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QUARTERLY UPDATE ON CONFLICT AND DIPLOMACY

16 MAY-15 AUGUST 2003

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

At the opening of the quarter, Israel had not accepted the U.S.-drafted road map for resumption of negotiations aimed at creation of a Palestinian state by 2005, which U.S. Pres. George W. Bush had presented to Israeli PM Ariel Sharon and Palestinian Authority (PA) PM Mahmud Abbas on 4/30 and which the PA had quickly accepted (5/3). U.S. and Israel were pressuring the PA to begin implementing the plan immediately, but Abbas said that although the PA had every intention of meeting all its requirements, it would not undertake steps to halt violence until Israel officially accepted the plan in full.

Meanwhile, the West Bank and Gaza remained sealed, as they had been since the 4/15/03 Passover holiday. The Israel Defense Forces (IDF) continued their offensive in Gaza (see Quarterly Update in *JPS* 128), launched on 5/11, hours after U.S. Secy. of State Colin Powell wrapped up meetings with Abbas and Sharon urging them to begin road map implementation despite Israel's nonacceptance. Troops occupied (5/15) the Bayt Hanun area along the north Gaza border and restricted Palestinian movement by closing main Gaza roads, dividing the Strip into three isolated enclaves. The closure, the most severe on the Strip to date, was continued, and even international aid workers and diplomats were prevented from entering or exiting. Severe restrictions on Palestinian movement were also in place across the West Bank, where tensions remained high and IDF incursions were frequent, though violence was relatively low. At the opening of the quarter, at least 2,596 Palestinians (including 31 Israeli Arabs and 14 unidentified

Arab cross-border infiltrators), 724 Israelis (including 219 IDF soldiers and security personnel, 165 settlers, 340 civilians), and 36 foreign nationals (including 2 British suicide bombers) had been killed since the start of the intifada in 9/00.

Keeping the Road Map Alive

At the urging of the U.S., Abbas and Sharon held their first meeting on 5/17 (the first senior-level PA-Israeli talks since 9/26/00). Sharon had gone ahead with the meeting despite a Hamas bombing in Hebron the same morning, killing two Jewish settlers. He said he could not accept the road map but offered to withdraw the IDF from one (unnamed) West Bank Palestinian city and from northern Gaza in exchange for a PA commitment to crack down on militant groups in those areas—a variation of the Gaza First proposal that Sharon offered in 7/02 (see Quarterly Updates in *JPS* 125–28) as a modification of the long-delayed 6/01 Tenet cease-fire plan (see Doc. D2 in *JPS* 121). Abbas said this would be agreeable if carried out in the context of the road map, but Sharon refused. Abbas reiterated the PA pledge to implement all aspects of the road map, but vowed not to take any steps until Israel formally accepted the plan. The only thing the two men agreed on was that violence must cease. They did agree to meet again, but did not set a date.

The 5/17 Hamas bombing in Hebron was the first of 6 suicide attacks (bombings on 5/17, 2 on 5/18, 2 on 5/19; a shooting on 5/17) within 72 hours that killed 12 and wounded 65 and threatened to kill the already ailing road map. In light of the attacks, Sharon declared (5/18) the road map “suspended” and canceled a trip to Washington planned for 5/20 to discuss his road map reservations with Bush.

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Sharon also convened on 5/18 his security cabinet to discuss a response to the Palestinian attacks. Cabinet members noted that the only measures to curb Palestinian violence not yet tried were to kill or deport PA head Yasir Arafat (confined to his Ramallah compound since 12/01), to kill or deport the Hamas political leadership (specifically naming spiritual leader Shaykh Ahmad Yasin and chief spokesmen 'Abd al-'Aziz Rantisi and Mahmud Zahar), or to conduct a prolonged operation in Gaza similar to the 4/02 Operation Defensive Shield in the West Bank (see Quarterly Update in *JPS* 124). The security cabinet reportedly decided to prepare for an "unusually large-scale [operation] aimed at substantially changing the balance of power between Israel, the Palestinian Authority, and the terrorist organizations" (*Ha'aretz* 5/29).

Fearing collapse of the road map, Bush phoned (5/20) Abbas (their first conversation) and Sharon to invite them to send envoys to Washington for talks, stating that he thought the plan was still viable but that the sides must begin implementation immediately. Bush urged Sharon to postpone military escalation and instead do "something dramatic that would not directly affect Israeli security" (*New York Times* 5/21) but would show that he was serious about peace, such as dismantling some unauthorized settlement outposts or selectively easing restrictions on Palestinian movement. Sharon agreed to send his chief of staff Dov Weisglass to Washington to discuss options. Abbas sent his Finance M Salam al-Fayyad.

In Washington on 5/21, National Security Adviser Condoleezza Rice and Asst. Secy. of State for Near East Affairs William Burns held separate meetings with Weisglass and Fayyad. While the Fayyad talks dealt with possible U.S. financial confidence-building gestures to bolster Abbas (e.g., direct aid to the PA), the Weisglass talks focused on drafting "artful language that would allow Mr. Sharon to endorse the [road map] plan, but somewhat ambiguously, making it possible for him to tell his fractious cabinet that he had not really endorsed it in its entirety" (*New York Times* 5/22). Weisglass formally presented Israel's list of 15 reservations (see Quarterly Update in *JPS* 128), of which the U.S. reportedly accepted all but two—demands that the Palestinians immediately waive the refugees' right of return and that the plan remove all reference to the Saudi initiative calling for peace with Israel in exchange for a full withdrawal to the 1967

borders (see Doc. B1 in *JPS* 124). The meeting also discussed whether adopting Israel's Gaza First proposal for a staged-withdrawal could produce enough momentum to keep the peace process going. An unnamed Bush administration official admitted (5/23) that "the question is how to keep the concept of the road map while changing its substance" (*Washington Post* 5/23).

The U.S. and Israeli teams drafted two statements during their meetings: a U.S. statement to be released by Rice and Powell saying that Israel had explained its "significant concerns" regarding the road map and that "the U.S. shares the view of the Government of Israel that these are real concerns, and will address them fully and seriously in the implementation of the road map"; and an Israeli statement to be released by Sharon saying that Israel "is prepared to accept the steps set out in the road map," and that the plan would be sent to the cabinet for endorsement. Powell, Rice, and Sharon released their statements on 5/23 (see Special Documents E and F in *JPS* 128).

At the same time, Bush announced (5/23) that he was considering meeting with Abbas and Sharon in the region after the 6/1-3 G-8 summit in Evian if it would help move the peace process forward. Simultaneously, Powell resumed (5/23) pressure on EU states to cut ties with Arafat so as to bolster Abbas's position (see Quarterly Update in *JPS* 128); EU leaders declined (5/23). White House officials also met (5/22) with Egyptian, Jordanian, and Saudi Arabian envoys to discuss ways they could support PA State M of Security Affairs Muhammad Dahlan, whom the U.S. expected to launch "vigorous action" against Palestinian militant groups. (Dahlan said he had drafted a plan for coordinating with Israeli security and intelligence, targeting Palestinian incitement, and making arrests to foil specific plans to attack Israelis, but that he would not present it until Israel accepted the road map; see Quarterly Update in *JPS* 128.) Back in the territories, Abbas opened talks (5/22-23) with Hamas and Islamic Jihad on a cease-fire. The groups said they would halt attacks inside Israel if Israel stopped targeting their members, which Israel refused (5/22).

The Israeli cabinet met on 5/25 and, after six hours of heated debate, endorsed the road map by 12 to 7, with 4 abstentions, using the same language as Sharon's 5/23 statement—approving "the steps set out in the road map"—and attaching 14 of

the original 15 reservations as conditions (see Special Doc. G in *JPS* 128), including the demand that Palestinians give up the right of return. Under tough questioning from the press, the Israeli government spokesmen and senior officials refused to state explicitly that the road map itself or in its entirety had been approved. Cabinet members stated (5/25), "now the ball is in the court of the Palestinians. If they succeed in eliminating terror, maybe there's a chance for the Palestinians to live in a state." Abbas welcomed (5/25) the cabinet decision as a positive step but said (5/27) that Palestinians would not give up the right of return and would only recognize Israel within 1967 borders. He also said he wanted Palestinian groups to agree to a cease-fire rather than impose one on them. Sharon and Abbas scheduled a second meeting for 5/28.

In a meeting (5/26) with Likud MKs to defend his qualified acceptance of the road map, Sharon argued that the plan allows for continued construction of Jewish settlements: "There is no restriction here . . . you can build for your children and grandchildren, and I hope for your great-grandchildren as well." (Sharon had also angered many MKs by using the term *occupation* four times in his defense, though he clarified on 5/27 that by "*occupation*, I meant it is undesirable for us to rule over a Palestinian population.")

The second Abbas-Sharon meeting was delayed (reportedly under pressure from Arafat, see below), but took place on 5/29. Sharon again offered his Gaza First proposal, which Abbas this time accepted, adding that he would use persuasion, not violence, to curb militant groups. Abbas said that he hoped to have an agreement with Hamas to suspend attacks inside the territories and in Israel within a week, ideally before a visit by Bush in early 6/03, and hoped that other groups would quickly sign on. (Hamas had already stated on 5/27 that if Abbas persuaded Israel to halt assassinations and incursions into PA areas prior to Bush's visit to the region, it would not "embarrass him" by staging attacks on Israelis during that period.) Sharon agreed to move forward with the gestures he first outlined to Powell on 5/11 (see Quarterly Update in *JPS* 128), such as easing closures, relaxing restrictions at checkpoints, releasing some 100 prisoners, speeding the transfer of VAT revenues, recognizing the VIP status of PA officials, and issuing more permits for

Palestinians to work in Israel. Abbas said those steps would mark a "genuine effort" by Israel to improve the lives of Palestinians, but would not take the place of ending the occupation.

Meanwhile, the IDF assassinated (5/29) Hamas member Muhammad al-Qidra in al-Qarara and a wanted *tanzim* member in Jenin. IDF troops in Gaza continued to occupy Bayt Hanun and to impose travel restrictions, demolished some 65 Palestinian houses, and bulldozed hundreds of dunams (4 dunams = 1 acre) of Palestinian land (see Chronology for details). In the West Bank, the IDF conducted numerous arrest raids and house searches and issued (5/20) orders to confiscate 1,700 dunams of Palestinian land west of Bethlehem for a settler bypass road. Israel also announced (5/16, 5/18, 5/22, 5/23) plans to deport 7 West Bank Palestinians (4 relatives of suicide bombers and 3 Fatah administrative detainees) to Gaza and issued (5/22) tenders for the construction of 502 new housing units in Ma'ale Adumim settlement. Israeli police arrested (5/22) 1,300 Palestinians for being inside Israel illegally (mostly laborers), deporting all but 19 to the territories. Palestinians detonated three roadside bombs in Gaza, lightly injuring an IDF soldier and seven Jewish settlers, and fired half a dozen Qassam rockets at Sederot in Israel and at settlements in Gaza, causing no damage or injuries. By the end of 5/03, 2,628 Palestinians and 734 Israelis had been killed.

The Sharm al-Shaykh and Aqaba Summits

Meanwhile, the U.S. arranged for Bush to leave the G-8 early (intended as a rebuke to G-8 host France for its opposition to the U.S.-led war on Iraq) to meet with Arab leaders in Sharm al-Shaykh on 6/3 and with Abbas and Sharon in Aqaba on 6/4. U.S. Asst. Secy. of State William Burns and National Security Council Middle East adviser Elliot Abrams arrived (5/30) in Israel to work with Israeli and PA officials on drafting the closing statements that Sharon and Abbas would make at the 6/4 Aqaba meeting to "kick off implementation" of the road map. On departing for the G-8, Bush stated (5/30) that Egypt, Jordan, and Saudi Arabia must cut off all financial aid to Palestinian militant groups to help insure Israel's security and reiterated the U.S. belief that achieving peace is impossible as long as Arafat is involved in the process.

Of note, Bush did not invite the other Quartet members to the Sharm al-Shaykh and Aqaba talks or consult them about the meetings in advance. As a result, many observers, even among Israeli and Palestinian officials (see *Washington Post* 7/24), saw the Quartet as effectively dead, with Israel and the PA having reverted to bilateral negotiations under U.S. auspices, and many aspects of the road map important to the Palestinians (simultaneity, timetables, international monitors, etc.) having gone by the wayside. One unnamed Israeli official, viewing this as a positive development, stated, "If the Palestinians are willing to take a more philosophical approach, we feel that creates a more conducive atmosphere that has a better chance of succeeding than if we go back to the nitty-gritty of the road map" (*Washington Post* 7/24). Similarly, while the U.S. invited Bahrain, Egypt, Jordan, and Saudi Arabia to Sharm al-Shaykh, it did not invite Lebanon or Syria (because they had not aided in "reviving the peace process") and specifically demanded that Arafat not attend.

In the run-up to the summits, Israel began implementing Sharon's proposed gestures to the Palestinians, lifting (5/29) the seal on the West Bank and Gaza, allowing (5/29) some 25,000 Palestinian workers into Israel (provided they could reach the border given internal closures and roadblocks still surrounding all Palestinian cities; only 4,500 of Gaza's 15,000 permit holders were able to cross into Israel on 6/1), and releasing (6/3) 100 administrative detainees. During the same period, however, Jewish settlers set up (6/3) four new unauthorized outposts, the Israeli Housing Min. authorized (6/1) construction of another 2,000 Jewish settlement housing units, and the IDF imposed (6/2) curfews on Qalqilya and Ramallah and launched (6/3) a major raid on Balata refugee camp (r.c.) and Hebron that left 30 Palestinians wounded.

Bush, Powell, and Rice arrived in Sharm al-Shaykh on 6/2 (after the G-8 panels on Iraq and global terrorism but before the discussions on AIDS and the environment, the primary focus of the G-8 session). Powell and Rice held (6/2) impromptu meetings with PA External Affairs M Nabil Shaath and the FMs of Bahrain, Egypt, Jordan, and Saudi Arabia to discuss a possible joint statement for the close of the 6/3 meeting. The talks among Bush, Abbas, and the four Arab heads of state dealt with "issues of common interest," including Iraq, inter-

national efforts to combat terrorism, and economic cooperation in addition to the peace process. At the close of talks, no joint statement was issued as the U.S. had hoped. Bush asked the Arab leaders to send ambassadors to, launch economic contacts with, and normalize relations with Israel and to make a clear statement that Arafat is no longer part of the peace process, but they demurred. Egyptian pres. Husni Mubarak, on behalf of the Arab participants, issued only a vague vow to "fight the culture of extremism and violence." Bush also announced that U.S. Asst. Secy. of State for Nonproliferation John Wolf would head the U.S.-led road map implementation verification team set out in the codicil to the road map (see Quarterly Update in *JPS* 128) and oversee reform of the PA security forces.

In Aqaba on 6/4, Bush held a quadrilateral meeting with Abbas, Sharon, and King Abdallah of Jordan, afterward meeting with Abbas and Sharon only. Privately, Abbas told Bush that he would need another couple of weeks to secure a Hamas cease-fire. Afterward, Abbas and Sharon each delivered carefully worded statements. Abbas promised to end terrorism and the armed intifada and acknowledged Jewish suffering throughout history (reportedly a last-minute insertion prompted by Bush), but refused to recognize Israel as a Jewish state (as the original U.S.-draft brought by Burns and Abrams proposed). Sharon vowed to ease restrictions on Palestinians, begin dismantling unauthorized settlement outposts, and negotiate in good faith toward creation of a Palestinian state, but refused to mention settlements or ending "occupation" (as his U.S.-draft proposed); he also endorsed the creation of a "viable" and "democratic Palestinian state," but did not agree to specify that it be "sovereign" or "independent" or to refer to the future entity as "Palestine." In his remarks, Bush for the first time declared commitment to Israel as a "vibrant Jewish state" and announced the appointment of Rice as his "personal representative" on the peace process.

None of the participants saw the 6/3-4 meetings as groundbreaking. Israel and the PA each declared (6/4) dissatisfaction with the other's statement, and Palestinians across the political spectrum denounced Abbas for acknowledging Jewish suffering without a parallel mention of Palestinian suffering. Arafat complained (6/5) that Israel had offered the Palestinians "nothing tangible." On leaving for Qatar to meet U.S.

troops, Bush told the press, "I'm the master of low expectations . . . but I don't think we necessarily exceeded expectations" during the Sharm al-Shaykh or Aqaba summits. A senior administration official speaking anonymously tried (6/4) to give a positive spin, stating that the aim of Aqaba had been simply "to create some space and get some momentum going" (*Washington Post* 6/5).

Grudging Progress Amid Heightened Violence

The momentum produced was arguably in the opposite direction. In the first few days after the summits, Hamas, angry that Abbas had not reaffirmed the right of return, suspended (6/5) talks on a cease-fire, noting (6/6) that "even Arafat" had said Sharon had conceded nothing. Hamas and Islamic Jihad declared (6/6) that they would oppose further talks with Abbas until he rescinded his Aqaba statement. Although Israel lifted (6/5) the curfew on Jenin, leaving none of the eight main Palestinian cities under curfew for the first time in recent memory, Israel DM Shaul Mofaz announced (6/5) that Israel would take no further steps to ease Palestinian suffering until the PA began to crack down on Palestinian militant groups. On 6/7, days after the summits, Israel summarily revealed the West Bank and Gaza without explanation.

Meanwhile Israeli-Palestinian violence started to escalate. The IDF fatally shot (6/5) two wanted Hamas members in what may have been an assassination. On 6/8, three Palestinian gunmen from Hamas, Islamic Jihad, and the al-Aqsa Martyrs Brigade (AMB) staged a joint attack on the Erez crossing, killing four IDF soldiers and wounding four before being shot dead. At the same time, two unidentified Palestinian gunmen in Hebron attacked separate IDF posts, killing one soldier and wounding one before being killed. Palestinians stepped up mortar and rocket attacks on Jewish settlements and IDF posts in Gaza, causing no injuries and minimal property damage (see Chronology).

On 6/9, Abbas held a press conference to "clarify" his Aqaba statement, which he said had been "misunderstood." He stated that he had not abandoned the Palestinians' core negotiating demands, including the right of return, establishment of a Palestinian capital in East Jerusalem, and removal of all Jewish settlements. These issues, he said, would be raised at a later stage of negotiations, as outlined in the road map. The

same day, the National and Islamic Higher Comm. for the Follow-up of the Intifada (NIHC), the umbrella group of all Palestinian factions, convened in Gaza to stress the importance of resuming cease-fire and national unity talks despite disappointments over Aqaba. Hamas agreed (6/9) to resume cease-fire discussions. Also on 6/9, the IDF dismantled 5 uninhabited unauthorized settlement outposts and announced plans to remove another 9 (only 4 populated) of the more than 100 such sites (estimated by the Israeli government to constitute .5% of the total settler population, excluding East Jerusalem).

Over the next two weeks, Israeli-Palestinian violence increased dramatically as the Palestinians struggled over a cease-fire and Israel made small steps to qualify for road map implementation, while at the same time unleashing an onslaught against Hamas that appeared aimed at scuttling hopes of a cease-fire. On 6/10, the IDF attempted to assassinate Hamas political leader and chief spokesman Rantisi (see above), firing missiles at his car as he drove through Shati' r.c., killing his bodyguard and one bystander and wounding 27 others. Sharon spokesman Raanan Gissin confirmed (6/10) the assassination attempt, saying Rantisi was an "enemy of peace. . . . We actually are saving the peace process by trying to take out such people." The attack came within a day of jailed Fatah leader Marwan Barghouti dispatching (through his lawyers, apparently without consulting Abbas or Arafat) an envoy to Damascus to urge Hamas political leader Khalid Mishal to agree to a temporary cease-fire. On 6/11, Hamas responded to the Israeli attack with a suicide bombing in Jerusalem, killing 17 and wounding around 60. The IDF struck back (6/11) assassinating 4 senior Hamas military leaders in two separate attacks in Gaza City, also killing 7 bystanders and wounding 35.

Bush stated (6/10) that he was "deeply troubled" by the attempt on Rantisi, and Rice phoned (6/11) Weisglass to complain that he had promised in their 5/21 meeting that Israel would only target "ticking bombs," which the U.S. interpreted as Palestinians en route to stage attacks. Weisglass responded (6/11) that Rantisi was a "factory of ticking bombs." Sharon publicly stated (6/11) that he would make "every effort" to move forward with the diplomatic process but that the U.S. "knew from the start" that Israel would not stop battling Palestinian

militants and wait for Abbas to secure a cease-fire. In Washington, the American Israel Public Affairs Comm. (AIPAC) attacked (6/10) Bush for his "unthinking evenhandedness" in expressing concern over the Rantisi hit, and House majority leader Tom DeLay (R-TX) threatened (6/11) to promote a congressional resolution supporting Israel's actions if Bush continued to criticize Israel. Faced with this "barrage of dissent," Bush privately assured Jewish leaders at a White House dinner on 6/11 that he solidly supported Israel and realized that his 6/10 comments were "counterproductive" (*Washington Post* 6/21).

While Abbas and Arafat called (6/11) on Palestinian factions to observe a cease-fire, and Egypt dispatched (6/11) intelligence chief Omar Sulayman to Ramallah to oversee renewed cease-fire talks between Abbas and Hamas, Israel killed 3 senior Hamas members in Gaza City (2 on 6/12, 1 on 6/13) and 2 wanted Islamic Jihad members in Jenin (6/12), also killing a total of 7 bystanders and wounding 55. This time the Bush administration conveyed (6/12) strong support for Israel's attacks, with spokesmen pointedly refusing to repeat Bush's concerns regarding the attack on Rantisi during press questioning, and with the White House and State Dept. saying the issue was "not Israel" but "terrorists who are killing in an attempt to stop a hopeful process from moving forward." Sharon meanwhile (6/12) called the Palestinians "crybabies" who do nothing to crack down on militant groups but who "whine" when Israel carries out the job, and ordered the IDF to "completely wipe out" Hamas and "fight it to the bitter end."

The situation began to ease slightly on 6/13, when plans were confirmed for Powell to attend the World Economic Forum (WEF) meetings in Jordan (6/21-23), and hold a Quartet meeting on the sidelines. Under pressure from Washington, Israel and the PA agreed (6/13) to resume security coordination beginning with a meeting between Israeli DMin. security negotiations coordinator Amos Gilad and Dahlan in Ramallah. When meetings opened on 6/14, Gilad offered to transfer control of northern Gaza only to PA security; the IDF would retain control over all Gaza roads and maintain all existing checkpoints, but would consider quickly expanding the deal to include Bethlehem. Talks reached a stalemate on 6/17, with Dahlan concluding that the Israeli proposal "seems to be positive,

but the reality of it is that it maintains the status quo" and did not offer enough for the PA to be able to secure a cease-fire from militant groups. Also on 6/14, U.S. special envoy Wolf arrived in Israel with 12 State Dept. and military officers to begin monitoring road map implementation and immediately began shuttling between Israeli and PA officials to facilitate redeployment and cease-fire talks.

Meanwhile, Abbas and Egypt's Sulayman expanded (6/15) cease-fire talks to include Islamic Jihad and Fatah and then (6/16) all Palestinian factions. Intensive talks continued through 6/19, with limited progress. Hamas and Islamic Jihad in particular said they would not agree to a cease-fire until Israel took serious steps to halt violence and remove Jewish settlements as well as unauthorized outposts. In Damascus, two Barghouti envoys expanded their cease-fire talks to include Islamic Jihad leader Ramadan Abdallah Shalah, urging Shalah and Hamas's Mishal to declare a unilateral truce to prove that the Israelis, not the Palestinians, were the obstructionist party. The State Dept. commented on 6/16 that even if militant groups agreed to a cease-fire, they would still have to be dismantled. Bush also stated (6/15) that "those who love freedom and peace must deal harshly with Hamas and the killers," Sharon said (6/16) the stalemate encouraged him to "not give anything as long as the terror, violence, and incitement continue."

At U.S. request, Weisglass held (6/17) talks in Washington with Powell and Rice to formulate a definition of a "ticking bomb" and to reach a common understanding on what military actions would be considered permissible during road map implementation. Publicly, the U.S. said only that it urged Israel to "think twice" before assassinating Palestinian militants but that it would support Israeli actions to halt imminent attacks. Weisglass reportedly told the U.S. that if Palestinian militant groups agreed to a cease-fire, Israel would "restrict military operations" for six weeks to give Abbas a chance to solidify control, but that if Abbas did not take action against militant groups within that period, Israel would resume its operations. At the same time, Israel dispatched Finance M Benjamin Netanyahu (ca. 6/17), Shin Bet head Avi Dichter (6/17-20), and IDF military intelligence head Aharon Ze'evi (6/23) to Washington to brief Rice, VP Dick Cheney, Defense Secy. Donald Rumsfeld, and CIA

Dir. George Tenet on Hamas and Islamic Jihad and to explain Israel's stand that a cease-fire would be dangerous for its security because it would give the groups a chance to rearm (see Quarterly Update in *JPS* 28).

In the run-up to the Powell visit, Israel dismantled (6/10, 6/15) another 5 or 6 uninhabited outposts, though Jewish settlers rebuilt sites or established new sites almost as quickly. On 6/19, the IDF removed the first populated outpost, where two Jewish settler families lived in two tents and a small cinderblock structure. The process took seven hours, during which 100s of settlers from around the West Bank scuffled and attempted to block 25 unarmed soldiers in front of a bevy of reporters and camera crews in an effort to demonstrate the difficulties in removing even the smallest settlement enclave (see Avnery article in the *Settlement Monitor*).

Violence continued at a relatively high level through 6/19 (see Chronology for details), with nearly daily Palestinian mortar and rocket attacks in Gaza, several shootings that left two Israelis dead, and an Islamic Jihad suicide bombing (6/19) that killed one Israeli. Israel reimposed many curfews, tightened checkpoints, conducted arrest raids, and continued house demolitions and bulldozing operations, particularly in Bayt Hanun and Rafah. By 6/20, 2,684 Palestinians and 758 Israelis had been killed.

The Palestinian Cease-fire

Road map implementation issues came to a head between 6/20 and 6/29 under the diplomatic pressure created by regional visits by Powell (6/20–23) and Rice (6/27–29). Powell stopped in Israel and Jericho briefly on 6/20 before heading to Aqaba for the WEF. In his meeting with Sharon, he stressed the need for Israel and the PA to agree on a partial pullout from Gaza to move the peace process forward and promised to press Abbas to crack down on Palestinian violence. In the press conference afterward, Powell stated that Hamas was an “enemy of peace” and should not be allowed to participate in the Palestinian political system even if it dismantled its military wing. Abbas told Powell that the U.S. must press Israel to take immediate steps to ease restrictions on Palestinians, facilitate freedom of movement, release all Palestinian prisoners, and halt settlement construction and house demolitions. He

also reportedly said that he was willing to crack down on Hamas but that the PA Preventive Security Force (PSF) would need several months to develop the capability to forcibly disarm them. Soon after Powell's departure, Israel assassinated (6/21) senior Hamas member Abdallah Qawasmī in Hebron, which Sharon praised as a “successful and very important act.” Israeli FM Silvan Shalom commented (6/21) that peace could only be achieved if Hamas were dismantled, saying that a cease-fire “in itself is a ticking bomb. . . . We cannot live in a situation in which the Palestinian extremists decide when this ticking bomb turns into a real bomb.” The next day, the Quartet met to discuss road map implementation and recent violence, and issued a statement that “deplore[d] and condemn[ed] the brutal terror attacks against Israeli citizens” and expressed “deep concern over Israeli military actions that result in the killing of innocent Palestinians and other civilians.”

Gilad and Dahlan resumed Gaza First talks on 6/21 and by 6/27 finalized arrangements for the IDF to cede control of northern Gaza, with discussions nearly complete on a turnover of Bethlehem. Under the deal, Israel and the PA would share security control of all Gaza roads except settler bypasses, with the IDF retaining sole control of the settlements and security zones, which constitute 35–40% of the Strip. Israel gave (6/27) the U.S. guarantees that it would not invade, demolish houses, or conduct assassinations in areas under PA security control unless there were an imminent attack that the PA did nothing to stop. During the final days of the Gilad-Dahlan talks, the IDF made (6/24) its deepest raid into Gaza to date, demolishing 7 homes and razing 13 dunams of land in the heart of Rafah and Khan Yunis, and stepped up (6/26) house demolitions and bulldozing in Bayt Hanun and Jabaliya r.c.

As Abbas's cease-fire efforts languished, those led by Barghouti's envoys bore fruit. On 6/24, Mishal and Shalah arrived in Cairo to discuss final details of a cease-fire agreement with Egyptian officials, while behind the scenes Barghouti rallied prisoner groups to support his efforts. As rumors spread that a unilateral cease-fire was about to be declared, the IDF arrested (6/24) 130 alleged Hamas members and supporters in Hebron and 30 “terror suspects and their helpers” in Nablus, assassinated three wanted Hamas members (2 on 6/25, 1 on 6/27), and

arrested (6/27) Hamas Jenin commander Wa'il Aljui. Sharon vowed (6/24) that Israel would continue to target "ticking bombs" even if a cease-fire were in place. After the Gilad-Dahlan agreement was finalized on 6/27, Hamas, Islamic Jihad, and Fatah confirmed that they had reached agreement on a three-month cease-fire against all Israelis anywhere, including soldiers and Jewish settlers in the occupied territories, but said they would not formally declare the truce until Rice's visit. In the interim they would urge other factions to sign on.

As planned, Rice met with Abbas in Jericho on 6/28 and Sharon in Israel on 6/29. She briefed PA officials on U.S. inter-agency talks regarding Fayyad's suggestion to provide the first U.S. direct aid to the PA, specifying that the sum being considered was \$300 m. to build up the PSF and that eventually as much as \$1 b. could be given if Abbas could maintain the cease-fire and implement the road map. Rice briefed Sharon on the aid, criticized Israel's separation fence construction (see below), and urged Israel to rebuild the PA's Gaza airport destroyed by the IDF in 2001.

On 6/29, Hamas and Islamic Jihad issued a joint statement declaring a three-month cease-fire as described above, though they warned that they would not adhere to the truce for long if Israel did not in exchange halt assassinations, release political prisoners, and lift travel restrictions on Arafat. Fatah, critical of the Hamas-Islamic Jihad demands, issued a separate statement declaring a six-month cease-fire. The Democratic and Popular Fronts for the Liberation of Palestine (DFLP and PFLP) said they would not accept the plan but would not violate the truce. AMB members in Nablus (6/29) and Jenin (6/30) explicitly rejected the cease-fire. Israel rejected (6/29) the cease-fire as an "insincere ploy" and stated (6/30) that since Israel was "not party to it, its terms do not matter to us."

Hours after the cease-fire announcement, the IDF began (6/29) to withdraw from Bayt Hanun, completing the withdrawal and removing many permanent roadblocks and checkpoints by 6/30. On 6/30, Gilad and Dahlan finalized arrangements for redeployment from Bethlehem, which was scheduled for 7/2. As of 6/29, when the unilateral cease-fire went into effect, 2,704 Palestinians and 761 Israelis had been killed.

Pushing for Bigger Steps

The Palestinian cease-fire declaration and Israeli redeployment in Gaza marked the first true steps of road map implementation and began an unofficial three-month trial period. To maintain pressure on Israel and the PA, the U.S. invited (7/11) Sharon and Abbas to Washington in late 7/03 to meet with Bush on their progress. The U.S. also transferred (7/2) \$30 m. (of \$124.5 m. allocated for 2003) through USAID to Palestinian NGOs for rebuilding roads, water systems, and other infrastructure damaged by the IDF and made (7/16) its first direct aid transfer of \$20 m. to the PA.

Abbas and Sharon met on 7/1 to discuss road map implementation and agreed to focus on four main issues: releasing Palestinian prisoners (not explicitly required under the road map, but demanded by Hamas and Islamic Jihad as a condition of the cease-fire and offered by Israel as a goodwill gesture), halting Palestinian incitement, enhancing security coordination, and improving trade. Israel on 7/2 released 9 administrative detainees (all arrested during sweeps of Hebron on 6/24) and on 7/3 freed 34 prisoners—a tiny fraction of the estimated 7,500 Palestinians in Israeli custody. On 7/6, Israel and the PA opened talks on a significant prisoner release (Israel said no Hamas or Islamic Jihad members would be included; the PA said such a blanket exclusion would undermine Abbas's legitimacy) and further transfers of cities to PA control (the PA recommended Ramallah and Hebron, Israel said it would prefer Jericho), but Israel said (7/6, 7/10, 7/11) that the PA had to prove it could control Gaza and Bethlehem before further major steps could be taken.

During the first two weeks of 7/03, Abbas, along with Egyptian mediators, held almost daily meetings (e.g., 7/2, 7/4, 7/5, 7/9–11, 7/13) with the Palestinian factions to urge them to maintain the cease-fire and consider extending it to six mos., in line with Fatah's call. Though scattered gunfire and mortar incidents occurred in the first week of 7/03, plus one suicide bombing (7/7) by a renegade Islamic Jihad cell from Jenin that killed 1 Israeli, Palestinian violence diminished to a trickle by 7/9 (see Chronology). By 7/1, the PA began a successful campaign to crack down on anti-Israel incitement (see below). On 7/7 the PSF began inspecting Palestinian vehicles at PSF checkpoints in Gaza and confiscating unlicensed weapons or stolen Israeli cars.

Hamas and Islamic Jihad warned (7/13) that they would not surrender their weapons to the PSF, arguing that they had agreed to a cease-fire to support national unity efforts and a PSF attempt to disarm them would counter those efforts, destroying the basis of the cease-fire. The PSF also made limited attempts (e.g., 7/3, 7/4, 7/7, 7/19) to arrest Palestinians for firing on Israeli targets.

Israel took further steps, but most were void of actual substance. On 7/2, the IDF turned over security control of Bethlehem to the PSF, as agreed, but redeployed only to the outskirts of the city and continued to patrol Bayt Jala and control the area around Rachel's Tomb. Moreover, in the days that followed, Palestinians in Gaza and Bethlehem noted no significant easing of restrictions on their movement, remarking that permanent checkpoints dismantled were often simply moved further down the road or replaced with temporary checkpoints. In Gaza, the IDF also continued to employ "flying checkpoints," stopping cars along roads for impromptu security checks and halting traffic along main arteries when Jewish settlers needed to cross Palestinian roads. On 7/6, Israel authorized 1,500 workers and 1,500 businessmen from the Bethlehem area to enter Israel. Israel announced (7/3) it would halt plans to deport families of West Bank Palestinian militants to Gaza (see below). Though the IDF removed a few more outposts (e.g., 7/10), Israel made no further attempts like that of 6/19 to remove inhabited sites. Peace Now estimated (8/4) that the IDF had dismantled 12 outposts completely and 3 partially, while settlers removed 6 themselves and erected 13, of which 8 remained intact. Meanwhile, Israel confiscated (6/30) 14,000 dunams northwest of Jerusalem for a new Jewish settlement, expanded (7/2) the boundaries of Ganei Tal settlement, confiscated (7/2) 283 dunams of land outside Khan Yunis for a new settler bypass road, and passed a measure (8/11) giving price breaks for the next four months to individuals buying new settlement units along the seam line and construction companies building them. In addition, the IDF continued its curfews, arrest raids, demolitions, and bulldozing operations in Gaza and the West Bank (see Chronology), even executing (7/3) a wanted AMB member after wounding him during an arrest raid in Qalqilya and firing on PSF posts in Gaza (7/10, 7/14).

With Palestinian frustration with the lack of significant easing of restrictions running very high, internal PA criticism of Abbas's handling of negotiations (see below) forced him to postpone a meeting with Sharon set for 7/8. By the time Abbas and Sharon met on 7/20, road map implementation was stalled despite several fruitless meetings on prisoners and withdrawal (e.g., 7/6, 7/9, 7/10, 7/11), and 8 Palestinians had died in IDF operations since the 6/29 truce declaration. Abbas urged Sharon to move forward with dismantling settlement outposts, withdraw quickly from two more Palestinian cities, and make a significant prisoner release. Sharon refused on all counts, saying that the PA had to begin disarming and dismantling militant groups first. Dahlan replied (7/20) that PSF capabilities were so diminished by IDF attacks that it would take at least 6 months to rebuild the forces to a point at which they could confront militant groups. Abbas and Sharon each seemed unwilling to offer any gestures, apparently hoping that Bush would press the other in meetings in Washington the following week (Abbas and Bush on 7/25, Sharon and Bush on 7/29).

Abbas and Sharon in Washington

In the run-up to the Washington meetings, Israel announced (7/23) that 540 Palestinian prisoners, including Hamas and Islamic Jihad members, might be released, pending approval by a special ministerial review comm. The morning of Abbas's 7/25 meeting with Bush, Sharon declared Israel's intention to withdraw from two more Palestinian towns, remove several West Bank road blocks, and "consider ways to reduce as much as possible infringements by the security fence on the Palestinian population's daily lives"—a development Bush announced in his press conference with Abbas after their meeting. The Israeli-U.S. moves took the wind out of Abbas's demands that Bush press Sharon to lift restrictions on Arafat's travel and Palestinians' freedom of movement, release 1,000s of Palestinian prisoners, withdraw from Palestinian areas, and halt settlement construction and remove outposts. Bush praised Abbas's cease-fire efforts and announced the creation of a joint U.S.-PA Palestinian Economic Development Group to explore job creation and investment options, but dismissed Abbas's call for a major prisoner release and stated that only after all "terrorist activity" is "rooted out" could the

parties deal with bigger issues such as Jewish settlements. Before Sharon's arrival in Washington on 7/28, the IDF removed (7/27) 6 West Bank checkpoints (3 outside Bethlehem, 2 outside Ramallah, and 1 outside Hebron), in most cases adding flying checkpoints nearby. (The UN estimated that the IDF had in place at the time 48 manned checkpoints, 30 gates, 53 concrete barriers, 36 ditches, and 229 earthen mounds permanently blocking West Bank roads.) Another 3 checkpoints on the Jenin–Jerusalem road were removed on 8/7.

At their 7/29 meeting, Bush urged Sharon to make gestures to bolster Abbas and criticized Israel's separation wall (see below). Sharon reiterated his intentions to release prisoners, remove more roadblocks, and dismantle outposts, but said that Israel would make no further concessions until the PA took steps to dismantle Palestinian militant groups. He rejected Bush's appeal to halt construction of the separation wall but agreed to slow construction and reconsider the route. He also reportedly asked the U.S. to free Jonathan Pollard and urge Egypt to free Azzam Azzam, saying releasing the two convicted spies for Israel would ease the way for a release of Palestinian prisoners.

On 7/30, Mofaz and Dahlan met to discuss further IDF redeployments and the technical details of releasing the 540 Palestinian prisoners. Mofaz proposed "withdrawal" from Jericho (where there is no IDF presence) and Qalqilya (which is encircled by Israel's separation wall, with only one IDF-controlled gate allowing entry and exit). Dahlan rejected the offer as hollow and demanded withdraw from Ramallah instead, which Mofaz declined.

On 8/4, Israel published a list of 342 Palestinians slated for release—183 prisoners, mostly convicted of working in Israel illegally and nearly all with terms about to expire, and 159 administrative detainees; of the total, 89 were Fatah members, 64 Hamas, 24 Islamic Jihad, and 5 DFLP or PFLP. To allay a Palestinian outcry at the reduced number, Israel argued that its ministerial comm. had approved only 443 of the original 540 and that of those, a number had completed their terms and been freed between 7/23 and 8/4. In protest, Abbas canceled a planned meeting with Sharon set for 8/6. Israel went ahead with the release anyway, freeing 335 on 8/6 (at least 5 of the 342 named on 8/4 had their releases revoked). While Israel trumpeted

the release as a "goodwill gesture" not required by the road map, informing the media where and when jail buses would arrive in Palestinian areas to ensure prominent coverage, the Palestinian public was outraged at what was called a slap in the face and meaningless tokenism. The IDF itself noted (8/6) that it had arrested 230 Palestinians since the 6/29 truce declaration, while independent Israeli sources put that figure at 320.

Meanwhile, PA External Affairs M Shaath met (8/3) with Israeli FM Shalom to propose making the Palestinian cease-fire a "permanent cease-fire," but Shalom said this would be no substitute for disarming and dismantling militant groups. Privately, U.S. officials stated (8/1) that the administration had reassessed the capabilities of Abbas's government and security forces, had come to accept an extended cease-fire, and had backed away from pressing Abbas to launch a crackdown. The U.S. hoped that the cease-fire could be extended by 3 months, during which time it would try to disburse up to \$300 m. through the CIA to rebuild jails and fund communications equipment and vehicles for the PSF.

While the PA-Israeli talks went nowhere, the situation on the ground began to deteriorate (see Chronology). The IDF had slightly reduced the pace of house demolitions and arrests, but despite the cease-fire, incidents remained high, especially in Gaza; the IDF made 150 raids across the West Bank, including 87 into area A, in 7/03, compared to 256 and 177, respectively, in 6/03. As 7/03 moved into 8/03, the IDF imposed (7/25) additional restrictions on the movement of residents of Gaza's al-Mawasi area; opened (7/25) machine gun fire on a car stopped at a roadblock near Jenin for no reason, killing 1 Palestinian toddler and wounding 2; and made (8/6) its first raid into Jericho during the intifada, arresting 15 PSF officers. In retaliation for the 7/25 roadblock shooting, the AMB, which had not signed onto the cease-fire, ambushed (8/3) a Jewish settler vehicle near Bethlehem, injuring a woman and her 3 children. The IDF then fatally shot (8/4) an AMB member allegedly planting a roadside bomb near Tulkarm.

The cease-fire began to unravel on 8/8, when IDF troops accompanied by 4 armored personnel carriers, 14 military jeeps, 2 armored bulldozers, and 2 helicopters launched a predawn raid deep into Askar r.c., surrounding the 4-story apartment

building housing wanted Hamas members Hamis Abu Salam and Fayiz al-Sadar. According to the IDF, a gun battle ensued when troops attempted to arrest the men. Abu Salam was fatally shot, and Sadar was killed when helicopters shelled and destroyed the building. The attack, which Hamas considered an assassination and deliberate breach of the cease-fire, sparked violent demonstrations in the camp during which the IDF killed 2 Palestinians and wounded 6. On 8/12, a Hamas suicide bomber from Nablus detonated a device at a bus stop outside Ariel settlement, killing 1 Jewish settler and wounding 3. At almost the same time, an AMB suicide bomber, also from Nablus, detonated a device in a supermarket in Rosh Ha'ayn, just across the West Bank border in Israel, killing 1 Israeli and wounding 10. On 8/14, the IDF undercover units fatally shot Islamic Jihad Hebron leader Muhammad Sidr in another apparent assassination in Hebron. By 8/15, the toll during the cease-fire had reached 22 Palestinians and 7 Israelis.

In an effort to salvage the road map, the U.S. dispatched (8/12) Asst. Secy. of State Burns to the region to aid Wolf in pressing Israel and the PA to scale back the violence and take further steps to implement the plan. Under stiff U.S. pressure, Mofaz met (8/14) with Dahlan again and reiterated the offer of redeployment from Jericho and Qalqilya, promising that Israel would "accelerate consideration" of redeployment from Ramallah and Tulkarm if the PA accepted. To sweeten the deal, Israel on 8/15 released another 73 Palestinian prisoners (most of whom had been convicted of being in Israel illegally and had little time left to their terms), further eased restrictions on Bethlehem residents' entry into Israel, and allowed two colleges in Hebron (closed for several months) to reopen. In a second meeting on 8/15, Dahlan accepted Mofaz's proposal, which Israel said it would begin implementing within a week.

Intifada Data and Trends

During the quarter at least 130 Palestinians and 42 Israelis were killed, bringing the toll at the close of the quarter to at least 2,726 Palestinians (including 32 Israeli Arabs and 16 unidentified Arab cross-border infiltrators), 766 Israelis (including 227 IDF soldiers and security personnel, 175 settlers, 364 civilians), and 36 foreign nationals (including 2 British suicide bombers). The PA Information Min. estimated (8/13) that

36,448 Palestinians (11,390 in Gaza, 25,058 in the West Bank) had been injured since the start of the intifada. The Palestine Red Crescent Society (PRCS) put the number at 23,200 as of 7/3.

While curfews in most areas had been lifted by the end of the quarter, the PRCS reported (8/20) that between 6/18/02 and 8/19/03 (nearly 10,000 hours), Qalqilya spent 2,158 hours under curfew; Ramallah, 2,443 hours; Bethlehem, 2,625 hours; Jenin, 3,070 hours; Tulkarm, 4,287 hours; Nablus, 4,232 hours; and Hebron, 5,375 hours.

The PA Central Bureau of Statistics reported (6/8) that 70% of Palestinians were living in poverty (defined as a family of 6 with an income of less than \$400/mo.) The UN reported (6/11) Palestinian unemployment at 67%.

This quarter, Israel carried out 16 killings that were clearly or almost definitely assassinations (down from 18 last quarter), also killing 19 bystanders and wounding 117: AMB's Mahmud Shawar (7/3); Hamas's Muhammad al-Qidra (5/29), Titu Massud (6/11), Suhayl Abu Nahil (6/11), Muhammad Daghmarsh (6/11), Rawi Abu Kumayl (6/11), Ibrahim Abu Srouf (6/12), Yasir Taha (6/12), Fuad Lidawi (6/13), Abdallah Qawasmī (6/21), Akram Abu Sarkana (6/25), Amran al-Gul (7/3), Hamis Abu Salam (8/8), and Fayiz al-Sadar (8/8); Islamic Jihad's Fadi Jaradat (6/12), Salih Jaradat (6/12), and Muhammad Sidr (8/14); and an unidentified *tanzim* member (5/29). At least 4 other killings (2 on 6/5, 6/10, 6/16) had the markings of assassinations but could not be confirmed; no bystanders were killed or wounded in these incidents. As noted, Israel acknowledged its attempt to assassinate senior Hamas political leader Rantisi on 6/10. Another attack on 6/10 was clearly a failed assassination attempt, which killed 3 bystanders and wounded 30 Palestinians, including the 2 targeted men.

During the quarter, there were 13 Palestinian suicide attacks (down from 15 last quarter), which killed 38 and injured around 142 (compared to 28 killed and around 146 injured last quarter). Of these, 9 were bombings (5/17, 5/18, 2 on 5/19, 6/11, 6/19, 7/7, 2 on 8/12). The other 4 attacks (5/17, 3 on 6/8) could be called "suicide" insofar as they were certain to result in the deaths of those who staged them. Though in some cases multiple groups took responsibility for a single incident, Hamas is believed to have staged 5 attacks (up from 3 or 4 last quarter), Islamic Jihad 4 (up from 2), and

the AMB 3 (up from 1); 4 incidents were carried out by unaffiliated individuals (up from 3). The 5/19 suicide bombing was the fourth carried out by a Palestinian woman, this one on behalf of the AMB and Islamic Jihad. A shooting incident on 6/8 was a joint operation by the AMB, Hamas, and Islamic Jihad. The use of mortars and rockets seemed to be more frequent than last quarter, though only 4 incidents reportedly caused damage and 16 Israelis were lightly injured.

IDF demolition of Palestinian houses remained high this quarter (see Chronology for details). Once again, the vast majority were in Gaza, with some 103 concentrated in the Khan Yunis/Rafah area, 7 in central Gaza, and 46 in the north. There were relatively few house demolitions in the West Bank: roughly 12 in the Hebron region, 9 in Nablus, 7 in Bethlehem, and 5 in Jenin, 4 in East Jerusalem, 2 each in Ramallah and Tulkarm, and none in Qalqilya. The IDF also carried out extensive bulldozing and burning of Palestinian land in Gaza: about 991 dunams around Bayt Hanun, Dayr al-Balah, and Jabaliya r.c.; about 476 d. around Khan Yunis and Abasan; 279 d. around Gaza City; and 232 d. around Rafah. Almost no bulldozing was reported in the West Bank.

Overall, IDF attacks on ambulances and delays of medical personnel seemed lower. There were, however, reports of 2 ailing Palestinians dying as a result of IDF delays at checkpoints (5/20, 6/24), IDF raids on medical centers (5/22, 6/13), as well as incidents of IDF soldiers taking and arresting ailing Palestinians from ambulances at checkpoints (6/6, 6/28, 7/6), and fatally shooting (5/16, 5/23, 6/20) mentally handicapped Palestinians who were "acting suspiciously" near checkpoints or closed military zones. Armed Jewish settlers halted and searched an ambulance outside Nablus on 7/11. The Palestine Red Crescent Society reported that as of 8/15, ambulance access to patients had been impeded on 1,023 occasions during the quarter; ambulances had been fired on 258 times, damaging 118, 28 of them beyond repair; 3 medics had been killed, 192 injured, and (since 3/29/02) 80 arrested while on duty.

The IDF also beat 2 journalists (both on 5/20) and detained 4 (all on 7/30) to prevent them from covering clashes; all of the reporters and cameramen were apparently Palestinians working for foreign outlets. One photographer was wounded,

apparently by Palestinian gunfire, on 5/29. (As of 8/15, the IDF had killed 7 journalists [5 Palestinian, 1 British, 1 Italian] and injured 97 since the start of the intifada.)

During the first weeks of the quarter, Israel announced (5/16, 5/18, 5/22) plans to deport four more West Bank Palestinians to Gaza for allegedly aiding relatives in staging attacks on Israelis. Israel also for the first time said (5/23) that it planned to deport to Gaza three West Bank Fatah members currently under administrative detention. Of the seven total, apparently none was actually transferred. Following the cease-fire declaration, Israel announced (7/3) that as a gesture to the Palestinians it would halt deportations of relatives of militants; two West Bank Palestinians banished to Gaza last quarter (see Quarterly Update in *JPS* 128), however, were not allowed to return.

Israel continued to bar foreigners, including aid workers, peace activists, and some diplomats, from entering Gaza (see Quarterly Update in *JPS* 128). The most prominent incident was the IDF firing (5/27) on a well-marked Swiss diplomatic vehicle at Erez checkpoint for no apparent reason, causing damage but no injuries. By late 7/03, diplomats and international aid workers noted an easing of restrictions in light of the truce, but still reported significant difficulties operating. International peace activists saw no let up, however. On 5/21, Shalom alleged that Palestinian NGOs, including "most human rights organizations in the West Bank and Gaza Strip provide shelter for Palestinian terrorists." On this basis, the IDF raided the offices of the Christian Peacemaker Teams (CPT), photographing members, checking their passports, and placing restrictions on their movements. The IDF also arrested (e.g., 5/24, 7/8, 7/10) and opened deportation proceedings against at least 13 foreign nationals working with the International Solidarity Movement (ISM), which, with local Palestinians and Israeli peace activists, organizes acts of nonviolent resistance to Israeli occupation. Israel barred entry (6/23) to a delegation of Belgian and Dutch doctors on a fact-finding mission to the occupied territories.

Separation Wall

Israel continued work this quarter on the series of buffer zones, concrete walls, and electric fences between Israelis and Palestinians in the West Bank collectively known as the separation wall (see Quarterly

Update in *JPS* 128. For all references to the wall's route, please see the detailed map in the Settlement Monitor in this issue.)

On 8/6, the Israeli cabinet authorized the IDF to assume control of the first completed section of the wall—a 90-mi. stretch running from Tayasir (northeast of Jenin, in the northern Jordan Valley) to the Green Line's northernmost point near Salim and then south to a point east of Elkana settlement. Spans north and south of Jerusalem totaling 13 mi. were also completed in late 7/03. The IDF will have a 400-m-wide zone of control on both sides of the wall. Israel eventually plans to run the wall south of Tayasir along the western edge of the Jordan Valley, cutting off the valley from the rest of the West Bank.

In late 6/03, the IDF began work (expected to be completed within 6 mos.) on a "secondary barrier" parallel to the Green Line that is expected to completely cut off Baqa' al-Gharbiyya from Baqa' al-Sharqiyya and Nazlat Issa, sandwiching the latter two villages between the Green Line and the separation wall. The IDF issued confiscation orders for 424 dunams of land north of Tulkarm (7/10) for a similar secondary barrier that would complete the encirclement of that city, as has already been done to Qalqilya.

On 7/10, Palestinian farmers of Dayr al-Ghasun, accompanied by ISM volunteers, attempted to gain access to 3,000 dunams of village farmland newly cut off by the separation wall to plant their fall crops. Despite earlier IDF assurances that Dayr al-Ghasun's 500 farmers would be allowed through, passage was denied. To date, the separation wall has isolated 14 Palestinian villages from their lands.

As noted above, the U.S. began asking Israel in late 7/03 to slow construction and adjust the route of the wall, particularly around Jerusalem, so that it would not jut so deeply into the West Bank. Sharon agreed (7/29, 8/8) to slow construction and add more crossing points. Of interest, Bush irritated Israel when he stated after meetings with Abbas on 7/25 that the "wall" was a "problem" that undermined Palestinian confidence. U.S. officials have not since used the term "wall" in referring to the project. On 7/29, Bush announced that Israel and the U.S. had agreed to form a joint comm. to seek "how best to make sure that the fence sends the right signal." Ca. 8/3, the State Dept. was rumored to be drafting a proposal to cut loan guarantees to

Israel by the amount spent to build the wall, but Rice phoned (8/5) Weisglass to assure him no such plans were being considered.

There were several instances of Palestinians firing at construction workers laboring on the wall (e.g., 7/2) that lightly injured 1 worker; of small bombs detonated by the wall (e.g., 7/2), causing no damage or injuries; and of nonviolent Palestinian protests attempting to breach the wall (e.g., 7/28, 8/1, 8/4).

The IDF also reportedly plans construction of a permanent fence in the Old City of Hebron separating the Ibrahimi Mosque/Tomb of the Patriarch from the Palestinian-controlled section of the city, and an especially high separation fence around Rachel's Tomb in Bethlehem.

INTRA-PALESTINIAN RELATIONS AND REFORM EFFORTS

Intra-Palestinian relations were precarious this quarter as a result of Abbas's appointment as PM at the U.S.'s behest last quarter (see Quarterly Update in *JPS* 128) and the revival of high-level PA-Israeli talks in the context of the road map. Since the boundaries between Abbas and Arafat's roles remained somewhat vague, tensions between the two remained. Incidents point to open jockeying for control of PA decision making include the PA's postponement (5/27) of the Abbas-Sharon meeting scheduled for 5/28 for one day reportedly under pressure from Arafat. At issue was Arafat's wish that the Fatah Central Comm. (FCC) meet first to define Abbas's parameters for discussions with Sharon and to set the agenda for 6/3–4 summit talks with Bush. PLO Exec. Comm. members did meet on 5/27, but no details are available.

Abbas continued to be the target of considerable criticism within the Palestinian establishment and the factions. His speech at the 6/4 Aqaba summit elicited protests from Hamas and Islamic Jihad, 24 Palestinian National Council members sent (6/4) a letter to Arafat faulting Abbas for "relinquishing Palestinian constants" by not referring to international resolutions as the basis of the peace process, not reaffirming the right of return, and casting legitimate resistance to occupation as terrorism. Moreover, when Abbas intended to go forward with his 7/8 meeting with Sharon, despite Israel's uncompromising stance on prisoner release, members of Fatah and the PA again accused him of being too compliant. In response, Abbas postponed (7/8) the meeting

and essentially called a vote of confidence, threatening to resign as PM and tendering his resignation to the FCC. The FCC unanimously rejected the resignation and the Abbas-Sharon meeting eventually took place.

On 7/14, Abbas and Arafat met and agreed on a power-sharing arrangement that guaranteed Arafat influence over negotiations with Israel and Palestinian security, while providing Abbas with enough assurances to enable him to withdraw his threat to resign. At Abbas's request, the PLO agreed to form a negotiating comm., on which Abbas and Arafat would sit, to draw up explicit guidelines for Abbas's conduct of negotiations; and a security comm., on which Dahlan and Arafat's security appointees would sit, to oversee Dahlan's work. They also set up a four-man committee (Arafat adviser Saeb Erakat, Arafat political adviser Akram Haniyeh, PC speaker Ahmad Qurai', PLO Exec. Comm. member Ghassan Shak'a) to mediate any further power-sharing disputes.

When Abbas confirmed (7/16) his trip to Washington to meet with Bush, Hamas and Islamic Jihad criticized him for going back on his 4/27 pledge not to travel to foreign capitals until Israel lifted the travel ban on Arafat. The PA gave assurances (7/16) that Arafat had authorized the trip.

The PA continued reform efforts but in the context of road map implementation, focusing largely on halting incitement and reconstituting the PSF.

Political Reform

The PA made considerable progress this quarter on curbing anti-Israel incitement. PA general intelligence units raided and closed (6/24) the Voice of al-Aqsa radio station in Gaza City. Immediately after the 6/29 truce declaration, the PA Information Min. sent letters to Palestinian media outlets urging them to "behave responsibly" in light of recent political developments by reducing content that could be deemed inciting "so as not to provide the Israelis with excuses to avoid their commitments." By 7/1, there was a marked decline in inflammatory pictures, music, and commentary, with talk show hosts even cutting off callers who voiced support for suicide attacks or for a Palestinian state in all of historic Palestine. PA workers began whitewashing nationalist graffiti around Gaza City on 7/6. Israel noted the "drastic drop" on 7/7 and gave Abbas "good marks" for his efforts. Arafat

also reissued (7/20) a presidential decree banning incitement and groups that incite. Incitement remained low through the end of the quarter.

Abbas chaired (7/6) the first session of the National Comm. for Reform and Development in Gaza, which brings together members of the Palestinian Council and Executive Authority with reps. of NGOs, civil society institutions, and the private sector. Members agreed to give priority to reforming Gaza's judicial, administrative, and financial systems.

Of note, Abbas accepted (5/17) the resignation of Negotiations Affairs M Saeb Erakat, who submitted it on 5/15 (see Quarterly Update in *JPS* 128). No replacement was appointed. Erakat kept his seat on the Palestinian Council and continued to advise Arafat.

Security Reform

The main arena of the struggle for authority between Arafat and Abbas this quarter was the security forces (see Quarterly Update in *JPS* 128). In what was termed a major personnel shake-up aimed at asserting control over the PA security forces, Abbas appointed (5/19) Gen. 'Abd al-Haid 'Abd al-Ou'ahad as dep. interior minister and head of civil defense, and Gen. Mahmud Asfur as dep. interior minister and head of police. In response, Arafat ordered (5/20) governors to begin reporting to him directly instead of to the Interior Min., as had been customary, and then ordered (7/14) local police chiefs to report directly to the governors.

In late 5/03, West Bank PSF head Zuhayr Manasra resigned, reportedly in the belief that, being an "Arafat man" (see Quarterly Update in *JPS* 125), neither Abbas nor Dahlan wanted to keep him on; Abbas appointed (6/8) Ziad Habrich to replace him. Dahlan announced (8/9) plans to unite the West Bank and Gaza PSFs under one commander, but this had not been carried out by the close of the quarter. West Bank and Gaza PSF officers were already undergoing joint training by the CIA as of mid-5/03.

Dahlan reportedly introduced (ca. 6/7) a program to buy back illegal weapons from Palestinians at higher than black market prices (e.g., as much as \$6,000 for a rifle). The U.S. and Britain are reportedly funding the program; Britain denied (6/7) this, whereas the U.S. refused to confirm or deny.

Abbas stated (5/27) that the PA security forces in the West Bank had been totally destroyed and that 70% of the forces in Gaza were destroyed. At that time, the CIA reportedly was already in the territories helping the PA to reform the security services.

The IDF arrested (5/20) senior PA intelligence official Ahmad Barqawi on suspicion of carrying out several attacks on Israelis himself.

On 8/15, Israel announced that Dahlan had confiscated \$3 m. sent from Iran to Islamic Jihad and had distributed it to Palestinian charities. Israeli spokesman Dore Gold commented the seizure was positive but only a "small" step. The PA did not confirm the story.

Fiscal Reform

As of 8/1, Israel had transferred the last of the \$450 m. in VAT taxes collected on behalf of and owed to the PA. Israel reported that since it began transferring the money in 1/03 under U.S. pressure, it has sent the PA \$259 m., with the rest having been given to Israeli companies that have won claims against the PA in Israeli court. Israel intends to transfer taxes on a monthly basis from here on.

Fayyad lifted (7/24) the PA ban on importing cement from Egypt and Jordan—one in a series of monopoly-breaking measures reportedly made in 7/03.

National Unity

Most intra-Palestinian discussions this quarter related to the cease-fire. As noted, Abbas opened cease-fire talks with Hamas and Islamic Jihad in late 5/02 in the run-up to the Aqaba summit, but it was ultimately jailed Fatah leader Marwan Barghouti, through his contacts with Fatah, Hamas, Islamic Jihad, and prisoner groups, who secured the truce. It was a blow to Abbas's legitimacy that the popular Barghouti, imprisoned in Israel, succeeded where he, the appointed PM, could not. During Abbas's meetings there was some discussion of forming a temporary national unity government to facilitate the cease-fire and road map implementation, and throughout the quarter there was talk of resuming the national unity dialogue among Palestinian factions last held in Cairo in 1/03 (see Quarterly Update in *JPS* 127), but nothing came of either of these ideas.

Splits within factions and between factions and the PA became more apparent after the truce announcement. Some groups opposing the cease-fire deliberately staged

attacks in protest (e.g., an AMB Nablus faction ambush and fatal shooting of a Bulgarian worker at a Jewish settlement on 6/30 and a 7/3 rocket attack on Kefar Darom claimed by the Palestinian Resistance Comms. [PRCs] and a Rafah-based Fatah offshoot called Abu Rish). Some factions and individuals deliberately violated the cease-fire without their leadership's knowledge or approval (e.g., Islamic Jihad leaders denied authorizing a 7/7 suicide bombing by its Jenin faction; and the AMB denied connection to a fatal stabbing in Tel Aviv on 7/15 that a Palestinian claimed on behalf of the group).

At times the PA became a target as a result of the cease-fire: PSF attempts (7/4) to arrest 4 PRC members involved in the 7/3 Kefar Darom attack sparked a shootout that left 1 PRC member dead. Attempts (8/14) to arrest Islamic Jihad members for allegedly planting (8/13) a small bomb outside a PSF office in Shati' r.c. resulted in an exchange of gunfire that left 7 Palestinians, including bystanders, wounded. Unidentified assailants fired (7/24) a rocket-propelled grenade at the office of PA military intelligence chief Maj. Gen. Musa Arafat, missing the building and hitting an adjacent jail, injuring 13 prisoners. Also of note: Dahlan's bodyguards shot and wounded (7/11) a Hamas member whom they thought was about to shoot at Dahlan's car as he passed through Erez crossing; Hamas members vandalized PA cars outside a Gaza City PSF office in retaliation.

An incident in early 8/03 further demonstrated the PA's limited ability to force adherence to security arrangements under the road map. For weeks, 17 AMB members wanted by Israel had been holed up in Arafat's Ramallah compound seeking refuge, with the IDF occasionally threatening to raid the building to capture them. By 8/2, Israel agreed to a compromise under which the PSF would escort the 17 to a PA jail in Jericho, where they would be held indefinitely without charge. On 8/2, Arafat invited the 17 men to his office, where they were told they were under detention and briefed on the deal. Five of the men agreed, but 12 threatened retaliation against Israel if they were moved. After two days of talks, the PA, citing fears that the cease-fire could fall apart, dropped (8/4) the deal and allowed the 17 to remain in the PA headquarters.

Also of note: AMB's Jenin faction kidnapped and beat up (7/19) Jenin mayor

Haidar Irshayd, alleging he was corrupt and a collaborator and demanding that the PA put him on trial. The AMB released (7/19) Irshayd after receiving a call from an Arafat aide.

Hani al-Hassan, FCC member and commissioner gen. of mobilization and organization affairs for Fatah, held (7/23–24) a workshop in Bethlehem with some 400 local Fatah members, Palestinian Council members, and local politicians during which he said that Fatah plans a “purging of ranks” soon. He stated that the Fatah Revolutionary Council and Central Comm. would each be expanded by one-third. To revive Fatah, regional comms. would be created in each governorate to oversee provision of health, educational, economic, agricultural, and other services to the Palestinian people.

Of note: The Israeli daily *Ma’ariv* reported (6/10) that a poll of Palestinians taken just before the 6/4 Aqaba summit showed Hamas spiritual leader Shaykh Ahmad Yasin as almost tied with Arafat in popularity, whereas a poll just after the summit showed that Hamas had surpassed Fatah in popularity for the first time, 29% to 22%.

Also of note: When the IDF lifted (5/20) its curfew and closure on Hebron after a six-day siege, some 600 Bayt Hanun residents held a spontaneous anti-Hamas demonstration to protest Hamas’s firing of Qassam rockets from the area, which had prompted the IDF incursion.

PALESTINIAN OPINION

The following data are excerpted from a poll conducted by the Birzeit University Development Studies Program (DSP) between 24 and 26 July 2003. Results are based on a survey of 1,200 men and women from the West Bank and Gaza. The poll, 13th in a series, was taken from DSP’s Web site at www.birzeit.edu/dsp.

1. Do you believe that Israel is placing obstacles to impede the success of the Palestinian government?

	West Bank	Gaza	Total
a. Yes	79.3%	77.6%	78.7%
b. To some extent	8.7%	7.2%	8.2%
c. No	7.6%	9.7%	8.4%
d. No opinion	4.5%	5.4%	4.8%

2. Do you believe that the new Palestinian government faces internal obstacles?

	West Bank	Gaza	Total
a. Yes	57.2%	54.5%	56.2%
b. To some extent	16.2%	21.2%	18.0%
c. No	16.2%	16.6%	16.4%
d. No opinion	10.4%	7.7%	9.4%

3. The majority of Palestinian political factions have declared a truce for three months, during which attacks on Israeli targets will be stopped. Do you support such a truce?

	West Bank	Gaza	Total
a. Support	71.1%	80.1%	74.4%
b. Oppose	25.6%	17.8%	22.8%
c. No opinion	3.3%	2.1%	2.9%

4. Do you support or oppose extending the truce for another three months?

	West Bank	Gaza	Total
a. Support	58.5%	66.2%	61.3%
b. Oppose	34.0%	29.3%	32.3%
c. No opinion	7.6%	4.5%	6.4%

JORDAN-ISRAEL

During this quarter, Jordan strove to portray itself as a liberal, democratic ally of the U.S. in the post-Iraq war environment and made cautious moves toward Israel. Burnishing its international image, Jordan hosted the Aqaba summit (6/4) and then the WEF (6/21–23), where WEF director Frederic Sire called (6/18) on participants to ensure that business topped the agenda rather than allowing it to be held “hostage to the Middle East peace process.” Between the two events, Jordan held (6/17) its first parliamentary elections since 1997. (King Abdallah dissolved the parliament in 6/01.) The elections, in which voter turnout was about 59%, returned a more conservative slate. The Islamic Action Front took 15% of the votes (winning 16 of 110 seats).

Jordan stated (5/30) that it might return its amb. to Israel if the road map were implemented. Addressing an Israel Policy Forum meeting in Israel, Jordan’s amb. designate Karim Kawar said (5/30) that Abbas “must fight terrorism,” that the Arab states must support him in that effort, and that Palestinians must recognize Abbas as their “sole leader.” On the sidelines of the WEF, Jordan signed agreements with Israel to open two new qualified industrial zones.

Jordan, reportedly in consultation with the PA, imposed (7/16) new restrictions on Palestinians seeking to enter the kingdom. Palestinians seeking entry for medical treatment must bring documents from a Jordanian hospital and have approval of the Jordanian Health Ministry. Palestinians seeking to attend a family wedding or funeral must prove that they are "first-degree relatives" and show proof of the event. All Palestinians entering, even to transit, must provide \$7,000 as a guarantee that they will leave Jordan before their visas expire (usually within 30 days).

SYRIA-ISRAEL

Syria continued to feel diplomatic pressure from the U.S., but not to the same extent as last quarter (see Quarterly Update in *JPS* 128). The U.S. reportedly hoped (8/15) that the economic pressure it was putting on Syria by closing the pipeline and trade routes from Iraq, which it believed accounted for 40% of Syria's GNP, would force Pres. Bashar al-Asad to drop his support for Hizballah and Palestinian rejectionist groups, withdraw from Lebanon, and halt development of ballistic missile and chemical and biological weapons. Failing this, the Bush administration reportedly would consider supporting the Syria Accountability Act (H.R. 1828; revived by the House in 4/03 and Senate in 5/03; see Quarterly Update in *JPS* 128). In early 6/03, the Bush administration informed Congress that it would not support the act for now, preferring to deal with problems diplomatically, behind the scenes.

A *New York Times* reporter in Syria confirmed (7/16) that the Damascus offices of Hamas and Islamic Jihad were still closed (see Quarterly Update in *JPS* 128), but that some officials were still in the country. The offices of the DFLP, PFLP, and PFLP-General Command were open but markedly less active. The U.S. acknowledged (5/24) that it saw signs that Syria was "curtailing terror" but said (5/24, 5/29, 6/11, 6/20) that it was not taking the dramatic steps Washington wanted. The U.S. stated (5/29) that it had not invited Syria or Lebanon to attend the Sharm al-Shaykh and Aqaba meetings with Bush on 6/3-4 because they had not aided in "reviving the peace process." Bush publicly accused (7/21) Syria and Iran of continuing "to harbor and assist terrorists," warning that they would be "held accountable" if they did not cooperate more closely with the U.S.

Syrian FM Faruq al-Shara' attended (5/26) Euro-Mediterranean partnership talks in Crete, marking the first time in three years that Syria sent a rep. (and the first time in eight years it had sent a senior rep.) to a non-UN meeting attended by Israel. Shara', who did not meet with Israeli FM Shalom, called for the road map to be expanded to include Lebanon and Syria (reiterated 6/6, 6/19, 7/7), urged a more active EU role in the peace process, and reiterated that full withdrawal for full peace must be the basis of negotiations. Shalom restated that Israel would never allow Palestinian refugees to return to Israel.

Israel kept up pressure on Syria, with Israeli officials highlighting concerns regarding Syria and Iran when briefing their U.S. counterparts on the peace process (e.g., 6/23, 7/14, 7/23). Publicly, Israel blamed the 5/17-19 spate of Palestinian suicide attacks on Syria and Iran. An anonymous senior Israeli defense official alleged (7/31) that Syria had 100 missiles containing VX nerve agent pointed at Israel.

The CIA and other agencies blocked (7/15) U.S. Undersecy. of State John Bolton from presenting sharp warnings that Syria's development of chemical and biological weapons had advanced to the point of posing a threat to stability in the Middle East. Bolton planned to make the statement in a classified briefing to Congress as part of the debate on the Syria Accountability Act. The agencies expressed doubt about the reliability of the new intelligence on which Bolton was basing his comments.

The U.S. acknowledged on 6/24 that a 6/18 U.S. air strike on a convoy thought to be transporting Saddam Hussein and his son Uday took place in Syria rather than inside Iraq as it initially claimed. Five Syrian border guards were wounded and taken into U.S. custody, but released several days later. The incident caused particular concern because of reports last quarter that the U.S. was preparing a contingency strike plan for Syria, based on the pretext of "hot pursuit" (see Quarterly Update in *JPS* 128).

LEBANON-ISRAEL

The Israel-Lebanon situation was relatively calm through most of the quarter, with near daily Israeli overflights and Hizballah antiaircraft fire having become routine (see Quarterly Update in *JPS* 128). In early 8/03, however, tensions flared following a car bombing in Beirut on 8/2 that killed Hizballah member Ali Hussein Saleh

and for which Israel was blamed. (Some Israeli analysts speculated that Israel staged the assassination to divert public attention from the burgeoning domestic welfare crisis and campaign finance scandal involving Sharon's sons.) Israel would not confirm or deny responsibility, though it accused Saleh of being a senior Hizballah member who trained and encouraged Palestinian militants to attack Israelis and who directly ran AMB and *tanzim* cells in Nablus and Qalqilya on behalf of Hizballah and Iran. In retaliation, Hizballah attacked (8/8) an IDF post in the disputed Shaba' Farms region in its first major strike since 1/03, causing significant damage but no injuries. The IDF responded by shelling (8/8) Hizballah targets in s. Lebanon and stepping up surveillance flights over Lebanese territory over the next two days. Hizballah responded with customary anti-aircraft fire, and on 8/10, anti-aircraft debris landed in Shlomi, killing an Israeli teenager and marking the first fatal cross-border incident since Israel withdrew from Lebanon in 5/00. Though Hizballah suspended anti-aircraft fire, Israel hit (8/10) Hizballah targets in southern Lebanon again, sent (8/11, 8/13) warplanes creating sonic booms over Beirut, flew low-level sorties over the Biqa' Valley (8/13, 8/14), and sent messages (8/10, 8/14) via the U.S. warning Syria and Lebanon to rein in Hizballah to avoid a military response that "could inevitably be against Syrian targets." King Abdallah flew to Damascus (8/10) and Cairo (8/11) to mediate, and the FMs of Egypt, Iran, Saudi Arabia, and Syria held (8/11) emergency consultations in Cairo on the flare-up. When Hizballah next fired anti-aircraft weapons (8/14), it aimed them northward, toward planes harassing the Biqa', so that any shrapnel would fall inside Lebanon. Israel responded (8/15) by flying low over Asad's summer residence in northern Syria. There was no follow-up.

In other Hizballah-related developments, spiritual leader Shaykh Muhammad Hussein Fadlallah issued (5/19) a blanket *fatwa* against all bombings and attacks that target civilians or civilian institutions of whatever religion or nationality. The move was in reaction to the major suicide bombings targeting U.S. interests in Saudi Arabia (5/12) and Morocco (5/16).

Meanwhile on 7/14–15, Syria withdrew around 1,000 troops and artillery from Beirut and Tripoli to the Biqa' Valley, with most, if not all of these, expected to be pulled out of Lebanon altogether. Rumors

(ca. 7/14) indicated that Syria took the step to ease tensions with the U.S. (since there had been no recent criticism from the Lebanon's main opponents of the Syrian presence) and that it might withdraw all its forces in Lebanon to the Biqa' Valley by the end of the year.

Violence in 'Ayn al-Hilwa camp between Fatah and Usbat al-Ansar escalated this quarter (see Quarterly Update in *JPS* 128). In mid-5/03, Fatah took the decision to assassinate Abdallah Shuraydi, leader of the Usbat al-Ansar offshoot Usbat al-Nur (estimated to have 200 fighters in the camp), and expel his followers from the camp. Fatah members ambushed and critically injured Shuraydi on 5/17, killing his bodyguard and a bystander. Shuraydi died of his injuries on 7/16. The ambush sparked heavy fighting in the camp on 5/19, which left a Lebanese journalist, two civilians, three Fatah members, and an Usbat al-Nur member dead and 55 people injured. Factions held reconciliation talks on 6/29.

On 5/22, the IDF seized a boat off the northern coast manned by a Hizballah member and seven arms smugglers and carrying explosives detonators. Israel claimed that the boat was bound for Egypt, from which point the Hizballah member intended to infiltrate Gaza, delivering arms ordered by Arafat. Arafat and Hizballah denied the charge.

During Israel's spate of Hamas assassinations in mid-6/03, some 20,000 Palestinian refugees in camps in Tyre staged (6/13) anti-Israel demonstrations.

The U.S. declared (6/16) that Lebanon's Finance M Fuad Saniora could not visit the U.S. because he had donated \$650 to the Islamic Benevolent Society, a Muslim charity that the U.S. claims is linked to Hizballah. Under U.S. antiterrorism laws, "foreigners who finance terrorists" cannot enter the country.

The U.S. reopened (5/30) its consulate in Beirut, which was closed in 9/84, following a bombing there and in light of the 1983 embassy and Marine barracks bombings. Since the closing, Lebanese have had to travel to Cyprus or Syria to obtain visas.

REGIONAL AFFAIRS

RELATIONS WITH ISRAEL

Official contacts between Israel and the Arab states increased this quarter. On the sidelines of the WEF in Aqaba, Bahrain's

crown prince met with Israeli FM Shalom. PA Finance M Fayyad and reps. of Egypt, Jordan, and Qatar also met with Shalom, but discussed issues relating to Iraq and global terrorism rather than the intifada. However, Egypt and Jordan turned down Shalom's requests (6/21) to return their ambassadors to Tel Aviv.

Shalom and Moroccan FM Muhammad Benaissa met (7/27) at the Moroccan embassy in London, where they agreed that their diplomatic ties should be strengthened. (Morocco threatened to cancel the meeting unless it was kept secret until after it ended and barred photos of the event.)

The Israeli Justice Min. launched (6/9) a new initiative and PR campaign aimed at expanding its registry of property claims by Jews from Arab countries. In early 6/03, the U.S. House International Relations Subcomm. on the Middle East and South Asia held a hearing on the subject of Jewish property claims against Arab states, reportedly with the aim of putting "the subject . . . on the agenda as a counterweight to the Palestinian demand to the right of return."

On 7/27, six Iraqi Jews emigrated to Israel, leaving on a charter flight from Baghdad organized by the Hebrew Immigrant Aid Society. The society, in cooperation with the U.S. military, sent a team to Iraq after the fall of Saddam Hussein and located 34 Iraqi Jews whom it offered to take to Israel. Only six wanted to leave.

Israeli Finance M Benjamin Netanyahu signed (7/21) an injunction allowing Israeli companies to do business with Iraq. Even before restrictions were waived, Israeli Export Institute chmn. Shraga Brosh held talks (7/14) with Croatian officials regarding Israeli companies subcontracting for Croatian companies on contracts for rebuilding Iraq.

INTER-ARAB HIGHLIGHTS

The only inter-Arab meeting relating to the peace process this quarter was a conference held (7/9–11) in Syria on Palestinian refugee affairs. Participants, representing the Arab League, Jordan, Lebanon, the PA, and Syria, issued a statement urging Israel to comply fully with international law and to halt construction of the separation wall.

Abbas made his first tour of Arab capitals as PM to coordinate with Arab leaders before and after his 7/25 meeting with Bush, visiting Egypt (7/21), Jordan (7/23, 7/30), Morocco (7/27–28). Abbas also made a

tour of the Gulf, stopping in Saudi Arabia (8/8–9) and the UAE (8/10), and a visit to Tunisia (8/14). At the last minute, he canceled (8/9) a stop in Kuwait after Kuwait demanded that he issue a statement condemning the 1990 Iraq invasion and apologizing for Palestinians support for Saddam Hussein.

INTERNATIONAL

UNITED STATES

The Israeli-Palestinian conflict remained peripheral to the administration's concerns as the U.S. wound down the active combat stage in the war on Iraq and concentrated on stabilization.

U.S. troops in Iraq raided (5/28) the Embassy of Palestine in Baghdad, searched and sealed the building, and detained Chargé d'Affaires Najah Rahman, six Palestinian employees, and three Palestinian guards, all of whom were still in U.S. custody at the end of the quarter. Responding to PLO protests, the State Dept. said (5/29) that all foreign diplomats in Iraq had lost their immunity, having "submitted their credentials to a regime which no longer exists and therefore. . . [T]hey have no diplomatic status from now on." There was no indication that the U.S. raided or detained the officials of any other embassy.

The American-Arab Anti-Discrimination Comm. reported (7/28) that since 9/11, at least 15 stateless Palestinians had been deported from the U.S. on visa violations or criminal charges under Patriot Act provisions; they were sent back to Egypt, Jordan, and Israel (their points of departure for the U.S., with Israel presumably allowing them transit to the occupied territories). Another two Palestinians (one a refugee from Lebanon, which refuses to readmit him; the other whose point of departure has not been confirmed) are being held by immigration pending deportation.

Just as Washington was encouraging lagging road map implementation, House majority leader DeLay announced (7/24) that he would personally be making a tour of Israel, Jordan, and Iraq during summer recess to inform regional leaders that, in his opinion, Bush will not allow "a sovereign state of terrorists" (i.e., a Palestinian state) to be created. (Indeed *Washington Post* columnist Jim Hoagland quoted Bush on 6/5 as telling aides, "I destroyed a terrorist state in Afghanistan, I destroyed a terrorist

state in Iraq, and I am not about to help create a terrorist state" on Israel's border.) Delay met with Sharon (ca. 7/27), Abbas, and King Abdallah and addressed (7/30) the Knesset, where he stated he is "an Israeli at heart."

Also of note: In advance of Abbas's 7/25 visit to Washington, a State Dept. spokesman was quoted (*Palestine Report* 7/23, Media Monitors Network 7/27) as stressing that administration officials would accord Abbas all the honors of a head of state. Referring to a 7/8 comment by Ambassador to Israel Dan Kurtzer calling Abbas a "weak leader," the spokesman stated, "They don't want to make the Kurtzer mistake. . . . We spent months making him prime minister and now we call him weak. How dumb can we get?"

The House passed (6/26) two nonbinding resolutions. The first (passed 399-5) condemned attacks on Israel since the 6/4 Aqaba summit and expressed solidarity with Israelis "as they respond to ongoing attacks." The second (passed 412-0) expressed concerns over the rise of anti-Semitism around the world.

Powell certified (7/14) that Israel's Red Cross equivalent, Magen David Adom (MDA), was fully taking part in the activities of the International Comm. of the Red Cross (ICRC) and receiving ICRC funding despite an ongoing dispute over MDA's Star of David emblem. (The ICRC has refused to allow the MDA to operate in Muslim areas with the emblem, fearing the star could make it a target or offend local populations.) Powell's decision allowed the U.S. to release \$11 m. in aid to the ICRC previously blocked under congressional resolutions. The American Red Cross (ARC) says, however, that it will continue to withhold \$20 m. it owes the ICRC until the MDA is allowed to operate with its emblem, even though MDA says it cannot ask the ARC to withhold ICRC funds that would go for humanitarian aid.

The U.S. pressed the EU (e.g., 6/18, 6/25, 6/26) to list Hamas's political arm as a terrorist organization and cut off all funding to its charities. The EU said (e.g., 6/16, 6/27) that it would consider doing so if Hamas walked away from cease-fire talks, but that it certainly would be counterproductive to ban the group while cease-fire talks were ongoing. After the truce was declared, the EU said (7/17) that it had dropped discussion of the issue.

The Treasury Dept. designated (5/29) the Germany-based al-Aqsa Foundation, which

does not operate in the U.S., as a "terrorist financing organization." The dept. alleges that the Muslim charity funnels money to Hamas social organizations and therefore, since Hamas's money is fungible, funds suicide bombings. The U.S. also claims that the head of the foundation's Yemen office has given money to Osama Bin Laden and to Israel's Islamic Movement, thereby linking al-Qa'ida, Hamas, and the Islamic Movement.

Sharon adviser and former Israeli ambassador to Washington Dore Gold told (7/15) a congressional committee that over half of Hamas's current funding came from Saudi Arabia and that the proportion was rising. The claim, which Israel has not made previously or since, came just days before the release (7/25) of the congressional report on intelligence leading up to the 9/11 attacks, which contains 28 classified pages of information reportedly repeating discredited allegations that the wife of Saudi ambassador to Washington Prince Bandar Bin Sultan funded the 9/11 hijackers through donations to Muslim charities.

A federal judge in Rhode Island ruled (7/3) that Hamas must pay \$116 m. to the families of an American-born Jewish settler and his wife who were killed in a 1996 attack on Efrat settlement. The same month, a U.S. district court judge ruled (7/17) that Iran must pay \$313 m. to the family of an American woman killed in a 1997 Hamas suicide bombing in Jerusalem. Under a 1991 law, American victims of overseas "terrorism" may seek monetary damages in U.S. court. Neither Hamas nor Iran responded to the suits.

RUSSIA

Russian special envoy Andrei Vdovin toured the region (ca. 6/14-18) for consultations on road map implementation. During his meetings, he recommended that the road map be expanded to include Lebanon and Syria (repeated on 7/4, 7/14).

Russian FM Igor Ivanov visited (7/13-17) Egypt, Jordan, Lebanon, Ramallah, and Syria on his first tour of the region in three years. Ivanov received Israeli FM Shalom in Moscow on 6/9 and plans to visit Israel in the fall.

EUROPEAN UNION

EU-Israeli relations remained strained but improved this quarter. Israeli FM Shalom

announced (5/20) that Israel was considering applying for full membership in the EU, but that it expected the process to take at least a decade. By late 7/03, analysts argued (see *Ha'Aretz* 7/21) that Israel would probably not want to pursue full EU membership because EU requirements on freedom of movement would conflict with the Law of Return. Instead, Israel would probably aim to join the "wider EU"—a new concept endorsed by the EU on 3/11/03 to limit its expansion but offer a sort of junior membership to Eastern European and southern Mediterranean states, including Israel, largely granting them favored trade status in exchange for certain political and economic reforms.

Miguel Moratinos stepped down (7/2) as EU special envoy to the Middle East, a post he had held since 1996. Before resigning, Moratinos visited the region in mid 6/03 to facilitate cease-fire talks and road map implementation. Marc Otte, senior adviser to EU foreign policy chief Javier Solana, was named (7/14) to replace him.

EU FMs met (7/21) with the PA's Shaath and Israel's Shalom in Brussels to urge them to accelerate road map implementation. The EU, like Russia (see above), recommended (e.g., 6/9) that the Quartet draw up a road map plan for Israeli peace with Lebanon and Syria.

Israel (e.g., 5/18, 7/12, 7/13, 7/15) and the U.S. (e.g., 5/18, 5/23) kept up pressure on the EU to cut ties with Arafat on the grounds that continued contact undermined Abbas's ability to halt violence. The policy hampered Israel's bilateral relations with those who refused to sideline Arafat, including Denmark, the EU, Japan, Ireland, Norway, Russia, Turkey, and the UN. New EU envoy Otte held his first meeting with Abbas in Cannes on 7/29 and with Asad in Damascus on 8/3, but did not visit Israel or the territories.

Sharon also recommended (7/13) that the EU increase participation in the peace process by undertaking a major campaign to set up social and welfare services for Palestinians to erode support for Hamas. On 7/17, the EU announced a new \$110 m. aid package to boost the PA economy and spur reform (\$33 m. for municipalities to restore basic services, \$44 m. to pay off PA arrears to private businesses, \$33 m. for private sector loans).

The EU announced (5/22) that the 13 Palestinians exiled by Israel to the EU for one year on 5/21/02 in a deal to end the

IDF siege of the Church of the Nativity during Operation Defensive Shield would be allowed to stay in their host countries for another year. Unnamed Israeli officials leaked (7/16) that Israel had no plans to allow them to return.

In meetings in London, Sharon and British PM Tony Blair agreed (7/13) to upgrade their intelligence coordination by each appointing a senior official (Weisglass in Sharon's office, military adviser Maj. Gen. Joav Gallant in Blair's office) as a direct link for passing sensitive intelligence information quickly. Israel already has such an arrangement with the U.S.

Hours after being sworn in, the new Belgian government under PM Guy Verhofstadt announced (7/12) that it would change the 1993 law that gave Belgium jurisdiction to try war criminals no matter where or to whom the alleged crimes occurred, restricting cases to those involving Belgian citizens or residents. The amendment was passed by parliament on 7/30. The survivors of the 1982 Sabra and Shatila massacres used the 1993 law in an unsuccessful bid to bring Sharon to trial for war crimes; the Belgian courts ruled that he had immunity as a head of state (see Quarterly Update in 127).

Paris hosted (6/3) the first conference of European Jewish community centers. Delegates from 22 countries, representing some 180 centers in the former Soviet Union and 60 in Western Europe, discussed ways of building networks among Jews of various backgrounds.

UNITED NATIONS

The UN was largely preoccupied with the Iraq issue this quarter and was relatively inactive on the Israel-Palestine conflict. The Office of the United Nations High Commissioner for Refugees (UNHCR) began (7/16) registering and providing identity cards to Palestinian refugees in Iraq, whom UNRWA estimates to number around 80,000. The UNHCR began registration with the some 4,000 Palestinian refugees in Baghdad who have been evicted from their apartments since the occupation and had been living in 250 tents at Baghdad's Haifa Club. The ICRC reported (6/16) that 960 Palestinian refugees who fled Iraq during the war remained in Ruwayshid r.c. in Jordan.

UN special envoy Terje Larsen traveled to the region in late 6/03—early 7/03 to consult on the road map and regional affairs,

but apparently did not stop in Israel or the territories because of Israel's ban on meetings with Arafat. Larsen warned (5/19) that the UN would have to halt its aid efforts in Gaza if Israel did not ease its harsh closure on the Strip, including preventing the entry of international aid workers. UNRWA protested (6/11) restrictions—unprecedented in 53 years—that prevented its senior officers, including an under-secy.-gen. from entering Gaza to attend a quarterly review meeting. Israeli authorities also barred (6/11) UNRWA head Peter Hansen from leaving Gaza, citing “security reasons,” as well as the entry of the UN Special Comm. to Investigate Israeli Practices Affecting the Human Rights of the Palestinian People and Other Arabs of the Occupied Territories (established in 1968). The comm., which had planned to interview Palestinians in the occupied territories, instead interviewed Palestinians in Cairo (6/14–16), Amman (6/17–20), and Damascus (6/21–23) and via telephone to the occupied territories. In early 7/03, Israel deported a program adviser in the UN Special Coordinator's Office (UNSCO) without explanation, further hampering UN and donor work (see Quarterly Update in *JPS* 128). The IDF's turnover of Gaza security control to the PA improved the situation slightly.

UNRWA held (5/22) a pledge conference to meet the \$60 m. shortfall in the agency's \$95 m. emergency aid appeal for operating expenses for the period 1–6/03; the U.S. pledged \$67 m., Britain \$22.4 m., Saudi Arabia \$6 m., and Australia, Norway, and Sweden lesser amounts. UNRWA then launched (6/6) a \$103 m. emergency appeal to cover costs for the period 7–12/03 for basic food aid for 1.1 m. Palestinians, 830,000 work days to the unemployed through its emergency job creation program, and shelter for more than 12,000 refugees made homeless by IDF demolitions during the al-Aqsa intifada. On 7/15, UNRWA reiterated its appeal, saying that only \$3 m. had been pledged since 6/6. The U.S. pledged (8/6) \$26 m., but as of the close of the quarter UNRWA had received only \$2.5 m. toward the \$103 m. amount.

UN International Criminal Court (ICC) chief prosecutor Louis Moreno Ocampo ruled (ca. 7/15) that the ICC would not try Israelis for war crimes against Palestinians in the occupied territories, arguing that the court's mandate states that “to prosecute a civilian or soldier, permission is required from either the accused's country or the

country where the crimes allegedly took place.”

IRAN

This quarter, Iran came under the same type of U.S. and Israeli diplomatic campaign that Syria faced last quarter (see Quarterly Update in *JPS* 128). Citing intelligence suggesting that al-Qa'ida operatives in Iran were behind a 5/12 bombing targeting U.S. interests in Riyadh, the Bush administration suspended (5/24) contacts with Iran and began considering an aggressive policy to destabilize the Iranian government, with the Pentagon reportedly pushing for encouraging a popular uprising. (Iran had repeatedly denied having any contact with al-Qa'ida, and Saudi Arabia denied ca. 6/20 that the Iranian government was connected to the bombing.) Although a U.S. official said (5/29) that consideration of new restrictions on Iran had been put on hold indefinitely amid disagreements within the administration, the Pentagon acknowledged (6/3) that it had been holding quiet meetings with Iranian opposition figure Mahmud Ali Chehregani, leader of the Southern Azerbaijan National Revival Movement, who seeks to unify internal resistance to oust Iran's clerical leaders.

U.S. Defense Secy. Rumsfeld renewed (6/11) accusations that Iran was developing nuclear arms at Bushehr under the guise of a civilian program. Israel also accused (6/18) Iran of helping Libya develop a midrange ballistic missile that could strike Israel and of sending Hamas equipment via Hizballah to upgrade Qassam rockets. In several meetings with U.S. officials on the peace process (e.g., 6/23, 7/14, 7/23), Israeli officials stressed the grave threat from Iran. Publicly, Israel blamed Iran and Syria for the 5/17–19 spate of Palestinian suicide attacks, claimed (6/25) that two Palestinians arrested with a bomb in Kafr Qasim on 6/25 were members of “one of the *tanzim* cells run by the Iranian Revolutionary Guards in Lebanon” (*Yedi'ot Abaronot* 6/27), and stated (8/5) that a recent AMB attack had been instigated by Iran.

In response to this onslaught, Iran stepped up its testing of its Shihab-3 missile, which with a range of 806–930 mi. could hit Israel; Iran confirmed (7/7) that it had made a successful test launch and began (7/21) delivering the missiles to its military. On 8/14, Iran announced that it had approved the second phase of construction of its Bushehr nuclear power plant. As

noted above, Bush issued (7/21) a public warning to Iran that it would be "held accountable" if it did not cease to "harbor and assist terrorists." During his meeting (7/29) with Bush, Sharon urged the U.S. to press Iran further. After the meeting, rumors circulated (see *Washington Post* 8/14) that the U.S. was worried that Israel might stage a preemptive strike on Iran as it did on Iraq's Osiraq nuclear reactor in 1981. Iran consequently warned (8/18) that Israel would "pay dearly" if it did.

TURKEY

Turkey, Israel, and the U.S. held (8/14–17) joint naval maneuvers off the Turkish coast. Israeli DM Shaul Mofaz and Turkish PM Recep Tayyip Erdogan met (5/26) in Ankara and agreed that their countries would cooperate with the U.S. war on terror, especially in targeting al-Qa'ida suspects, and discussed their concerns about Iran's nuclear program. In Ankara, Turkish pres. Ahmet Necdet Sezer held talks with Israeli pres. Moshe Katsav on bilateral trade (7/8–9) and with PA External Affairs M Shaath on the peace process (7/16).

A Turk protesting Israel's treatment of the Palestinians tossed (6/11) two grenades at the U.S. consulate in Adana, causing no injuries.

OTHER

The Canadian group Coalition against the Deportation of Palestinian Refugees reported (5/18) that some 100 Palestinian refugees (mostly from Lebanon, some from the occupied territories) might be denied asylum and deported based on a recent ruling by Canadian immigration officials that Palestinians had no basis for asylum

because "the violence in the Middle East is part of Israel's attempts at establishing secure political frontiers and preventing terrorist attacks on its territory" and that there is no evidence that there is "a systematic will on the part of the Israeli military to systematically persecute and exterminate the Palestinians while doing so." On 5/21, Canada denied asylum to a Lebanese man on the grounds that as a former member of the South Lebanon Army, he participated in Israeli "war crimes," including murder and torture.

Pres. Pervez Musharraf of Pakistan publicly stated (6/29) that Pakistan should seriously consider opening diplomatic relations with Israel if road map implementation continues. The statement, seen as part of Pakistan's warming relations with the U.S., came a week after a Pakistani businessman and close associate of Musharraf visited Israel to explore Tel Aviv's interest in building ties. In response, Pakistanis held (6/29) a large rally (no numbers reported) in Lahore against normalizing relations.

DONORS

Despite Israel's tight restrictions on foreign movement in the territories, donor representatives in Gaza managed to convene the monthly Local Aid Coordination Committee meetings on 5/21, 6/24, and 7/28. Since the UNSCO program adviser was deported by Israel in 7/03 (see above), the minutes of these meetings and an update on the Emergency Public Investment Plan (see Quarterly Update in *JPS* 128) were not available, as staff focused on reconstituting an office in Cairo. No international donor meetings were held this quarter or are planned for the near future.