentified gunmen opened fire (2/19) on the Khan Yunis office of close Arafat ally and PC member Ibrahim Abu Naja (Fatah), causing significant damage but no injuries. Unidentified gunmen assassinated (3/1) Arafat's close adviser Khalil Zabin (also editor of a staunchly pro-Arafat newspaper that had been critical of other factions), shooting him 12 times as he left his Gaza City office. An explosion for which no group took responsibility damaged (4/28) the home of PSF Gaza cmdr. Ghazi al-Jabali. On 5/8, 15 armed masked men raided and vandalized

PC offices in Gaza City and then destroyed the Fatah headquarters in Bureij r.c., making no demands in either case. In Jenin on 2/18, unidentified gunmen opened fire on PA Health M Jawad al-Tibi and Palestinian Economic Council for Development and Reconstruction (PECDAR) head Muhammad Ishtiyya during a visit to inaugurate a new hospital; neither was injured.

Other incidents reflecting the lawlessness in Gaza included a raid (2/28) on the PA Land Authority offices in Gaza City by 20 Palestinian gunmen who demanded that property be transferred to their names and a raid (2/28) of the Palestinian Broadcasting Company offices in Khan Yunis by 40 AMB members who demanded jobs in the PA in what they said was a protest against economic conditions. In addition, unidentified gunmen raided (4/27) a Hamas hideout in Gaza in an attempt to steal explosives, sparking an exchange of fire that left 2 attackers dead.

Some 80 Palestinian journalists protested (3/16) outside the PC headquarters in Gaza City, calling on the PA to ensure law and order and protect the safety of journalists. Last quarter, the group had threatened to halt coverage of the PA security services and various PA ministries, but postponed their strike pending a PA investigation into recent attacks on journalists by Palestinian militants (see Quarterly Update in *JPS* 131). Following another incident on 4/22 in which unidentified assailants ambushed and beat AFP photographer Jamal Aruri outside his Ramallah home, Palestinian journalists refused (5/3) to cover an EA session.

Following the Yasin assassination, 71 prominent Palestinians issued (3/25) a public call for a renunciation of violence and adherence to strictly nonviolent forms of protest. The AMB and Hamas's Izzeddin al-Qassam Brigades immediately denounced the appeal, as did many Palestinians (especially in Jenin, Nablus, and Ramallah) who demonstrated against the assassination after Friday prayers on 3/26. On 3/30, a group of 81 prominent Palestinians (mostly veteran leftists and some Fatah members) issued a similar call, though warning that Palestinian violence would not cease until Israel halts attacks on and oppression of the Palestinians.

#### PALESTINIAN OPINION

*The following data are excerpted from a poll conducted by the Palestinian Center for Policy and Survey*

**Research (PCPSR) between 14 and 17 March 2004. Results are based on a survey of 1,320 men and women from the West Bank and Gaza. The poll, 11th in a series, was taken from PCPSR's Web site at [www.pcpsr.org](http://www.pcpsr.org).**

**1. Regarding the prevailing internal anarchy, some say the reason for it is a failure on the part of the security services and political leadership to carry out their responsibility to maintain law and order while others say the Israeli occupation is to blame for it. In your opinion who is more responsible for the internal anarchy?**

	West Bank	Gaza	Total
a. Security services and leadership	22.1%	28.7%	24.5%
b. Israeli occupation	65.8%	57.6%	62.7%
c. Others, specify	11.0%	12.7%	11.7%
d. No opinion	1.1%	1.0%	1.1%

**2. Do you see Sharon's plan to evacuate the Israeli settlements in Gaza as a victory for the Palestinian armed resistance against Israel or don't you see it as a victory?**

	West Bank	Gaza	Total
a. Definitely a victory	32.2%	46.8%	37.6%
b. A victory	30.0%	25.3%	28.2%
c. Not a victory	26.5%	19.2%	23.7%
d. Definitely not a victory	8.5%	8.1%	8.3%
e. No opinion	2.9%	0.6%	2.0%

**3. Does your family have one or more of its members who have moved to live in a new area (for the purpose of work, study, treatment, etc.) because of the difficulties or hardships encountered at checkpoints and because of the inability to cross checkpoints on a daily basis?**

	West Bank	Gaza	Total
a. Yes	40.6%	22.7%	33.9%
b. No	58.7%	76.5%	65.4%
c. Don't know	0.7%	0.8%	0.8%

**4. After reaching a peace agreement between the Palestinian people and Israel and the establishment of a Palestinian state that is recognized by Israel, how soon do you think reconciliation between the two peoples will be achieved?**

	West Bank	Gaza	Total
a. Reconciliation is not possible ever	38.8%	45.9%	41.5%
b. Only in many generations to come	18.7%	17.2%	18.1%
c. Only in the next generation	9.6%	6.5%	8.4%
d. Only in the next decade	7.3%	6.3%	6.9%
e. Only in the next few years	16.9%	14.9%	16.2%
f. Don't know	8.6%	9.3%	8.9%

**JORDAN-ISRAEL**

Jordan's difficult task of balancing demands imposed by its relations with Israel and the U.S. on the one hand with other regional and domestic concerns on the other was highlighted this quarter when Sharon announced (3/9) that he and Abdallah would meet soon, forcing Abdallah into a public denial soon revealed to be false: on 3/18, the Jordanian king made a "secret" visit (leaked the very next day) to Israel to discuss Sharon's disengagement plan with Sharon himself; no details of the meeting were released. King Abdallah also complained (3/28) that Israel's assassination of Yasin on 3/22, just days after his secret visit, "embarrassed us very much," leading him to believe that the Israelis "simply don't want peace." In a similar vein, Abdallah's postponement of his 4/21 meeting with Bush to protest the latter's embrace of the Sharon disengagement was soon followed by his need to drop the demands he had made for rescheduling the visit, which took place on 5/5.

One of Jordan's main concerns—explicitly expressed in its 2/24 testimony to the ICJ on Israel's separation wall—was that escalating violence in the occupied territories and Iraq would encourage an influx of Palestinian refugees. With regard to refugees from Iraq, the UN Commission on Human Rights (UNCHR) announced (3/4) plans to close, at Jordan's request, the al-Ruwayshid r.c. on the Iraq border at the end of 4/04 but noted that 467 Palestinian refugees there refused to return to Iraq, mostly for safety concerns. Jordan had previously allowed 386 Palestinians with Jordanian spouses to enter the kingdom but refused to accept more. When the UNCHR failed by 5/14 to reach an agreement with several Arab states regarding the last 300 Ruwayshid refugees,

Jordan threatened to tear down the camp itself and transfer the 300 to the no-man's-land between Jordan and Iraq if the matter were not resolved in the next few weeks. The UNCHR was also trying to find a solution for 47 Palestinians among a group of 1,076 Iranian Kurds trapped in al-Tash r.c. (established in 1982 during the Iran-Iraq war) located in a no-man's-land inside Iraq, 93 mi. northwest of Baghdad.

On the domestic security front, Jordan kept a tight rein on Palestinian demonstrations following the Yasin and Rantisi assassinations. After the first, Jordan security forces on 4/2 entered Wihdat r.c. and used force to break up a peaceful demonstration of some 5,000 refugees protesting the Yasin killing, sparking a riot. After the second, government authorities turned down (4/22) a request by the Islamic Action Front to hold a rally to commemorate Rantisi after Friday prayers on 4/23.

In early 4/04, Jordanian authorities raided the hideout of a suspected international terrorist cell, detaining no members but confiscating "sufficient quantities of raw chemicals for a large-scale chemical attack . . . probably obtained locally or from a neighboring country." (Of note: On 4/13, 85 canisters containing 6 tons of methyl bromide gas, used in pesticides, were stolen from an Israeli factory in the Negev.) Jordan continued efforts to track down the cell, and on 4/20, security forces engaged 9 suspects in a shoot-out in Amman, killing 4 and detaining 4, while 1 escaped. Jordan alleged that the 9 had plotted to detonate a chemical bomb at a building housing the PM's office and the Jordanian secret service and planned a separate attack on the U.S. embassy. Al-Qa'ida claimed (ca. 4/29) the men were members and acknowledged plotting to bomb the secret service, but categorically denied any plans to use a chemical device. Jordan aired videotaped confessions of the 4 detained men on 4/22. Jordan also captured a bomb-laden truck in Amman on 4/1.

A Jordanian military court convicted (4/6) and sentenced to death 8 Islamists for the 10/02 murder of USAID Jordan office head Lawrence Foley. Six of the 8, including reputed Palestinian-Jordanian "terror chief" and alleged link between al-Qa'ida and Iraq, remain at large. The 2 in custody are a Jordanian (the get-away driver) and a Libyan (the gunman). Two other Jordanians were sentenced to 5 years hard labor for their role in the killing; a third was released for lack of evidence. Another Jordanian court convicted

(5/10) 3 Islamists (including at least 1 Jordanian) arrested in 5/03 for plotting to kill American and Israeli tourists. In addition, a Jordanian detained on 5/9/99 and identified only as A.M.A. was sentenced (5/3) to life in prison for spying on behalf of Israel.

Jordan stated (3/15) its intention to file legal proceedings against Israel for confiscating Jordanian funds from the branches of the Arab Bank and the Cairo Amman Bank in the IDF's Ramallah bank raids on 2/25. Jordan argues that the confiscations were explicit violations of international law, international agreements, and the 1994 Jordan-Israel peace treaty.

On the other hand, Jordan and Israel announced (2/24) plans to build an environmental center on a 150-acre "free education zone" straddling the border near the Dead Sea, on land donated by both countries. The center will be run by Cornell and Stanford Universities, and funded by Bridging the Rift, a group headed by Mati Kochavi, CEO of Sentry Technology Group (STG). STG specializes in security and defense research and technology and is led mostly by former senior Israeli military and intelligence officers. Israel also released (5/15) 2 Jordanian prisoners.

#### SYRIA-ISRAEL

The main issue this quarter was whether the Bush administration would place sanctions on Syria by 6/12 as demanded under the Syria Accountability Act signed by Bush on 12/12/03 (see Quarterly Update in *JPS* 131). After months of footdragging, U.S. administration officials were reportedly nearing completion of a sanctions package that they hoped would appease Congress but not cause Syria to halt intelligence cooperation relevant to the war on terror but put the sanctions on hold while Syria had to deal with serious riots that broke out in Qamishli, a town in the Kurdish region of northern Syria, on 3/12.

The Qamishli riots were sparked by scuffles between fans of rival Syrian soccer teams, one Kurdish and one Arab, fanning long-existing ethnic tensions. Violence spread (3/14) to neighboring villages and continued at least until 3/16, leaving up to 49 people dead, more than 100 injured, 100s (mostly Kurds) under arrest, and many shops and government offices vandalized. Though clearly the product of long-standing social and political grievances, Kurdish activists stated that they were at least partly inspired by talk of Kurdish autonomy in Iraq.

Even before the Qamishli riots, the White House had not seemed eager to implement sanctions. Syrian pres. Bashar al-Asad indicated in an interview (3/5) that Washington had sent mixed messages when Damascus showed interest in addressing U.S. concerns laid out in the Accountability Act. As an example, he said that the U.S. had not responded to Damascus's formal request for modern security and military technology to improve monitoring of the border with Iraq. Syrian FM Faruq al-Shara' also said (3/5) that the U.S. had canceled at the last minute the planned visit to Damascus of a U.S. military and security delegation to discuss Syria's proposal to create a standing joint security comm. in light of the high level of security cooperation reached. (Shara' said Syria was told that Dep. Defense Secy. Paul Wolfowitz called off the meeting.)

When the situation in Iraq deteriorated in early 4/04, Powell reportedly sent (ca. 4/15) a message to Asad seeking more Syrian cooperation. Anonymous Syrian sources claimed that Powell did not mention the Syria Accountability Act or repeat any of the standard U.S. demands of Syria, which Syrians viewed as a positive sign. Asked to confirm the report, the State Dept. said (4/30) only that a message had been sent and that its own recommendations regarding sanctions would be forwarded to the White House shortly.

Meanwhile, with no action from the administration, the cosponsors of the Syria Accountability Act, Reps. Eliot Engle (D-NY) and Ileana Ros-Lehtinen (R-FL), held a high-profile press conference (4/28) to announce the drafting of new legislation—the Syria and Lebanon Liberation Act—urging regime change in Syria and Lebanon by calling for active support for prodemocracy opposition forces in those countries. The representatives' initiative, which they themselves acknowledged was aimed at pressuring Bush to implement sanctions under the original act, bore fruit. On 5/11, Bush issued a declaration of "national emergency" to address the "unusual and extraordinary threat" posed by Damascus. Bush also noted that while required by the act to pick at least 2 of a list of sanctions, he picked 3: barring exports to Syria, barring direct flights between Syria and the U.S., and ordering the Treasury Dept. to freeze Syrian accounts in the U.S. (none of which would have significant effect given the minimal dealings between the two countries in these areas). The president did announce, however, that additional

sanctions could be imposed if Syria does not "adopt a more constructive approach to relations with its neighbors." Asad said (5/13) that he had no reaction to the sanctions and no plans to expel Palestinian groups, one of the act's main demands of Syria (see Doc. D1 in *JPS* 131 and Letter from Damascus in this issue).

Also of note: The U.S.-based Syrian Reform Party announced (3/30) that it would begin broadcasting Free Syria Radio from Cyprus on 3/31. The station aims to underscore the "benefits of democracy and free expression," "prove the honest intentions of U.S. policy in the Middle East, and stress the importance of dispensing with the culture of violence." The party insisted (3/30) that the station was funded by Syrian businessmen, not the U.S. government, but the State Dept. refused to confirm or deny the party's claim.

Damascus was the scene of an unusual security incident on 4/27, when 4 assailants detonated a bomb under a car, tossed some 12 grenades, and exchanged gunfire with Syrian security forces outside a building formerly used by the UN Disengagement Observer Force in the diplomatic quarter of Damascus, leaving 2 attackers, 1 policeman, and 1 bystander dead and the other 2 attackers under arrest. Though Syria initially implicated al-Qa'ida, the alleged ringleader, Ahmad Shalas Hassan, hospitalized in police custody, said (5/15) that they were unaffiliated with any political group and sought simply to harm foreign interests in Damascus as a protest against U.S. and Israeli aggression against Muslims.

The *Tebran Times* reported (5/3) that 5 Yemeni Jews had recently been sent to Damascus by the Mossad to assassinate Hamas leaders Khalid Mishal and Musa Abu Marzuq. The 5 reportedly attended a memorial service for Rantisi in Damascus's Yarmuk r.c. and attempted to get close to the Hamas leaders, but were captured by Mishal's bodyguards and turned over to the Syrian authorities who at quarter's end were still holding them. Neither Israel nor Syria commented. Israel previously attempted to assassinate Mishal in Amman in 1997.

#### LEBANON-ISRAEL

Up until the Yasin assassination on 3/22, the Israeli-Lebanese front was quiet, except for routine overflights of Lebanese territory by Israeli surveillance aircraft. Immediately afterward, however, Hizballah shelled (3/22) an IDF post in the Shaba' Farms area,

claiming revenge for the assassination, and the IDF launched (3/22) air strikes against Hizballah targets in s. Lebanon. No injuries were reported on either side. On 3/23, IDF helicopters fired on a group of PFLP-GC members preparing to fire Katyusha rockets into northern Israel, killing 2 and wounding 1. Hizballah responded with anti-aircraft fire, causing no damage or injuries. Israel warned (3/23) that if Hizballah continued to attack Israeli positions, "we will change the rules of the game," possibly striking deep inside Lebanon or Syria. Days later, unidentified assailants fired (3/27) 3 rockets from southern Lebanon toward Israel, causing no damage. The IDF conducted intensive overflights of the area and reinforced troops on the border, prompting Lebanon to reinforce its own presence in the border area.

The border remained quiet until 5/5, when Hizballah anti-aircraft shells (regularly fired, as a symbolic show of force, in response to routine IDF violation of Lebanese airspace but incapable of hitting high-flying planes) landed in Israeli territory. Though there was no damage or injuries, several days of tit-for-tat shelling and cross-border shooting ensued, again without damage or injuries. But on the morning of 5/7, Hizballah, claiming that IDF soldiers tried to cross into Lebanese territory, shelled 4 IDF positions in Shaba' Farms, killing an IDF soldier and wounding 5. The IDF responded with large-scale air strikes on s. Lebanese border villages, though without damage other than killing a herd of goats and shattering windows.

This quarter Israel and Hizballah under the auspices of German mediators were to complete the second phase of the prisoner swap begun last quarter (see Quarterly Update in *JPS* 131). The second phase, which was to be completed by 4/26, was to involve the release of Lebanese prisoner Samir Kantar (considered by Israel to have "blood on his hands" for his participation in a 1979 Palestinian Liberation Front raid into Israel) in exchange for information on missing Israeli pilot Ron Arad (downed over Lebanon in 1986). An Israeli comm. was also to investigate the whereabouts of 4 Iranians (including 2 diplomats) kidnapped in Lebanon in 1982 in an area controlled by Israel's Lebanese allies the Phalange. The 4/26 date passed without resolution, though Israel said (4/26) without elaborating that significant progress had been made. On 5/13, the Lebanese media reported that Hizballah had turned over to Israel via German media-

tors bones thought to belong to Arad. Israel denied the report; Germany and Hizballah did not comment.

## REGIONAL AFFAIRS

### RELATIONS WITH ISRAEL

Normalizing steps between Israel and Arab states continued despite some symbolic protest gestures following the Yasin assassination on 3/22. Egypt, for example, canceled the planned visit (3/24) of a small parliamentary delegation to Israel to mark the 25th anniversary of the Camp David Accords. (No commemoration had been planned in Egypt itself, and in Israel, Sharon ended up addressing a nearly empty Knesset when most MKs boycotted the official celebration on the grounds that Egypt had never really made peace.) But on a more practical level, talks begun quietly in 1/04 went forward between an Egyptian delegation that arrived on 3/18 on creating a Qualified Industrial Zone (QIZ) in Egypt. Products made in the zone would be produced by joint Israeli-Egyptian ventures and exported duty free to the U.S. under an American program originally aimed at normalizing relations between Israel and Jordan; the program was later extended to Turkey. The only point left to negotiate was the minimum amount of Israeli inputs that would be required for QIZ products to qualify for duty-free status, with Israel proposing 17.5% and Egypt proposing 8%. The sides hoped to finalize the agreement in time for a signing on the sidelines of the World Economic Forum in Amman on 5/15, but did not.

In an address to a delegation of U.S. Jewish leaders visiting Rabat, Moroccan FM Tayib Fassi Fihri stated (2/16) that it would be "impossible" for Palestinian refugees to return to Israel, that Arab countries must be "realistic in their demands," that Israel has a right to live in secure borders, that Morocco closed its trade office in Israel in 2001 "because of decisions, good or bad, taken by the Arab League," and that it hopes to reestablish ties with Israel soon. On 5/1, Casablanca mayor Muhammad Sagid accepted an official Israeli invitation to tour Israel for a week in 6/04 and take part in celebrations marking the UN's 7/03 declaration of a Tel Aviv neighborhood as a world historic site.

In press interviews on 3/2 and 3/4, Libyan leader Col. Mu'ammarr Qaddafi, explaining why he decided now to open up Libya to international arms inspection, cited not only

the economic cost of developing a nuclear program but also that Libya had no need for weapons of mass destruction (WMDs) since "it has been left to the Palestinians to deal with the Palestinian conflict." On 4/30, Israel accepted an invitation from Libya to compete in a world chess championship to be held in Tripoli in 5/04.

Israel temporarily closed (3/24) its diplomatic mission in Mauritania (full diplomatic relations were established on 10/28/99) and its trade representation in Qatar due to terror threats related to the Yasin assassination. There was no word if they had reopened by the end of the quarter.

#### INTER-ARAB HIGHLIGHTS

Inter-Arab efforts continued to be feeble to the point of embarrassment this quarter. The prime example was the last-minute cancellation (3/27) of the annual Arab League heads of state summit set for 3/28–29 in Tunis, a decision taken by Tunisian pres. Zein Abidine Ben Ali without consulting other member states or reportedly even senior members of his own government. All the FMs (including the Tunisian FM), who were wrapping up preparatory meetings on the summit agenda when the news broke, and the heads of state who had already arrived expressed "astonishment and regret" at the decision. Egypt and Jordan immediately offered to convene the summit in their capitals within days, but Ben Ali said (3/27) that the venue was not the issue, refusing to explain his decision further. Some participants speculated that Ben Ali may have been reacting to the fact that at least 7 countries (including Bahrain, Egypt, Oman, Saudi Arabia, and the UAE) had recently downgraded their representation to the summit, while others (and most of the press) claimed that his primary reason was the FMs' inability to agree on a statement regarding democracy and reform plans to counter the U.S.-draft Greater Middle East Initiative (GMEI; see below). Many FMs, however, said they had cleared up most points of dispute and that a joint text was possible. Ben Ali's critics noted that since he met with Bush in Washington in 2/04, he had privately been skeptical about Arab willingness to engage in a serious discussion of human rights and democracy along the lines of the GMEI.

The PA noted (3/27) that FMs had already finalized 6 resolutions on Palestine to be adopted with the summit's closing statement: a call for a mutual, simultaneous Israeli-Palestinian cease-fire; a call for

halting construction on the separation wall and demolishing what was already built; a call for halting settlement construction; a recommendation for creating an international monitoring and peacekeeping force to protect Palestinians and ensure implementation of agreements; an appeal to lift the siege on Arafat; and a pledge to transfer \$650 m. to the PA over the next year. Arab League FMs held (3/31) a special session in Cairo to approve the immediate disbursement of \$100,000 in emergency medical aid to the PA.

In the days following the cancellation, the Tunisian government launched a media offensive, claiming (e.g., 3/28, 3/30) that Ben Ali had canceled the summit to "shake up" the Arab states, which were "mired in stale slogans and repetitive phrases ignored by the outside world" and had to be forced to act rather than merely issue bland statements without follow-up; it was added that the summit could be rescheduled if the Arabs agreed to support Tunisia's more radical proposals for democratization, reform, advancement of human rights, and support for a peaceful settlement of the Arab-Israeli conflict. (Of note, the day Ben Ali canceled the summit, Tunisian security services barred human rights activists from holding a nonviolent protest to demand greater press freedom.) By the end of the quarter the Arab League had agreed (4/21) to go forward with the summit in Tunis 5/22–23.

Highlighting another instance of failed intra-Arab action, PA FM Shaath criticized (2/20) the Arab states for their wan efforts to support the Palestinians at the upcoming ICJ hearings, noting that only 9 of 24 Arab countries (Egypt, Jordan, Kuwait, Morocco, the PA, Saudi Arabia, Sudan, Syria, Yemen) had sent a written statement opposing the wall to the court, and only 5 (Algeria, Jordan, the PA, Saudi Arabia, Sudan) planned to give testimony.

#### INTERNATIONAL

##### UNITED STATES

This quarter witnessed a sharp increase in overt linkages across the Middle East between the Palestinian and Iraqi conflicts, especially after the Yasin and Rantisi assassinations (3/22 and 4/17) and the U.S.'s massive military offensive in Fallujah (4/5–30) to capture the militants responsible for the brutal murder of 4 American security contractors on 3/31, which resulted in the deaths of 100s of Iraqi civilians. Iraqis,

including the Interim Governing Council, denounced and demonstrated against the Yasin assassination starting on 3/22. By 4/8, Palestinians in the territories were holding rallies protesting U.S. actions in Fallujah, and numerous demonstrations in solidarity with the Iraqi *and* Palestinian peoples had been held across the region. By 4/11, al-Jazeera reported attacks and kidnappings in Iraq by cells calling themselves the Martyr Shaykh Ahmad Yasin Regiments and the Islamic Front for the Liberation of Palestine and Iraq. After Bush's endorsement of the Sharon plan on 4/14, UN Special Envoy to Iraq Lakhdar Brahimi commented (4/21) that Israeli and U.S. policy toward the Palestinians was aggravating the situation in Iraq, stating, "The problems are linked. There is no doubt that the great poison in the region is this Israeli policy of domination and the suffering imposed on the Palestinians, as well as the perception of all the population in the region, and beyond, of the injustice of this policy and the equally unjust support . . . of the United States for this policy."

This quarter, the Bush administration also began drafting its GMEI to reform and democratize the Arab world—a plan it hoped to launch at 3 international meetings in 6/04 (the G-8 summit of industrialized nations, an EU meeting, and a NATO summit), ideally with the leaders of Bahrain, Jordan, and Morocco on hand to endorse it. The draft, leaked to the press in late 2/04, stated that the U.S., EU, and other developing nations would press for economic, political, and social reforms in Middle Eastern states aimed at reshaping the region and eradicating anti-Western, anti-American sentiments. The draft cited several UN reports as proving that instability in the region resulted not from foreign interference and colonialism but domestic economic deprivation, political autocracy, undeveloped civil society, and deficient education systems. It then outlined regional programs that could be undertaken by the U.S. and others to correct these problems. Angry Arab and EU officials blasted (2/24) the U.S., complaining that they had never been consulted on the draft, warning that reforms must come from within and not be imposed from the outside, and that the plan could deepen the rift between the West and the Arab/Muslim world. The UN also criticized (2/24) the U.S. for deliberately misconstruing its reports for its own ends. To allay concerns, the U.S. dispatched (2/29–3/6) Undersecy. of State for Political Affairs Marc Grossman on a tour of the Middle East

and Europe to encourage Arab, Turkish, EU, and NATO support for the plan. EU foreign policy dir. Solana led (3/1) an EU team to Washington to discuss the GMEI with Rice and Powell. By 3/11, the administration had put the GMEI on hold pending revisions. On 4/26, the U.S. began circulating for comment a reportedly scaled-down draft to Arab and EU governments, select business leaders, and other organizations. EU officials who saw the text reportedly (*New York Times* 5/12) felt that it still needed to be "revised extensively to make it seem less high-handed and arrogant."

To promote further democratic change in the Middle East, Bush doubled (3/9) the \$40 m. budget of the National Endowment for Democracy, a small, publicly funded non-profit group that supports pro-democratic indigenous groups. Also of note: At an Israeli embassy reception on 4/27, Powell praised Israel as proof that "no matter how hard it is to create a democracy where it has never before existed, an enlightened leadership with political willpower and with the support from other democracies can make a huge difference. It can be done."

While Democratic presidential candidate John Kerry distanced himself from Bush's Iraq policy, he increasingly highlighted his support for Bush's policy toward Israel while on the campaign trail. Most notably, he said (4/14) that Bush's endorsement of Sharon's plan "could be a positive step," and seconded Bush's assurances on refugees and borders, stating "What's important, obviously, is the security of the State of Israel." In a meeting with 40 Jewish leaders on 2/29, he stated that his criticism of Bush's foreign policy did not imply criticism of Israel, noting his support for the U.S. isolation of Arafat and Sharon's unilateral disengagement plan and pledging to veto any UN resolution seen as one-sided against Israel. He also said that he would consider former U.S. Envoy Dennis Ross and Clinton NSA Sandy Berger as his Middle East envoys (previously he had named former pres. Jimmy Carter and former secy. of state James Baker). While Kerry had called the separation wall "provocative and counterproductive" in a 10/03 speech to the Arab American Institute, he declared (2/22/04) a week before the New York primaries that the wall is a "legitimate act of self-defense. . . . The fence only exists in response to the wave of terror attacks against Israel." On 3/9, Kerry called Arafat, whom he had praised in his 1997 book, "an outlaw to the peace process" who had "missed a

historic opportunity." At a campaign stop in Florida, Kerry promised (4/19) to maintain his "100% record of sustaining the special relationship and friendship that we have with Israel," and to the Anti-Defamation League (ADL) he vowed (5/3) that he would "never force Israel to make concessions that cost or compromise any of Israel's security" and would "never expect Israel to negotiate peace without a credible partner."

More than 50 former U.S. diplomats sent (5/4) a letter to Bush criticizing his "unabashed support" for Sharon and his disengagement plan in defiance of UN resolutions (see Doc. B1). By 5/13, another 30 former diplomats and 23 other individuals had signed on.

Asst. Secy. of State and U.S. Special Envoy for road map implementation John Wolf, a career foreign service officer, quietly resigned (ca. 5/13) to head the Eisenhower Institute (an organization that seeks to advance foreign and domestic policy through "a rigorous pursuit of facts; the encouragement of reasoned and respectful debate; and the quest for outcomes that serve the long-term interests of the American people while promoting justice and international peace"). His resignation as asst. secy. is believed to have included his resignation as envoy, though neither Wolf nor the State Dept. would confirm.

Powell addressed (4/28) an anti-Semitism conference in Berlin sponsored by the Organization for Security and Cooperation in Europe, stating explicitly (as did many speakers) that criticism of Israel is not anti-Semitism, "but there must be boundaries." The 55 nations participating in the summit pledged to increase education to refute anti-Semitic stereotypes, promote Holocaust remembrance, and expand collection and sharing of data on anti-Semitic acts. Of note, Jewish Agency immigration and absorption head Mike Rosenberg noted (4/23) that immigration to Israel had reached a 15-year low because historically "most Jews who came to Israel were fleeing something," but "there's nothing pushing them now."

The U.S.-Israel Joint Economic Development Group (JEDG) held (2/23) a regular meeting in Jerusalem. The U.S. praised Israeli finance M Netanyahu's economic reform efforts and pledged to release soon the second \$3 b. of loan guarantees provided the efforts continued to show progress in bringing Israel out of its economic slump. There was no word that the loan guarantees had been released by the end of the quarter.

The State Dept. released (2/25) its annual human rights report, which criticizes Israeli security forces for torturing Palestinian detainees and using excessive force, including bombing and shelling Palestinian civilian areas, and notes the negative impact of the separation wall. (Of note: the State Dept. released the report on the same day that the ICJ hearings on the wall adjourned. Israel had asked the State Dept. in early 1/04 to delay release of the report until after the hearings, fearing it would strengthen the Palestinian case.) The report also criticizes Israel for continuing to practice "institutional, legal, and societal discrimination" against its Israeli Arab citizens, who make up 20% of the population.

The State Dept. also released (4/29) its annual counterterrorism report. The list of terrorist groups and countries supporting terrorism remained unchanged, though officials said that Iraq may be dropped when a new government is installed on 6/30/04 and Libya may be removed soon.

As of 5/14, the U.S. and Israel were discussing establishing a \$50 m. counterterrorism research and development project to be funded equally by both. The group reportedly would research aviation security, protection of sensitive installations, and defense against WMD attacks.

After an 8-mo. investigation, the Knesset Foreign Affairs and Defense Comm. determined (3/28) that Israeli intelligence services "severely inflated" reports of Iraq's WMDs, based reports on "speculation and hypothesis," and used unreliable evidence. While the comm. accused Israeli, U.S., and British intelligence agencies of trading unsubstantiated reports to "strengthen one another and increase self-confidence," it denied claims by Leftist MK Yossi Sarid that Israel knew that Iraq had no WMDs but did not tell the U.S. because Israel wanted war to proceed. Instead, the comm. concluded that errors were "made in good faith."

Iraqi exile Zainab al-Suqaij, who had been traveling in Iraq for 10 mos. as a USAID contractor and previously was among the Iraqi exiles advising the Bush administration in the run-up to war, told (3/30) Washington audiences that Hamas and Hizballah had opened offices in Iraq and were recruiting young men in Basra and Nasiriyya. The State Dept. said it could not confirm the reports, and the Iraqi Governing Council called the claims "rubbish, nonsense."

VP Cheney's former company Halliburton awarded (2/25) the Israeli gasoline company

Sonol and its international partner Morgantown International a tender valued at \$70 m.–\$80 m. to supply fuel to U.S. troops in Iraq. Halliburton had previously subcontracted with a Kuwaiti firm that was charged with overbilling.

Israeli and U.S. officials announced (4/15) that the first shipment of armored Humvees purchased by the IDF for use in the occupied territories, scheduled to arrive in mid-4/04, would be diverted to Iraq for U.S. operational needs.

The U.S. Immigration and Customs Enforcement (ICE) branch of the Dept. of Homeland Security charged (ca. 3/26) Egyptian real estate developer Soliman Biheiri with immigration violations and using the proceeds of construction projects across the U.S. over the past decade to funnel cash to “more than 100 bogus Hamas charities and businesses, most of which operated in Virginia,” with the money eventually used “in furtherance of Hamas terrorist operations.”

A U.S. federal judge ruled (4/1) that the PLO and PA must each pay \$116 m. to the families of an American citizen and his Israeli wife who were killed in a Hamas drive-by shooting near Efrat settlement in 6/96. The plaintiffs argued that the PLO and PA were accountable because they provided safe haven and an operational base to Hamas. In 1/04, a U.S. federal judge ordered Hamas to pay the families \$116 m.

#### RUSSIA

Russia's regional involvement this quarter was limited mainly to maintaining open channels with Israel and the PA and participating in Quartet meetings. After the 4/14 Bush-Sharon meeting, PA FM Shaath flew (4/16) to Moscow to confer with Russian FM Sergey Lavrov, who criticized Bush, said Russia would not accept the Sharon plan as a substitute for the road map, and urged Israel to coordinate its withdrawal with the PA. Israel's Eiland also went (4/22) to Moscow to brief Russian dep. FM Aleksandr Saltanov and National Security Council chief Igor Ivanov, who similarly stressed that Russia viewed the road map as the only viable plan and said that any withdrawal would have to be brought in line with it.

#### EUROPEAN UNION

After Bush's 4/14 endorsement of Sharon's Gaza disengagement plan, EU FMs convened (4/17) an emergency meeting to discuss a response. The FMs came to the

consensus, largely under pressure from British FM Jack Straw, that they should not strongly criticize the U.S. and that the EU had a limited choice between trying to influence how Israel would withdraw (and how the Palestinians would assume control) and losing long-term influence in the region. Belgium dissented, accusing the EU of “collective blindness” and “collective self-denial” for accepting Bush's endorsement. EU foreign policy dir. Solana then met (4/20) with Powell in Washington, where he urged (following EU recommendations) that the U.S. formally incorporate the disengagement plan into the road map and that all parties adopt 3 guiding principles: (1) nothing should be done to prejudice final status, (2) Quartet members should coordinate policy moves, and (3) Israel's withdrawal from Gaza should be carried out in an “appropriate manner.” Powell then contacted (4/21) Spanish FM Miguel Moratinos (for 7 years the EU special envoy to the Middle East) to ask for help in ensuring a smooth Israeli withdrawal from Gaza.

Meanwhile, at an EU parliamentary meeting in Strasbourg, EU external affairs commissioner Chris Patten announced (4/21) that the EU would be willing to help rehabilitate Gaza after an Israeli pullout provided Israel guarantees “not to destroy again what we build.” (The EU had already announced on 3/5 a \$1 m. aid grant to 13,000 Palestinian victims of Israeli home demolitions, calling Israeli demolitions “disproportionate acts that contravene international humanitarian law, in particular the Fourth Geneva Convention.”) In Tel Aviv, EU amb. to Israel Giancarlo Chevillard warned (4/21) Israel, which seeks to upgrade its preferential trade status with the EU, that the EU intends to link economic ties to Israel's peacemaking performance and could even downgrade ties depending on Israel's actions.

At a regular 2-day Euro-Mediterranean FMs meeting in Dublin (5/5–6) to discuss, among other issues, the Israeli-Palestinian conflict, Israeli FM Shalom reportedly interrupted PA FM Shaath's toast when he remarked that Israel was refusing to abide by a truce proposed by the Quartet, retorting that Palestinians are “terrorists” and that the PA was inciting suicide bombings and “terror operations” against Israel. The Middle East News Agency reported (5/6) that Shalom also “resorted to shouting and complaints” in meetings with Arab and EU FMs, and cited an EU official who described the European bilateral meeting with Shalom as

"an Israeli tirade against the EU" that ended in "unnecessary acrimony."

This quarter, the EU also announced (3/17) the creation of a joint Israeli-Palestinian energy office under EU auspices for future cooperation in the energy field, environmental control, and rebuilding and developing the Palestinian-Israeli infrastructure. Neither Palestinian nor Israeli reps. attended the press conference in Jerusalem unveiling the new office.

Also of note: On 4/26, 52 former British ambassadors and senior government officials (all career diplomats and Middle East experts who have served under both Conservative and Labor governments) signed a letter (see Doc. A2) to PM Tony Blair strongly criticizing him for his staunch support of the Bush administration's policies on Iraq and the Arab-Israeli conflict, saying both were "doomed to failure" and accused the U.S. and Britain of abandoning impartiality, poor planning, and military overkill.

#### UNITED NATIONS

Following Bush's endorsement of the Sharon plan, UN Secy. Gen. Annan sent (4/30) a letter to Arafat, reportedly urging him to "give the disengagement plan a chance" and to take steps to fulfill the PA's road map obligations, saying, "Decisive actions on your part would help the international community ensure that any withdrawal from Gaza is part of the implementation of the road map and not a substitute for it."

On 5/6, the UN General Assembly (UNGA) passed (140-6) a res. submitted by Malaysia following Bush's endorsement of the Sharon plan that affirms Palestinians' "right to self-determination and sovereignty over their territory." (see Special Doc. D) Israel, the Marshall Islands, Micronesia, Nauru, Palau, and the U.S. voted against.

As mentioned above, the UN's International Court of Justice (ICJ) held hearings (2/23-25) on the legality of Israel's separation wall. In advance of the hearings, the U.S. and most EU states said (2/19) that they would not send reps. to attend, since they did not believe the court had jurisdiction to hear the case (see Quarterly Update in *JPS* 131). When the hearings convened, reps. of Algeria, the Arab League, Bangladesh, Belize, Cuba, Indonesia, Jordan, Madagascar, Malaysia, the Organization of the Islamic Conference, the PA, Saudi Arabia, Senegal, South Africa, and Sudan presented testimony against the wall. Though

Israel chose not to attend the hearings, it did send public relations officers to address the media outside the court. During the hearings, 1,000s of Palestinians and their supporters held protest marches through the Hague, carrying photos of Palestinian children killed by the IDF, while Israeli groups set up a bus destroyed in a Palestinian suicide bombing outside the court building, flew in parents of those killed in the attack, and organized a vigil by 927 Israeli schoolchildren, each carrying a picture of an Israeli or foreigner killed during the intifada, and staged mock trials of Palestinian "terrorists." The ICJ adjourned without comment on 2/25. A final decision is not expected for up to a year.

Immediately after the Yasin assassination, the UN Security Council (UNSC) opened debate (3/22) on an Algerian draft resolution condemning Israel's attack. Algeria withdrew the draft on 3/23 after 2 days of closed debate, during which the U.S. threatened to veto the measure because it did not equally condemn Hamas as a terrorist organization. Debate continued on 3/24 over a new draft that condemned the assassination as well as "all terrorist attacks against any civilians as well as all acts of violence and destruction," but the U.S. said this was insufficient. At the request of the Mission of Palestine, the UNSC held an open discussion of the assassination on 3/24, during which more than 40 speakers addressed the council, the overwhelming majority criticizing Israel. The U.S. vetoed (3/25) a resolution emerging from the debate, citing its failure to explicitly denounce Hamas. The res. would have passed by a vote of 11 (Algeria, Angola, Benin, Brazil, Chile, China, France, Pakistan, the Philippines, Russia, Spain) to 0, with 3 abstentions (Britain, Germany, Romania). The UNSC also met (4/19) to discuss the Rantisi assassination but no resolution was put forward for a vote because of U.S. threats of a veto.

Meanwhile on 3/24 in Geneva, the UNCHR held a special discussion on the Yasin assassination and approved (31-2, with 18 abstentions) a res. denouncing "targeted assassinations." The vote split with non-aligned states supporting, Australia and the U.S. opposing, and most EU states abstaining. Israel denounced the decision to hold the discussion, saying it marked "the first time in the history of the United Nations that a session is dedicated to lauding, supporting, and glorifying a major leader of a terrorist organization." The UNCHR also passed 3

resolutions on 4/15: an EU-drafted proposal calling on Israel to halt settlement activity on Palestinian land and stop construction of the separation wall, which passed by a vote of 27-2 (Congo, the U.S.), with 24 abstentions; a resolution condemning Israeli violations in the occupied territories (including assassinations, blockades, house demolitions, and destruction of agricultural land), by a vote of 31-7 (Australia, Britain, Germany, Hungary, Italy, the Netherlands, the U.S.), with 15 abstentions; and a resolution condemning Israel's occupation of the Golan Heights, by a vote of 31-1 (the U.S.), with 21 abstentions.

The UN Food and Agriculture Association issued (3/12) a report classifying 40% of Palestinians (1.4 m. people) in the occupied territories as "food insecure" (i.e., lacking a reliable source of food), noting that another 30% (1.1 m. people) risk becoming food insecure if oppressive conditions continue. The report specifies that adequate food is available but that closures, roadblocks, the separation wall, and dwindling finances make access to it unreliable.

Because of Israel's sealing of Gaza after the 3/22 Yasin assassination, UNRWA and the World Food Program (WFP) warned (3/30) that they might be forced to halt food aid in Gaza as of 4/1 because of import restrictions imposed by Israel, which was barring the entry to Gaza of some 11,000 tons of food and not allowing empty containers rented by the groups to leave (resulting in \$7-\$20/day fees per unreturned container). Israel stated (3/30) that it did not plan to allow any containers out of Gaza for "a few months." Unable to restock supplies, UNRWA cut off food service on 4/1, but the WFP apparently continued. Israel eased restrictions on the food imports ca. 4/7, and UNRWA had resumed distributions on 4/21. UNRWA provides 600,000 Gazan refugees with emergency food aid, while the WFP does the same for 150,000 Gazans who are not refugees.

#### TURKEY

Turkey's Higher Commission of Military Industries canceled (5/15) all contracts currently signed with Israel to protest Israeli actions against the Palestinians.

The PA and Turkey initialed (2/19) a free trade agreement, which has been under negotiation for 5 years. The sides anticipated that they would sign the agreement in late 5/04.

#### DONORS

PECDAR head Muhammad Ishtiyay reported (4/10) that the PA had opened bilateral talks with donors regarding reconstruction of Gaza after an Israeli pullout and stated that donors had agreed in principle to extend assistance. He said that no cost estimates had been drawn up as yet, but that reconstruction, revitalization of the economy, and linkage of the Gaza economy to that of the West Bank and the Arab world would probably require continuous effort over at least 3-4 years, and much longer if Israel continued to control Gaza's borders and movement of goods. World Bank West Bank and Gaza coordinator Nigel Roberts confirmed (4/23) that the World Bank would play a "constructive role" in Gaza in the context of Sharon's disengagement plan if invited to do so by all parties. He stressed, however, that there were certain things the Bank would not agree to do, such as valuing the settlement assets for the purpose of compensation.

By 4/27, the U.S. began floating the idea of creating an economic stabilization plan for Gaza after an Israeli withdrawal that would be partly financed by the World Bank, and Rice phoned some Arab states that had fallen behind in fulfilling their donor pledges to urge them to follow through. Powell raised the stabilization plan idea with his Quartet partners on 5/4. The impression created was that the U.S. was seeking ways for the donor community, rather than the U.S., to cover costs of Israel's withdrawal from Gaza, an impression enhanced when Israel's Eiland met Roberts on 5/13 to discuss the possible role of the international community. Roberts repeated his 4/23 position, but added that the Bank would not loan Israel money for development of the Negev and Galilee to house evacuated settlers. (Weisglass and Eiland originally suggested in 3/04 that the U.S. cover this cost as part of an aid package following withdrawal from Gaza; see above.)

Citing significant reform progress by the PA, the World Bank announced (4/27) establishment of the Public Financial Management Reform Fund (PFMRF), created at the request of donors and the PA to mobilize additional contributions to support PA recurrent expenditures for 2004 and 2005 only (see Quarterly Update in *JPS* 131). (Since the start of the intifada in 9/00, donors, primarily the EU, have given \$1.3 b. to help meet part of the PA's recurrent expenditure—\$540 m. in 2001, \$465 m. in

2002, and \$260 in 2003—to help the PA pay civil servants' salaries, repay some of its arrears to the private sector, and provide essential services such as health, education, water, sanitation. During the same period, the World Bank has disbursed around \$260 m., including more than \$100 m. on behalf of other donors.) In light of ongoing violence, the PA Finance Min. estimates that it will need to fill a budget gap of around \$650 m. for FY 2004. The PFMRF aims to raise \$100 m. initially and has already received pledges of \$40 m. from Japan, \$20 m. from Norway, \$10 m. each from Britain and Denmark, \$5 m.–\$10 m. from France, and

\$6 m. Sweden. The World Bank also urged donors to continue to support medium-term state-building projects as well. To reassure donors further, the PA has adopted a Public Financial Management Reform Program laying out a set of public financial management benchmarks to improve transparency and promote budgetary and fiduciary standards, along with a timetable for their implementation. It should be noted that the PFMRF, a multidonor trust fund, supplements the Trust Fund for Gaza and West Bank, which is entirely funded by the World Bank and supports all Bank projects in the occupied territories.



**An IDF soldier prepares dozens of explosive devices for a raid on Gaza City's Zaytun neighborhood on 12 May. (Nadav Neuhaus/AFP/Getty Images)**