

# Strategic ASSESSMENT

Volume 14 | No. 2 | July 2011

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# Strategic ASSESSMENT

The purpose of *Strategic Assessment* is to stimulate and enrich the public debate on issues that are, or should be, on Israel's national security agenda.

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# Abstracts

## **The Upheavals in the Middle East and Israel's Security / Giora Eiland**

Much of the turmoil that has marked the Middle East for over six months does not significantly affect Israel, at least not directly. This article analyzes the impact on Israel's security of events in Egypt, Syria, Lebanon, Bahrain (with the implications for the Gulf), and Jordan, and their effect on the Israel-Palestinian conflict. Alongside the increased risks inherent in the instability and the adoption of less friendly attitudes towards Israel (e.g., in Egypt), there are also opportunities (e.g., weakening Iran's influence in Syria and Lebanon, strengthening the anti-Iranian coalition in the Gulf). In the long term, should the Arab world become democratic, it would be easier for Israel to find acceptance in the region as a nation of equal rights and thus also resolve the extended conflict with Syria and the Palestinians.

## **The West Responds to the Arab Spring / Oded Eran**

The events of 2011 known as the "Arab spring" have the potential to generate major changes in the Middle East, but redressing the grievances of those who took to the streets in several Arab cities – objectives that are largely supported by the West – requires an ambitious multi-year agenda and immense funding. While in the short term the international community has succeeded in raising significant sums of money, even if they do not yet reach the amounts required, in the long term, the West does not have a satisfactory response to the complex question of its relations with its Mediterranean neighbors. This article reviews the immediate response to recent events in the Arab world by the US, the EU, and global financial institutions, and assesses longer term implications for this issue.

### **A Golden Opportunity? Al-Qaeda and the Uprisings in the Middle East / Yoram Schweitzer and Gilad Stern**

A common assumption among government officials and Middle East experts is that the popular uprisings in the Arab world have dealt a serious blow to al-Qaeda. This article examines whether the “Arab spring” indeed portends the end of al-Qaeda, or whether the new situation may actually provide the organization fertile ground for implementing its strategic struggle, making it easier and safer for activists to be present in these states and recruit new cadres while taking advantage of the unrest. The claims that the Arab spring augurs the end of al-Qaeda will be considered, along with statements by the organization’s leaders on the significance of the recent events. Against this background, an assessment will be made how the emerging situation is liable to affect the organization’s operational freedom.

### **A Palestinian State from Theory to Practice: The Challenges Facing the Palestinians and Israel / Ephraim Lavie**

The Fayyad program “Ending the Occupation, Establishing the State” is the first significant Palestinian attempt at state building, and it reflects the attempt, independent of political negotiations, to construct a state from the bottom up in a way that meets the requirements of the international community and Israel. In tandem, Mahmoud Abbas has worked to advance the establishment of a Palestinian state on the political level, particularly through the announced plan to ask the UN to recognize the Palestinian state within the 1967 borders. This essay reviews the Palestinian bottom up state building process and the top down political efforts, and analyzes the challenges the Palestinians and Israel are likely to face in the coming months.

### **Confidence Building Measures and the Revival of Israeli-Palestinian Negotiations: Thinking Out of the Box / Shiri Tal-Landman**

Anticipating difficult developments in the Israeli-Palestinian conflict in the coming months, this article seeks to expand the options available in the parties’ respective political toolboxes. It suggests an alternate model of political interim moves based on a new approach to confidence building measures. Any such measure at this stage in the political process must be

reciprocal and reflect the sides' willingness to compromise on the deepest points of contention and prepare the ground for negotiations over a permanent agreement, while avoiding a fundamental change in the status quo before the sides are ripe to make that change. The author proposes that Israel adopt a limited voluntary evacuation-compensation law for residents of the settlements in exchange for Palestinian encouragement of refugees to accept compensation and agree to resettlement outside of Israel.

### **Hamas' Internal Challenge: The Political and Ideological Impact of Violent Salafist Groups in Gaza / Benedetta Berti**

The violent Salafist groups operating within the Gaza Strip constitute a loosely affiliated network of Palestinian militants who have joined forces with those who would strengthen the ties between the nationalist Palestinian struggle and the transnational jihadists' agenda. In addition, these groups question the political hegemony and the monopoly of force that the Hamas government wields. This article sketches the origins and development of the violent Salafist movement in Gaza, while defining the nature and magnitude of the threat that this movement poses to Hamas and its government, both politically and militarily. The article also discusses the potential impact of the Salafist movement on Hamas' broader political and organizational strategy.

### **Power, Pirates, and Petroleum: Maritime Choke Points in the Middle East / Yoel Guzansky, Gallia Lindenstrauss, and Jonathan Schachter**

Maritime choke points are among the most sensitive locations where geography, trade, and politics meet. This article discusses the strategic value of three significant maritime choke points in the Middle East: the Straits of Hormuz, both ends of the Red Sea, and the Turkish Straits. These choke points are of particular concern because their rising importance in the global energy market is matched by a parallel rise in the volatility of some of the states surrounding them. The authors review the threats to these locations in light of strategic developments in the region, and suggest how these threats might be addressed.



# The Upheavals in the Middle East and Israel's Security

**Giora Eiland**

The turmoil that has marked the Middle East for over six months is far greater than any upheavals in the Middle East in many decades. The purpose of this essay is neither to analyze the reasons for the upheavals nor to try to forecast their future, rather to attempt to understand their significance for Israel. Much of what is underway in the Arab countries, such as the events in Libya, Tunisia, and Yemen, has virtually no effect on Israel, at least not directly. The essay, therefore, will not consider these states, and instead will analyze the events in Egypt, Syria, Lebanon, Bahrain (with the implications for the Gulf), and Jordan, and their effect on the Israel-Palestinian conflict.

## **Egypt**

As this article goes to press, it seems that the turmoil in Egypt has resulted in more limited change than was expected when the mass rallies were underway in Tahrir Square. Except for the sharp reversal in the fortunes of President Mubarak, not much has happened.

Egyptian public opinion, which pushed for change, had three objectives: to exact revenge from Mubarak and his family, to enjoy greater freedoms, and to improve the economic situation. The current military government is quite happy to fulfill the first objective (revenge); is happy to make promises it has little intention of keeping regarding the second (true freedom and democracy); and can't even promise, let alone ensure, the third – a better economic future.

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Indeed, the economy will apparently be the primary challenge facing the current regime (or the one that succeeds it). The Egyptian economy depends on a number of factors directly or indirectly associated with Israel, among them tourism (including tourism to the Sinai Peninsula); export of natural gas; revenue from the Suez Canal; and American economic and military assistance. The Egyptian regime will not readily forego the opportunity to maximize revenue from those four sources. It will not risk abrogating the peace treaty with Israel, if only from purely economic considerations, especially if it does not want to risk the cancellation of the billion dollar debt that President Obama promised Egypt or the continued military assistance valued at \$1.3 billion a year.

In other words, Israel can assume that there will be no dramatic change in the political and economic relations between the two countries. Nevertheless, one cannot ignore the security dimension. Looser Egyptian control over the Sinai Peninsula is already evident. As long as the situation entails arms smuggling into the Gaza Strip, individuals infiltrating into Israel from Sinai, and even the danger of terrorist attacks

in Egypt, the situation from Israel's perspective has gotten worse. At the same time, these concerns remain at the tactical level.

The more essential issue relates to the working assumption that prevailed over the last 32 years, namely that there was no plausible scenario envisioning a military confrontation with Egypt. This allowed Israel to conduct two wars in Lebanon and undertake two large scale operations in Palestinian territory (Defensive Shield in 2002 and Cast Lead in 2008-9), knowing that Egypt would not respond militarily. Moreover, in real terms the Israeli military budget has remained more or less constant since 1974. Yet because the GDP has grown significantly in the 37 years since then, security needs have dropped from 30 percent of the GDP in 1974 to less than 7 percent in 2010.

Egypt will not risk abrogating the peace treaty with Israel, if only from purely economic considerations, especially if it does not want to risk the cancellation of the billion dollar debt that President Obama promised Egypt or the continued military assistance valued at \$1.3 billion a year.

The security burden is still high by European standards, but its dramatic reduction in this period is one of the primary reasons the Israeli economy has flourished.

Over the last 32 years, the security establishment has stressed – within itself and to the political level – that the working assumption that there would be no military confrontation with Egypt in the near future is valid only until “a strategic change” there is evident. The critical question, then, is: do the events that have taken place in Egypt in recent months constitute a strategic change that obligates Israel to reexamine its security budget in terms of scope and composition? This applies particularly to the two most expensive components: the size of the fighting force (at sea, in the air, and on land) and the stockpiles of arms, spare parts, and fuel. Some answer to this question is due in the near future in the context of the IDF multi-year Halamish plan. Should it be decided to increase the defense budget significantly, this will likely slow down Israel’s economic growth.

In my estimation, there is currently no need to alter fundamental assumptions regarding Egypt. Even if Egyptian policy towards Israel becomes more hostile and a militant government that does not rule out a military confrontation rises to power, the time it will take Egypt to translate this new approach into a real threat and the hurdles such a government would have to face (such as writing off American military aid) would give Israel sufficient time to adjust to this new situation.

## Syria

The unrest in Syria escalates by the week, though it is still impossible to assert definitively that the Asad era is over. Israel cannot (and does not want to) affect what is happening in Syria, but there is no doubt that Israel is affected by any potential outcome of the events.

The first possible scenario is that Asad remains in power for many years to come. Some in Israel feel this scenario is the most desirable, if for nothing else, as the least of all (familiar) evils. As early as 2005, Ariel Sharon already rejected various ideas that sought to take advantage of Syria’s temporary weakness, resulting from the Hariri assassination and the pressure on Damascus to withdraw its troops from Lebanon, and try to bring about Asad’s downfall. Sharon estimated that most of the alternative scenarios would be worse for Israel. Should Asad remain in power, he will be forced to put most of his efforts into reinforcing his regime domestically and bolstering his legitimacy on the global stage. Consequently, he will likely not seek a military confrontation with Israel;

he may even reduce the assistance he extends to Hizbollah. This scenario will not change Israel's basic assumptions regarding Syria, but it does mean a greater chance for continued calm along the Israeli-Syrian border.

In a second scenario, Asad's regime falls and Syria begins a long period of instability and internal struggles. Such instability, while weakening Syria, could strengthen Iran's influence in the country and increase the possibility of provocations against Israel by various groups. In this scenario, the military threat from Syria will not increase. In fact, it may even decline, though calm along the border will be less certain.

The third scenario posits the rise of a Sunni regime with more militant anti-Israel stances. Such a regime is liable to lose some of the Iranian support Syria currently receives (depending on the policy this regime would adopt vis-à-vis the tension between Iran and the Sunni states in the Persian Gulf) but it is also liable to risk a more aggressive attitude towards Israel and attempt to restore the Golan Heights to Syria by force, something that Bashar Asad the "infidel" was afraid to do, or at least loosen the hold on anti-Israel moves (by al-Qaeda?) along Israel's northern border.

According to a fourth scenario, Syria will stabilize under a more or less democratic regime with a clear pro-Western orientation. There is no doubt that this would constitute bad news from Iran's point of view and worse still for Hizbollah, but this would not necessarily translate into willingness to sign a peace treaty with Israel. It is obvious that the safest stance for any Arab regime is a hostile position toward Israel. Still, such a scenario would certainly encourage various international elements to exert pressure both on Israel and on whatever new regime emerges to conduct negotiations over a peace treaty (and the return of the Golan Heights). Would this be an auspicious development for Israel? In his day, Sharon thought the answer was no, but others may think differently.

The bottom line is that the developments in Syria and the possible scenarios there do not worsen Israel's situation, if only for the simple reason that the current basic assumption (that sees potential for war at any moment) is sufficiently threatening, and any changes may be for the better.

## Lebanon

Lebanon is affected by what happens in Syria but also operates according to its own internal logic. It seems that Hizbollah now has more reason to worry about its internal legitimacy in Lebanon. The first reason is its identification with the Syrian regime, a patently unpopular stance at the moment in the Arab world, including Lebanon. Second, Hizbollah too understands that today's revolutionary spirit in the Arab street does not support its ideological line, rather the opposite: no demonstration in Tunisia, Egypt, Libya, Yemen, Bahrain, or Syria trumpets the example of the 1979 Shiite Islamic Revolution in Iran or any other component of Hizbollah or Hamas ideology. It seems that fewer and fewer Lebanese accept the organization's self-definition as "the resistance," i.e., Lebanon's shield against Israeli aggression. Furthermore, Nasrallah's call to overrun Israel's borders with millions of protesters from different Arab states remains an empty threat for now. In other words, the restraining elements currently appear stronger than they were six months ago. Intra-Lebanese legitimacy is very important for Hizbollah, and it will thus likely try to avoid a direct confrontation with Israel in the foreseeable future.

The opposite – and less likely – scenario is that Syrian pressure to divert attention away from events in Syria will convince Hizbollah (and Iran) to renew the provocations on the Israeli-Lebanese border. In a broader sense, the uncertainty in Syria might also have ramifications for instability in Lebanon; this, however, is a less likely scenario.

## Bahrain

In contrast to the five other entities discussed here, all of which involve a border with Israel, Bahrain is far away. Nevertheless, what happens there is liable to have a significant impact on Israel.

Bahrain is a small state (twice the size of the Gaza Strip) located on the Saudi side of the Persian Gulf. On the one hand, it has a clear pro-American orientation: one of the most important United States bases in the Gulf is located in Bahrain. On the other hand, this is a state in which the Shiite majority is oppressed by a Sunni minority-ruled monarchy.

If in the long term the Arab world becomes democratic, it will be easier for Israel to find acceptance in the region as a nation of equal rights, and thus also resolve the extended conflict with Syria and the Palestinians.

When the demonstrations in Tunisia and Egypt erupted, they spread to Bahrain as well. Iran identified the potential: despite an attempt to keep a low profile, it incited the Shiites to take to the streets to demand freedom and democracy. There were moments in which the regime appeared on the verge of collapse, but Iran was not alone in grasping the regional significance of such an event. It was also understood by the Sunni states in the Gulf, primarily Saudi Arabia. Saudi Arabia, which for decades has presented as a cautious and at times even passive nation, hurried (though not for the first time) to send military forces to help the Bahraini government put down the revolt. Its motivation was clear: 15 percent of Saudi Arabia's population is Shiite, a community that lives in the wealthiest part of the oil-producing world yet is the only sector not enjoying any of the riches. A Shiite uprising in Bahrain could have let the Shiite genie out of the bottle in Saudi Arabia. Saudi Arabia understood that maintaining the status quo in Bahrain was a prime Saudi national interest; this was also true of Qatar, Oman, Kuwait, and the UAE. Currently the score in Bahrain is tied (both in terms of the internal circle within the state and in terms of a conflict between Iran and Saudi Arabia), but it is safe to assume that if the situation there changes, especially if a pro-Iranian Shiite regime takes power, it would have major regional ramifications. In light of the anticipated American withdrawal from Iraq, it appears that Iran is poised to attempt to expand its influence in the Gulf, while the Sunni states in the Gulf (along with Jordan) are joining forces to block it.

The ramifications for Israel are indirect. The expansion of Iranian influence in Bahrain and even more so in Iraq can have implications for stability in Jordan. In addition, any move that creates the impression of an American defeat simply adds to Iran's feeling of empowerment on every level, including its nuclear aspirations.

### **Jordan**

Thus far the situation in Jordan has remained stable. To date, all the revolts that succeeded or seem poised for success (Tunisia, Egypt, Yemen, Libya, and Syria) have occurred in states without a monarchy. Surprisingly, the kings – including the King of Jordan – are maintaining impressive stability.

Yet despite the stability to date, Jordan is a factor in this discussion for three reasons. First, Jordan too has been subject in recent months to unprecedented criticism of the royal household (with the Queen as the specific target). Second, the anticipated American withdrawal from Iraq in 2012 is liable to cause shockwaves in Jordan. Third and most important is the implication for Israel should there be a revolt in Jordan, similar to that regarding Egypt in terms of the no-war assumption, but it could be much more severe in terms of the calm and security and civilian cooperation along the border. For decades (even before the signing of the peace treaty with Jordan), Israel's longest border was also its calmest and most secure. A regime change in Jordan would require Israel to allocate vast resources to improve preparedness along that border.

On the other hand, a democratic revolution in Jordan placing the Palestinian majority in control of the government could cast a whole new light on the Palestinian issue and suggest an entirely new model for resolving the conflict.

### **The Israeli-Palestinian Conflict**

The Israeli-Palestinian conflict has a logic (or illogic) of its own. The impact of the recent events in the Arab world on the conflict is slight.

The primary question is: can the formula presented by President Clinton in late 2000 be acceptable to both sides? For now, the answer seems to be no. Do the events in the Arab world have the power to change the situation? For now, there is little positive evidence of this. This may change for the better if and when the states around Israel become true democracies, if the threat of Islamic hegemony as a replacement for secular dictatorships disappears, if Iran's influence on the region weakens, and if the Arab nations truly wish to resolve the Israeli-Palestinian conflict. If there is a new Arab initiative that would call for recognizing Israel not only upon its return to the 1967 borders (including the Golan Heights) but already in the course of the process, it may be that voices within Israel calling for a move that would strengthen it strategically – despite the many tactical risks – would grow stronger. Alternatively, a regime change in Jordan is likely to create opportunities in a different direction. Until such events take place, however, the Israeli-Palestinian conflict is an issue unto itself.

## Conclusion

The general significance of the change currently underway in the Arab world is not yet clear. As of now, the effect on Israel is limited and indirect.

Alongside the increased risks inherent in the instability and the adoption of less friendly attitudes towards Israel (Egypt), there are also opportunities (e.g., weakening Iran's influence in Syria and Lebanon, strengthening the anti-Iranian coalition in the Gulf). In the long term, there is no doubt that should the Arab world become democratic (elections alone do not make a state into a democracy), it would be easier for Israel to find acceptance in the region as a nation of equal rights and thus also resolve the extended conflict with Syria and the Palestinians.

A change that is already apparent is the reduced importance of Egypt and Syria, which in any scenario will be very engaged in internal matters, leaving the stage for Turkey and Saudi Arabia to expand their influence. Erdoğan is proving – not only because of his success in the recent elections – that unlike the passive West, he is reacting to the events. He takes the initiative and is not afraid to take a stand against states that only recently were friends (first Israel and now Syria). Saudi Arabia, after decades of passivity and reliance on the United States to solve its problems, is now assuming the role of regional leader. It may be that with sound diplomacy Israel can achieve greater normalization with Turkey and perhaps create some type of cooperation with Saudi Arabia. Even the pressure experienced by Hizbollah at present, which may grow if Assad's regime collapses, may afford Israel an opportunity to reach more stable security arrangements with Lebanon.

With regard to the size of the defense budget and its composition, certain changes are already in order as a result of the uncertainty in Egypt, though such changes need not be dramatic at this point. In any event, more attention must be given by the IDF to its confrontation with civilians. As has become increasingly evident, this is relevant not only with regard to the Gaza Strip and West Bank, but also with regard to the naval arena and the borders with Syria and Lebanon.

# The West Responds to the Arab Spring

Oded Eran

## Introduction

The events of 2011 known as the “Arab spring” have the potential to generate a change in the Middle East on the scale of what occurred in Eastern Europe following the collapse of the Soviet Union and its satellite regimes. An optimistic outlook envisions a process that will preempt a Huntingtonian “clash of civilizations.”

The masses who attended demonstrations in the various Arab capitals in 2011 and in Tehran in 2009 made their disenchantment over human rights, political rights, regime transparency, and socio-economic hardships very clear. Fulfillment of their demands requires an ambitious multi-year agenda that depends on immense funding. Indeed, without the massive mobilization of international financial and economic institutions, the industrialized nations, and the oil and gas producing states (especially those in the Middle East), it is doubtful that it will be possible to leverage the Arab spring in an ongoing process to achieve a result similar to what exists today in Eastern Europe, more than two decades after the fall of the Berlin Wall.

Unfortunately, the emergence of the Arab spring has coincided with ongoing economic and political crises in the two main blocs in the industrialized world – the United States and the European Union (which make up more than half of the G-8, the semi-official organization of the industrialized nations. Another country, Japan, is in distress following a natural disaster with serious economic ramifications.) In the United States, domestic criticism has increased over the fast and worrisome growth of the national debt. The threat of insolvency in Greece and perhaps in other countries in the Euro bloc has created one of the worst

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crises for the European Union since its creation. The need to make hundreds of billions of euros available to the countries in the greatest distress (110 billion euros for Greece alone in 2010) considerably reduces the ability of the European Union to allocate significant budgets for causes outside the EU member states. Not only has the euro crisis not been solved; it is expected to get worse.

Politically, domestically, and internationally, conditions on both sides of the Atlantic do not bode well for the US and the EU to mobilize the resources needed to translate the current situation in some of the Arab states into an historic revolutionary process. The United States is approaching the last quarter of President Obama's current term with the Republicans controlling the House of Representatives and threatening to prevent White House initiatives – especially in the realm of foreign policy – that require a significant appropriations budget. The European Union, in spite of the foreign service established by the Lisbon Treaty, has not succeeded in creating an effective framework, and it does not appear that the near future will bring a significant improvement and allow a key European institution in the realm of foreign and defense policy to forge a European policy with both vision and weight.

### **The Use of Force to Suppress Demonstrations**

For decades the West<sup>1</sup> has tended to tolerate the sometimes violent suppression of human and political rights in most Arab countries. This leniency has generally been explained in that the various regimes are allies of the West, but this explanation is less than consistently applicable. The mass demonstrations, killings, and brutality toward Iranian demonstrators following the Iranian elections in 2009, for example, earned only weak verbal criticism from Europe and the United States. The more recent uprisings in the Arab states have led to different reactions by Europe and the United States in each case, and this variety conveys a message of double and triple standards, of interests overcoming morality, and of extreme action being taken against tyrannical regimes only when there is no economic and/or political cost for such action.

The fact that UN Security Council Resolution 1973, mandating the establishment of a no-fly zone in Libyan airspace, was adopted only after the Arab League gave the green light to such a resolution is perhaps understandable politically, but it is not morally persuasive. When

Resolution 1973 was passed on March 17, 2011, the number of those killed in Libya, according to most estimates, was not significantly higher than the number of those killed to date in Syrian cities. As of the writing of this article, there has been no uproar in the Arab League or the Security Council regarding events in Syria, and only well into the disturbances there did two permanent members, Britain and France, begin to work toward adopting a resolution on Syria that resembles the Libyan resolution. For their part, Russia and China have made it clear they will not approve such a resolution, since they believe that the situation in Syria does not constitute a danger to world peace. The G-8 final declaration from its May 2011 summit in Deauville, France notes only that “should the Syrian authorities not heed this call [to stop using violence], we will consider further measures.”<sup>2</sup> In his main speech thus far on the events in the Middle East,<sup>3</sup> President Obama stated that the fear of a massacre in Libya and the existence of a mandate to act prompted the United States to cooperate with its NATO allies in the Libyan operation. He did not explain why in the case of Syria the US made do with sanctions only and a call for President Asad to step down, warning him about challenges from within Syria and isolation from without. To date no resolution has been adopted by the UNSC on Syria.

On the other hand, the United States and the European nations have almost entirely ignored the entry of Saudi forces into Bahrain to assist the regime in suppressing the demonstrations initiated mainly by the Shiites, who constitute a majority of the population.<sup>4</sup> In Yemen too, where the struggle of the rebels against the regime of President Ali Abdullah Saleh has already claimed hundreds of victims, no military intervention has been considered thus far, and the international community remains on the sidelines.

The unconditional American support for President Mubarak’s swift removal will reverberate for a long time in the region, especially in the regimes that had assumed that the United States would not allow them to be overthrown. The United States’ prompt abandonment of Mubarak contributed, inter alia, to Saudi

Politically, domestically, and internationally, conditions on both sides of the Atlantic do not bode well for the US and the EU to mobilize the resources needed to translate the current situation in some of the Arab states into an historic revolutionary process.

willingness to send forces to Bahrain and to the willingness of the Gulf Cooperation Council to consider adding two more Arab monarchies, Jordan and Morocco, to its ranks. The purpose is to strengthen the military capabilities of the Gulf states out of fear of the vacuum that may be created following the final American withdrawal from Iraq, and the increasing signs that the United States is reluctant to use force against Iran's ongoing nuclear military activity.

NATO's Operation Unified Protector has been underway for over three months, and Qaddafi's regime has stood firm. The mandate NATO set for itself does not stipulate that the goal is to topple the regime; however, since NATO accuses the regime of continuing to suppress the population, it is in effect admitting that the operation has not yet achieved its goal. The defense ministers of the NATO states decided at their June 8 meeting to extend the operation until the end of September 2011.<sup>5</sup> After (as of June 21) more than 4,500 combat sorties, there is a kind of stalemate between regime forces and rebels, with each side maintaining its positions and NATO forces succeeding in transferring supplies and aid, mainly to the Benghazi area.

The fact that the West has not issued a single threat to use force against the regime in Damascus can of course be attributed to the lack of encouragement or a mandate from the Arab League, and following that, of a UN Security Council resolution. But even if these conditions existed, NATO would presumably find it difficult to agree to the use of force there. In late June, EU foreign ministers made do with a threat to expand the sanctions only to Syrian personalities and companies connected to the repressive measures. From this point of view, therefore, Libya is the exception to the rule, since it was not expected that there would be a "price" for military action – in the form of damage by Libya to essential interests of the United States and other NATO members – and indeed, thus far NATO forces have not suffered any loss of life or equipment.

### **Regional Socio-Economic Conditions**

Even before the outbreak of the uprisings in the Arab world, the basic economic statistics in the region were among the worst in the world. Real economic growth in the region in the 1980s and 1990s was 3 percent, as opposed to 4.5 percent in emerging economies. Between 1980 and 2010, per capita GDP in the Middle East grew by only .5 percent, versus

3 percent in the developing economies.<sup>6</sup> In the wake of recent events, the forecast for growth in 2011 has dropped dramatically, other than for oil and gas producing states in the Persian Gulf. The current forecast is for average growth of only 3.6 percent in the entire region in 2011, a decline of one third from the previous estimate.<sup>7</sup> The decline can be explained by the reduction in income from tourism (in Egypt and Tunisia in 2010, the tourism sector accounted for 13 and 16 percent of the GDP, respectively); disruptions in ongoing economic activity; and the reduction in investments as a result of the increased political uncertainty and the expected growth in the budget deficit. As opposed to growth of 5.2 percent in Egypt in 2010, the forecast for 2011 is for only 1 percent. Growing inflationary pressures and a dramatic rise in the prices of imported food products will exacerbate the situation.<sup>8</sup>

In the short and medium term, the Arab spring incurs serious economic ramifications. The continuation of the uprising will only complicate the situation and the ability to cope with the political implications. Many sectors, such as construction, tourism, and the financial sector, are prone to long term damage. In the short term, temporary, interim governments and new governments are liable to prefer populist measures, such as subsidizing food products and raising wages in the public service sectors<sup>9</sup> over raising taxes in order to reduce the budget deficit, and the overall picture is of an ongoing and deepening economic crisis.

The International Monetary Fund estimates that \$160 billion is required for 2011-13 to cope with the range of the problems of the oil importing states in the region,<sup>10</sup> with the main goal being the establishment of maximum economic stability until even partial implementation of political, economic, and social reforms. For the international community, and especially for the United States, the European Union, and Japan, these needs are an almost impossible burden due to their respective internal situations of economic pressures.

The United States has thus far swapped \$1 billion of the Egyptian debt, on condition that the Egyptian government invest that amount in creating jobs, and it will guarantee another billion dollars in loans that Egypt raises in the global market. Likewise, the government agency Overseas Private Investment Corporation may grant up to \$2 billion of basic aid to the private sector in the region. In his meeting with King Abdullah of Jordan on May 17, President Obama agreed to provide Jordan

with \$1 billion, as well as 50,000 tons of wheat (some 5 percent of annual consumption, or close to \$17.5 million, in prices of May 2011).<sup>11</sup>

Before the Deauville summit, the European Union decided to provide 1.24 billion euros to the states in the region, in addition to 5.7 billion euros in aid that was previously authorized.<sup>12</sup> At the summit, the leaders of the G-8 decided to make available through the international development banks – primarily the European Investment Bank and the European Bank for Reconstruction and Development, which deals with Eastern European countries – more than \$20 billion for Tunisia and Egypt by 2013. Presumably this will be in the form of loans, since banks do not generally give grants. The government of France, the host of the summit, announced a grant of 185 million euros in budgetary aid for the Tunisian government, as well as 425 million euros for Tunisia's economic rehabilitation. In addition, France has granted 650 million euros to Egypt for economic recovery.<sup>13</sup>

The amounts presented thus far are far from the annual amount that according to the International Monetary Fund is needed for the recovery of economies in the region, and hence the importance of the Arab oil and gas producing states in creating a life preserver and a lever for change. The paradox is that these states are being asked to assist a process that is not desirable from their point of view, and they face a dilemma whether to help or to appear as if they are abandoning Arab populations in distress.

From published reports on the subject, it appears that Saudi Arabia has provided Egypt with \$4 million in grants, "soft" loans, and deposits in Egyptian banks.<sup>14</sup> In addition, the International Monetary Fund has placed \$3 billion at Egypt's disposal for the next twelve months for aid in economic reconstruction and for creating jobs. The IMF also announced the Egyptian government's intention to raise taxes on those with large incomes, to assist small and medium enterprises (SMEs), not to impose a value added tax, to eliminate subsidies, and to take further measures, even though the IMF believes, along with the Egyptian government, that at this stage it is not possible to implement all of the reforms.<sup>15</sup>

On May 24, the president of the World Bank announced the Bank's willingness to provide \$6 billion in aid to Egypt and Tunisia.<sup>16</sup> For its part, Saudi Arabia provided Jordan with \$400 million in cash in order to reduce the budget deficit that has increased significantly, mainly as a result of rising energy prices.<sup>17</sup> In addition, it established a fund of \$20 billion to

stabilize Oman and Bahrain, with the overt intention to strengthen the Arab monarchies.<sup>18</sup>

Although these sums still do not approach what the IMF estimates is needed (more than \$50 billion per year for three years), they are proof of the willingness by the international community to mobilize for this task. On the other hand, the various modes through which the aid will be channeled and the lack of oversight mechanisms for some of the aid, such as the Saudi money, raise many questions concerning the effectiveness of the aid, especially on issues whether it will help create jobs or will be utilized in a manner more transparent than in the past. Canadian Prime Minister Stephen Harper raised these doubts when he declared at the G-8 summit that his country would not donate additional money or resources above and beyond its role in international financial institutions, as only they can monitor the appropriate use of the financial assistance.<sup>19</sup> The funds from Saudi Arabia, some \$25 billion, most of which is being given as a grant and as a direct budgetary injection, are certainly not conditional on reforms. Hence, there should be no great expectations of a substantive change in the immediate term as a result of the Western-Arab aid to the Arab regimes in countries where the uprisings took place. The impact of the demonstrations will likely encourage, at least in the immediate term, regime transparency and less corruption and waste. Without closer monitoring than in the past by international institutions, however, it is highly doubtful whether the emergency aid will extend beyond a grace period.

### **The Long Term Western Approach**

In the short term the international community has succeeded in raising significant sums of money, even if they do not yet reach the amounts required and there is no certainty that they will assist in promoting the goals of the hundreds of thousands of demonstrators in the Arab world – goals that are also shared by Western governments. In the long term, however, the West does not have a satisfactory answer. Whether the spark that ignited the uprisings in 2011 was an Iranian spark – the mass demonstrations against the regime during and following the 2009 elections – or whether it was a Tunisian citizen's self-immolation in protest against the regime's maltreatment, the common denominator among them is protest against the tyranny of the central government,

the suppression of individual rights and freedoms, and socio-economic decay. In a number of instances, the rebels succeeded in ousting the rulers, but above all it is clear that their great success was in creating a new basis for political discourse in the Middle East. This new discourse involves the citizens themselves, along with temporary central governments and post-elections governments in the various countries, and all sectors of civil society, including the media, which certainly drew encouragement and strength from the citizens' willingness to clash with their governments.

This situation sparks many questions, including: How is it possible to maintain the achievements of the Arab spring so that it does in fact generate change and guarantee reform for the long term? What is the relevance of past processes that are similar (at least externally), for example, in Eastern Europe and/or South America? What is the role of the Western states, beyond their financial support? Are the Arab states, particularly those that import energy, capable of bearing the burden of the debts? What is the connection between the need to create nearly 100 million jobs in the coming decade and the success of the political reforms? In light of the increasing dependence of the Far East economies on Middle East energy resources, is it possible to create three way economic interaction between the energy importing economies in the Middle East and the Far East, and the energy producing economies in the Middle East?

Thus far, the West's response is far from providing a clear answer to these and other questions. The United States, the European Union, and the international financial institutions were preoccupied with many of these questions, even before the start of the uprisings. Recent events have only accelerated the discussion and increased the pressure to find a strategic answer.

In his May 19 address on the Middle East, President Obama did not contribute a great deal to the discussion. He acknowledged that political issues were not the only catalyst that pushed the masses into the street, and that ultimately, the key point is concern for food and their families. The transition to democracy depends on the expansion of growth and wellbeing enjoyed by all. Yet beyond the immediate steps noted above, the US President did not provide inklings of long term solutions.

The US Secretary of the Treasury and Secretary of State were more concrete in their letter to their colleagues before the Deauville G-8

summit,<sup>20</sup> adopting the priorities of the masses of protestors as they understood them: financial stability; a strengthened private sector; reduced corruption; greater employment; and further integration of their markets with the regional and global economy. In addition, the United States proposed to its partners that they convert Egypt's debts into investments in the Egyptian economy, as it itself did. The United States also suggested that the European Bank for Reconstruction and Development be reoriented to Middle East development as well, and indeed, this recommendation was adopted by the G-8. Furthermore, noting that non-oil exports constitute less than one tenth of the total trade in the area, the US revisited the idea of increasing regional trade: "Just as membership in the European Union served as a powerful incentive for economic transformation in Central and Eastern Europe after the Cold War, so should the prospect of participating in an integrated and dynamic regional economy create a powerful force for reform in the Middle East and North Africa."<sup>21</sup> This statement can only be interpreted as an invitation to the European Union to integrate the Arab states in the European Economic Area.

The European Union has in fact been deliberating the question of its relations with the Middle East and North Africa since the early 1990s. Among the considerations are the dependence of EU states on Middle Eastern sources of energy; the ramifications for Europe of the instability in the region due to its geographic proximity; the desire to play a role in the political process as a way of building the EU's political-security capability; and processes of illegal immigration from North Africa to Europe. Over the last three decades, the European Union has created three different frameworks in an attempt to address the question of its relations with the region: the Barcelona Process of 1995, the European Neighborhood Policy of 2004, and the Union for the Mediterranean of 2008. All these instruments were intended to provide a response to European priorities while blocking the possibility of full economic integration for the neighbors, not to mention full membership (even though a country such as Morocco has expressed interest in this). The EU has proposed establishing a Free Mediterranean Trade Area and association agreements that will also participation in certain European programs. On the other hand, it demanded that its Mediterranean

partners implement domestic economic, legal, and political reforms, and that their legislation be approximated to the European legislation.

The process of reconsidering EU policy vis-à-vis Europe's southeastern neighbors began even before the start of the Arab uprisings, but recent events have underlined the urgency of the review. On May 25, 2011, a joint communication was issued by the Directorate General for Enlargement of the European Commission and the High Representative of the European Union for Foreign Affairs and Security Policy, Lady Catherine Ashton.<sup>22</sup> The authors of the document acknowledge that thus far, the European Union has failed to achieve political reforms in neighboring countries, and because of recent events, a new approach is needed to strengthen the partnership between the EU and its neighbors. The principle that will guide the European Union, according to this document, is making European aid conditional on progress in building democracy and the rule of law. "The more and the faster a country progresses in its internal reforms, the more support it will get from the EU." The document's authors call this approach "more for more." With the European Union also apparently threatening to eliminate benefits in the event of regression and deterioration regarding human and political rights, the document is replete with encouraging formulations, such as "an ambitious response to the momentous changes currently ongoing in the Southern Mediterranean region," or "the partnership will be comprehensive and wide."

Nevertheless, the unavoidable conclusion from the document is that the frameworks and tools used by the European Union in its relations with neighboring countries have been refurbished, but not substantively changed. There is nothing wrong with a "more for more" approach, but this will not ensure the survival of the various reforms, even if they are adopted, and the growth of a responsible democratic leadership in the EU's Arab neighbors. The European model is not perfect and it has not entirely prevented corruption or economic failures, but it has enormously improved the situation that existed in some of the member states before they joined. For reforms in Arab countries to be adopted and maintained for the longer term, the said Arab states should adopt European-like legislation in the relevant domains. The incentives to do so and the desire to meet European standards will come from the series of economic measures that the European Union is proposing in this document.

However, the most important incentives, which do not appear in the document, are the European willingness to take risks and show a new kind of openness. Agriculture, for example, is still important in the economy of the neighboring countries. Although in the long term Middle East states must find alternatives to this sector, in the short and middle term the European Union must show greater willingness to absorb agricultural produce from these states. A no less fundamental change would be encouragement to adopt European legislation and conduct according to European standards, by integrating the various states in the European process of drafting legislation – although not in the decision on legislation (decision shaping vs. decision making) – in areas where the EU and a neighboring country have decided to cooperate. Including senior officials and even ministers from the neighboring states in internal European processes will increase their willingness to act according to higher standards. This also applies to including parliaments of the neighboring countries in legislative processes in the European parliament. In this way, a sense of joint ownership will be created, and feelings of coercion and European diktats that the authors of the May 25 European document wish to avoid will be eliminated.

The financial aid to states where the struggle for change and reform is underway cannot at this point come from Europe. It must be channeled mainly by the international financial institutions so that the aid will be utilized in the most transparent and effective manner. On the other hand, the EU countries have a central role to play in shaping the new regimes, given their promise to satisfy the expectations of those who sacrificed their lives in the streets of Tripoli, Cairo, and Damascus. In order to fulfill this task, the European Union must resolve dilemmas such as the contradiction between the desire to help and the interests of states or pressure groups within the European Union, or the ability to break out of the traditional – at times rigid – EU frameworks.<sup>23</sup>

On the one hand, the G-8 document on the Arab spring<sup>24</sup> echoes the key points that appeared in the European Union's document and in the letter from the US Secretary of State and Secretary of the Treasury to their colleagues. On the other hand, it is a promise by the leading countries of the world economy and is

The frameworks and tools used by the European Union in its relations with neighboring countries have been refurbished, but not substantively changed.

backed up by the leading financial institutions. The process has only just begun and as President Obama stated in his May 19 speech, it will continue for a long time. Both the Arab oil and gas producing states, besides Saudi Arabia, and the European Union will have more than enough time to achieve what the concluding document of the G-8 calls “a strategic shift in the approach and actions of the international community.”

### **The Dialogue with the Rebel Political Forces**

Both the United States and the European Union have in the past held contacts with opposition members in Arab countries. The uprisings in Arab countries in the first half of 2011 have provided international authorization for open contacts with rebel forces, such as in Libya, for example. The International Contact Group, a group of states in contact with the Transitional National Council that was established in late February 2011, meets frequently and sees this Council as “the legitimate interlocutor for the Libyan people.”<sup>25</sup> These states provide it with financial aid, and even purchase oil produced in the region under the control of the rebel forces in Libya. A no less interesting phenomenon is the decision by Arab oil producing states to aid the Transitional Council. The process concerning Libya, which began with an Arab League decision and continued with Security Council resolution 1973, thus moved to a new stage when Kuwait and Qatar transferred \$180 million and \$100 million, respectively, to the Libyan Transitional Council. The International Contact Group also discussed the situation in Yemen at its third meeting, in June in Abu Dhabi.

The Arab spring has created a precedent, albeit vague, of cooperation between Western states and Arab states against Arab regimes. It can of course be argued that less important states in the Arab League like Libya and Yemen should not be considered a precedent for situations elsewhere, in Syria, for example. On the other hand, Arab states are lending a hand to removing rulers against the backdrop of internal problems (unlike in 1990-91, when they cooperated with the United States in the Gulf War in the wake of the Iraqi invasion of Kuwait). This cooperation is certainly not based on shared values, since the regime in Kuwait, for example, is not identified as a democratic regime, rather on converging interests. Herein perhaps lies weakness in the cooperation and the reason for its transience. An interesting test in this context will be the desire and the

ability of the Western and Arab partners – similar to their collaboration on Libya – to reach out to the rebels in Syria, or work together on Bahrain, where clear US interests are manifest in the form of a huge military base.

## Notes

- 1 For lack of a better term, the “West” here describes the bloc of states on both sides of the Atlantic Ocean.
- 2 G-8 Declaration, “Renewed Commitment for Freedom and Democracy,” May 26-27, 2011, <http://www.g20-g8.com/g8-g20/g8/english/the-2011-summit/declarations-and-reports/declarations/renewed-commitment-for-freedom-and-democracy.1314.html>.
- 3 President Obama’s speech of May 19, 2011, <http://www.whitehouse.gov/the-press-office/2011/05/19/remarks-president-middle-east-and-north-africa>.
- 4 In his May 19 speech, President Obama expressed understanding for Bahrain’s need to protect itself from Iranian subversion, but he criticized it for attacking civil rights and the legitimate call for reforms.
- 5 “NATO and Partners Will Stay the Course on Libya,” NATO website, June 8, 2011, [http://www.nato.int/cps/en/natolive/news\\_75194.htm?](http://www.nato.int/cps/en/natolive/news_75194.htm?). The site provides detailed data on the types of naval and aerial activity and humanitarian assistance.
- 6 International Monetary Fund report submitted to the G-8 summit on May 27, 2011, *Economic Transformation in MENA: Delivering on the Promise of Shared Prosperity*, <http://www.imf.org/external/np/g8/pdf/052711.pdf>.
- 7 World Bank Middle East and North Africa Region Regional Economic Update, May 2011, *MENA Facing Challenges and Opportunities*, [http://sitere-sources.worldbank.org/MENAEXT/Resources/EDP\\_MNA\\_2011.pdf](http://sitere-sources.worldbank.org/MENAEXT/Resources/EDP_MNA_2011.pdf).
- 8 In Egypt, the forecast is for a deficit of 9 percent in 2011-12, and in Jordan, 6.2 percent and 5.2 percent, respectively, for these years. See *ibid*.
- 9 At least seven Arab governments have done this recently. Nine governments have raised subsidies on basic products. See *ibid*.
- 10 International Monetary Fund report submitted to the G-8 summit on May 27, 2011, *Economic Transformation in MENA: Delivering on the Promise of Shared Prosperity*, <http://www.imf.org/external/np/g8/pdf/052711.pdf>. This sum is divided equally among the three years included in the assessment, that is, more than \$50 billion per year.
- 11 White House announcement of May 18, 2011, “Factsheet: Economic Support for the Middle East and North Africa,” <http://www.whitehouse.gov/the-press-office/2011/05/18/factsheet-economic-support-middle-east-and-north-africa>.
- 12 “A New and Ambitious European Neighbourhood Policy,” May 25, 2011, <http://europa.eu/rapid/pressReleasesAction.do?reference=IP/11/643>.
- 13 The French President’s announcement as an appendix to the G-8 closing statement of May 27, 2011, “The ‘Deauville Partnership’: Helping the Arab

- Countries in Their Transition to Free and Democratic Societies,” <http://www.g20-g8.com/g8-g20/g8/english/live/news/the-deauville-partnership-helping-the.1323.html>.
- 14 Middle East News, announcement by Mohamed Hussein Tantawi, head of the temporary Egyptian council, May 24, 2011.
  - 15 IMF press release 11/216 of June 5, 2011, <http://www.imf.org/external/np/sec/pr/2011/pr11216.htm>. The announcement implies that the IMF aid is part of this amount.
  - 16 World Bank press release 2011/500/EXT, May 24, 2011, <http://web.worldbank.org/WBSITE/EXTERNAL/NEWS/0,,contentMDK:22922288~pagePK:64257043~piPK:437376~theSitePK:4607,00.html>.
  - 17 Reuters, June 3, 2011.
  - 18 Prince Waleed bin Talal al-Saud to the *New York Times*, Neil MacFarquhar, “Saudi Arabia Scrambles to Limit Region’s Upheaval,” May 27, 2011, [http://www.nytimes.com/2011/05/28/world/middleeast/28saudi.html?\\_r=2](http://www.nytimes.com/2011/05/28/world/middleeast/28saudi.html?_r=2).
  - 19 See Prime Minister Harper’s comments to CBC News, May 27, 2011.
  - 20 Secretary Clinton and Secretary Geithner Joint Letter to G-8 Ministers, Media Note, Office of the Spokesman, May 25, 2011, <http://www.state.gov/r/pa/prs/ps/2011/05/164252.htm>.
  - 21 Ibid.
  - 22 European Commission High Representative of the European Union for Foreign Affairs and Security Policy, COM(2011) 303, May 25, 2011, *Joint Communication to the European Parliament, the Council, the European Economic and Social Committee and the Committee of the Regions: A New Response to a Changing Neighbourhood*, [http://ec.europa.eu/world/enp/pdf/com\\_11\\_303\\_en.pdf](http://ec.europa.eu/world/enp/pdf/com_11_303_en.pdf). A short version is also available, MEMO/11/342, May 25, 2011, *A New and Ambitious European Neighbourhood Policy*, <http://europa.eu/rapid/pressReleasesAction.do?reference=MEMO/11/342&format=HTML&aged=0&language=EN&guiLanguage=en>.
  - 23 See the article by Katarzyna Pełczyńska-Nałcz, “Democratisation in the Neighbourhood: Noble Declarations and Unavoidable Dilemmas,” *EurActiv*, May 20, 2011, <http://www.euractiv.com/en/enlargement/democratisation-neighbourhood-noble-declarations-unavoidable-dilemmas-analysis-505000>.
  - 24 G-8 Information Centre, “Declaration of the G-8 on the Arab Spring,” May 26-27, 2011, <http://www.g20-g8.com/g8-g20/g8/english/live/news/declaration-of-the-g8-on-the-arab-springs.1316.html>.
  - 25 Comments by Secretary of State Clinton, “Press Availability in Abu Dhabi, United Arab Emirates,” June 9, 2011, <http://www.state.gov/secretary/rm/2011/06/165351.htm>.

# A Golden Opportunity? Al-Qaeda and the Uprisings in the Middle East

Yoram Schweitzer and Gilad Stern

## Introduction

In recent months, government officials, commentators, and Middle East experts have debated how the wave sweeping through the Arab world affects al-Qaeda. The common assumption is that the events in Tunisia, Egypt, Libya, Yemen, Syria, and other countries are a serious blow to the organization. This notion is based on the assessment that the “Arab spring”<sup>1</sup> – in which, as far as is known, al-Qaeda did not play any part – expresses the desire of the masses in Arab countries for democratization. However, democracy is a concept that is diametrically opposed to al-Qaeda’s worldview, which sees it as a form of government that negates the values of Islam and is therefore a “road to hell.”<sup>2</sup> In addition, after two decades in which al-Qaeda’s leaders declared their determination to bring about a revolutionary change against the corrupt, infidel regimes in the Arab and Muslim world through “armed struggle, holy war, and self-sacrifice” (*al-muqawama al-musallaha, jihad, and istishhad*), and after years in which they expressed their confidence that only in such a way will these regimes fall, it is clear that these declarations have not translated into reality and instead have presented the organization as politically irrelevant.

This article seeks to examine whether, as many claim, the popular uprisings in the Arab world do in fact portend the end of al-Qaeda, or whether the new situation may actually provide it fertile and convenient

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ground for implementing its long term strategic struggle, making it easier and safer for activists to be present in these states and recruit new cadres to their ranks while taking advantage of the unrest. To that end, the article will review the main arguments that claim that the Arab spring augurs the end of al-Qaeda, and will then analyze statements by the organization's leaders and supporters – shaped by their perception of al-Qaeda's mission – on the significance of the recent events. Against this background, an assessment will be made how the emerging situation is liable to affect the organization's operational freedom.

### **The Beginning of the End for al-Qaeda?**

Many researchers and commentators who have analyzed the recent uprisings in the Middle East view them as the beginning of the end of al-Qaeda. They claim that for the organization, the events known as the Arab spring were “the worst thing that has happened since al Qaeda was created,”<sup>3</sup> and that it implies no less than “al-Qaeda's fall.”<sup>4</sup> There have been a number of key arguments for this assessment. First, the fact that the current turmoil in the Middle East has mainly taken place through a relatively non-violent and popular uprising has been a “blow to the jihadist narrative,”<sup>5</sup> since in contrast to the path of terror proposed by al-Qaeda's leaders, the mass non-violent demonstrations expressed “a repudiation of everything that Osama bin Laden preached and stood for,”<sup>6</sup> and were “completely against what al Qaeda is preaching.”<sup>7</sup>

Second, the slogans at the center of the civil uprising have made it clear that the masses in Arab countries yearn for democratization, a concept that is completely contrary to al-Qaeda's way of thinking. For al-Qaeda, “the rule of the majority” is “without abidance by any religion, morality, value or principle.”<sup>8</sup> It is a human construct, and thus contradicts the concept of the total superiority of the divine creator and his unique ability to determine the fate of human beings.

Third, after more than two decades of condemnations by al-Qaeda of the corrupt dictators who led the Muslim Arab states, the Arab masses “have risen to topple their leaders – and Al Qaeda has played absolutely no role.”<sup>9</sup> International jihad organizations are described as having been left behind, as “each day's demonstration shows how irrelevant al-Qaida's philosophy is.”<sup>10</sup> Following the killing of Osama Bin Laden, President Obama argued that “even before his death, al-Qaeda was

losing its struggle for relevance.”<sup>11</sup> Brian Jenkins also concurred that “the biggest long term threat to al-Qaeda is irrelevancy.”<sup>12</sup>

Fourth, a widespread claim holds that “the spread of democracy in the Arab world is depriving the terrorist movement of its reason for being,”<sup>13</sup> and that “if you have freedom, al-Qaeda will go away.”<sup>14</sup> Therefore, senior officials in the US administration have made it clear that they support the “democratic revolutions” in Egypt and other countries in the region, inter alia, because they help the struggle against extremism and violence and against an enemy like al-Qaeda.<sup>15</sup> Democracy, they claim, will provide the various schools of thought in Arab countries – and young people in particular – many avenues of expression and thus will make it difficult for al-Qaeda to recruit new activists. As a former CIA intelligence officer stated, “democracy is bad news for terrorists. The more peaceful channels people have to express grievances and pursue their goals, the less likely they are to turn to violence.”<sup>16</sup>

Finally, commentators claim that irrespective of the turmoil and the demonstrations in the Middle East, al-Qaeda has become less popular in the Muslim world over the past decade. A series of polls published by the PEW Research Center from 2003 through March 2011 has ostensibly strengthened this claim by showing a sustained decline in support for al-Qaeda and Bin Laden in polls conducted in seven different Muslim countries.<sup>17</sup> CNN commentator Peter Bergen, a known expert on the organization’s history, also claims that in fact “even before the revolutionaries first took to the streets of Tunisia, al Qaeda was losing the ‘war of ideas’ in the Islamic world.”<sup>18</sup> To many people, the series of events in the Arab world constituted further proof of the fact that al-Qaeda is unable to motivate the wider public, and that it has finally lost the support of the Muslim street.

### **Al-Qaeda’s Perspective on the Arab Spring**

The response by al-Qaeda and its supporters to the Arab spring is necessarily based on its perception of its role in the historical processes that lead to the realization of its vision: the return of Islam to its natural place of leadership in the world and the establishment of an Islamic caliphate. Al-Qaeda sees itself as a catalyst that will lead the young people of Islam to rise up against what, in its view, is the unbearable situation of the Muslim world: a state of inferiority, exploitation, despoilment,

and humiliation. Responsibility for this depressed situation is ascribed to the infidel regimes that rule the Arab world, which survive thanks to the patronage of the United States. Al-Qaeda's strategy for action, expressed in *Knights under the Prophet's Banner* by Dr. Ayman al-Zawahiri, Bin Laden's former deputy and current appointed leader, states that these regimes should be removed and replaced by regimes that conduct themselves according to Islamic law and models that existed at the time of the Prophet Muhammad. This principle is basic to al-Qaeda's view, and serves as a guideline for all dimensions. To al-Qaeda's commanders, the only possible way to fulfill this vision is through military jihad, because these regimes will not willingly give up their control or their deviant path. Al-Qaeda's leaders see themselves as leading the awakening Islamic camp through terrorist activities that will attack the centers of power in the Arab Muslim world and their supporters, and chart the correct path for the youth of Islam to achieve their vision. In their view, this struggle is long term, and while it requires historical patience (*sabr*), its successful conclusion is assured in advance because Allah and righteousness are on their side.<sup>19</sup>

Many people were taken by surprise by the fast pace of the Arab uprisings in Tunisia and in Egypt, even before they had spread to other countries. This includes the senior officials in al-Qaeda, who are objects of an intensive worldwide manhunt, and whose responses to events in the world around them are generally delayed and fragmented. For example, al-Zawahiri's initial reaction was late; he gave his blessings to the protesters even before he heard of Mubarak's fall. Later, though, he published polished declarations that were more timely, in which he expressed support and enthusiasm for events taking place in the Middle East. Al-Zawahiri addressed the "honorable free" revolutionaries in the Arab world and encouraged the Muslim nation to continue to work for real change until a "righteous and just" regime comes to power. He stated that "America's defeat has begun appearing in the horizon, and her helpers have begun falling."<sup>20</sup> Bin Laden himself conveyed his blessings to the protesters and called the revolutions an "historic opportunity to raise the *ummah* and be liberated from enslavement to the wishes of the rulers and the man-made laws and the Western domination." In his last message to the Islamic nation before he was killed he stated, "we share with you happiness and joy, cheerfulness and delight."<sup>21</sup> Abu Yahya al-

Libi, who was mentioned as a possible successor to Bin Laden, mainly because of his popularity among the younger generation of global jihad activists and his personal record as a fighter and a senior writer from among the al-Qaeda leadership, called the toppling of the regimes “one step of many efforts to reach the goal.”<sup>22</sup>

Al-Qaeda’s position was perhaps best expressed by the most popular and active spokesman among the senior officials of al-Qaeda in the Arabian Peninsula (AQAP), Anwar al-Awlaki. In a May 2011 article in *Inspire* magazine, Awlaki showed exceptional knowledge of the controversy in the West over the recent events, and amusedly referred to the debate that was conducted in the West concerning the Arab spring’s meaning for al-Qaeda. While quoting Hillary Clinton, dismissing Peter Bergen, and mocking Robert Gates for their interpretations, he explained that “we do not know yet what the outcome [of the uprisings] would be, and we do not have to. The outcome doesn’t have to be an Islamic government for us to consider what is occurring to be a step in the right direction.” In the minds of al-Qaeda’s leaders, whatever regimes come to power after Mubarak, Qadafi, and Ben Ali, the recent events bespeak an unprecedented change for the better for supporters of jihad. As Awlaki noted, “our mujahidin brothers in Tunisia, Egypt, Libya and the rest of the Muslim world will get a chance to breathe again after three decades of suffocation.”<sup>23</sup>

Statements made by members of the al-Qaeda camp and their affiliates reveal their belief that the toppling of the corrupt infidel Arab regimes by the protesting masses is a blessing from Heaven, a realization of their hopes, and proof that Allah is with them on the road to victory. The way they see it, the work of the righteous is done by others; anyone who engages in the work and promotes the highest interest of the Muslim nation by removing the infidel regimes is an emissary sent to fulfill a divine commandment and will ultimately help bring about the realization of the divine rule on earth by the path chosen and forged by al-Qaeda. Moreover, al-Qaeda’s leadership anticipates that the initial enthusiasm marking the protest wave will soon be replaced by disappointment and discontent. Such

Recent and current events, while consistent with al-Qaeda’s professed desire to topple the infidel regimes, still force it to contend with a path that is contrary to what it believed would bring about change.

disillusionment will shatter the achievements of the Arab spring, causing it to implode.<sup>24</sup> Indeed, al-Qaeda sees nascent signs of this phenomenon in Egypt, where the masses are already regrouping in order to achieve a second revolution.<sup>25</sup>

It is clear from these statements that al-Qaeda's leaders hope that the protesters' success in Tunisia and in Egypt will continue in Yemen, Libya, Saudi Arabia, Jordan, Syria, and other Muslim nations. However, these statements should also be viewed critically, and understood as propaganda and encouragement for al-Qaeda's supporters who are facing much uncertainty. Recent and current events, while consistent with the professed desire of the organization to topple the infidel regimes, still force al-Qaeda and its supporters to contend with a path that is contrary to what they believed would bring about change.<sup>26</sup>

### **The Arab Spring: Fertile Ground for Jihadists**

Although the orientation of the new regimes is unclear in countries where there has already been a change of leadership – Tunisia and Egypt – and the fate of a number of regimes that are fighting to survive has not yet been determined, it appears that even today, the new situation brings several advantages for al-Qaeda and its affiliates on the path of global jihad. One of the immediate results of the revolutionary wave in some of these states is the dismantling of the old security apparatuses, which often employed extreme and uninhibited violence and were the regimes' main tool for confronting Salafist-jihadist elements. In Egypt, for example, in light of the hostility of the masses toward the security apparatuses, Mansour al-Essawy, the new minister of the interior, announced that the State Security Investigations agency (*Mubahath al-Dawla*)<sup>27</sup> would be dismantled. The agency bore most of the burden of surveillance, investigations, and intelligence operations against terrorist organizations, including Egyptian Islamic Jihad (EIJ), which today is a central part of al-Qaeda, and was in the past led by al-Zawahiri. The transitional government in Tunisia also announced that it would immediately dismantle the political police and the state security apparatus.<sup>28</sup> If the governments are changed elsewhere in the region, they will likely take similar steps in order to appease the masses, and this policy will increase the jihadist organizations' leeway in propaganda, recruitment, and expansion of existing networks.

In countries where the struggle of the masses has not yet been determined, the weakness of the central government and the accompanying chaos are fertile ground for al-Qaeda to strengthen its power base in an unprecedented manner. In Yemen, AQAP has in recent months been working against the central government in Sana'a and carrying out many terrorist attacks against security forces, while attempting to strengthen its ties with other opposition elements.<sup>29</sup> In Libya, al-Qaeda fighters are maintaining close contacts with the Libyan opposition;<sup>30</sup> in Morocco, al-Qaeda activists were behind several instances of violence throughout the country;<sup>31</sup> and in Tunisia, two al-Qaeda activists were arrested near the Libyan border while carrying explosive belts and a number of bombs.<sup>32</sup>

Israel too is affected by the governmental vacuum; according to security service officials, the state of anarchy and the lack of governability today in the Sinai Peninsula is exploited by terrorist organizations for large scale weapons smuggling.<sup>33</sup> A senior security source in Egypt reinforced this assessment when he announced that 400 al-Qaeda terror activists were tracked in Sinai after they had planned terrorist attacks in Egypt and in the peninsula.<sup>34</sup> In addition, as a result of the uprisings, thousands of jihadists escaped or were freed, some from the hard core of the radical Islamic organizations with proven terrorism experience and who were imprisoned for many years for subversion. Thus, from the anarchy, al-Qaeda and its affiliates gained the opportunity to refresh and renew their ranks: in Egypt, the military regime released al-Zawahiri's brother, together with 59 political prisoners.<sup>35</sup> They joined 1,659 additional prisoners who were released during the events that led to the ousting of Husni Mubarak.<sup>36</sup> In Libya, in a prisoner uprising on February 18, a large number of prisoners escaped from the al-Kuifia prison.<sup>37</sup> These were in addition to some 850 radical Islamic activists, among them the brother of Yahya al-Libi, Abd al-Wahhab Muhammad Qaid,<sup>38</sup> who were recently released by the regime.<sup>39</sup> Thus although the size and effectiveness of the forces that support al-Qaeda

The attempt by analysts to determine that the revolutionary process signifies the end of al-Qaeda and its affiliates appears overly hasty. It is actually the removal of tyrannical regimes that were dependent on cruel and unrestrained security forces that is liable to provide fertile ground for al-Qaeda activity.

are uncertain, and there is much doubt as to their ability to exploit the events in any country to seize control, they are taking advantage of the governmental vacuum in the areas in which there is weak governance in order to strengthen themselves and their ability to train new activists to continue their struggle in the future.

## Conclusion

After seven months of mass uprisings among the citizens of Arab countries and a bloody process that has led to regime changes in two countries and continues to manifest itself in neighboring states, the attempt by analysts to determine that the revolutionary process signifies the end of al-Qaeda and its affiliates appears overly hasty. Even if the hopes of the masses who filled the squares are realized and democratic regimes are indeed established in place of the tyrannical regimes that were hitherto in power, sweeping conclusions on the nature of the future regimes and the strategic effects of the changes in the region should be avoided, because it is still unclear how such democracies in the Arab world will act and function.

It is possible that these events, which are liable to cause governmental instability in many Middle East countries in the transition period between the old regimes and the new, are good news for al-Qaeda and for activists of organizations that support the ideas of worldwide jihad. To be sure, the intensive worldwide hunt for al-Qaeda continues, and many senior leaders, Bin Laden included, have been killed. In addition, sympathy from the Muslim community continues to decline. Nonetheless, it is actually the removal of tyrannical regimes that were dependent on effective, cruel, and unrestrained security forces that operated without legal restrictions and widespread, free media coverage characteristic of democratic regimes that is liable to provide fertile ground for al-Qaeda activity. Moreover, al-Qaeda's worldview has been confirmed, with the removal of the heads of Arab infidel regimes as an ostensible expression of divine wonders and fulfillment of the goal to establish a state under Islamic law. Those who helped topple these rulers were emissaries sent to fulfill the divine commandment, and it will be al-Qaeda that continues to fully complete the task according to its chosen means. In addition, governmental instability and governmental vacuums in some Middle East countries suit al-Qaeda's modus operandi, which has exploited

such situations in the past. The escape of hundreds of its prisoners in the wake of the uprisings also provides the organization with important reinforcements of experienced and extremist manpower and will aid it in continuing its struggle.

Nonetheless, ongoing targeted strikes against al-Qaeda's leadership and the worldwide battle against its affiliates are liable to bear fruit and ultimately strike a fatal blow to the organization. This offensive, independent of the uprisings taking place today in the Arab world, may well challenge the fulfillment of the radical ideas al-Qaeda has represented since its establishment, more than two decades ago.

## Notes

- 1 The term "Arab spring" was intended to parallel the European "Spring of Nations," a series of revolutions in a number of European states in the nineteenth century against authoritarian regimes to promote the values of democracy and individual liberty. While from an historical perspective the Spring of Nations is often seen as a key stage towards the establishment of European democratic nation states, caution is warranted in predicting the outcome of the revolutionary wave underway in the Arab world.
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# A Palestinian State from Theory to Practice: The Challenges Facing the Palestinians and Israel

Ephraim Lavie

## Introduction

Since the end of the violence of the al-Aqsa intifada, Palestinians and their leadership, with the assistance of the international community and Israel, have turned their attention to social and institutional reform. Israel has supported and encouraged these efforts by the Palestinian Authority in the West Bank, for example, by removing roadblocks and easing restrictions on movement in the area. The declared objective of Prime Minister Salam Fayyad's program, "Ending the Occupation, Establishing the State," approved by the thirteenth Palestinian government for 2009-2011,<sup>1</sup> was to construct a Palestinian state from the bottom up: to strengthen the economic, social, and security foundations of the PA so that the Palestinian state would, by mid 2011, become a state de facto.<sup>2</sup> This in turn would demonstrate to Israel and the international community that the PA and the Palestinians are capable of taking responsibility for their stretch of land and their people. This would also prevent Israel from being able to claim that the Palestinians are neither ready for the establishment of a state nor are partners for a political settlement who can be relied on to fulfill and maintain commitments.

The Fayyad program is the first significant Palestinian attempt at state building, and it reflects a change in the national agenda: from the attempt to arrive at a political settlement in order to end the occupation to the attempt, independent of political negotiations, to construct a state from

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the bottom up in a way that meets the requirements of the international community and Israel. The various PLO factions and organizations within Palestinian civil society have supported the program, understanding that establishing a Palestinian state requires the construction of democratic institutions and an economic system that can allow Palestinians to rule themselves after the end of the occupation. As part of the program, various reforms and development programs have been implemented, PA institutions and security apparatuses have been rebuilt, and a stable routine for the populace has been achieved.<sup>3</sup>

In tandem, PA President Mahmoud Abbas has worked to advance the establishment of a Palestinian state on the political level. On the eve of the renewal of the direct talks with Israel in September 2010, President Obama and Prime Minister Binyamin Netanyahu declared, independently of one another, that it was possible to arrive at a permanent settlement within the year. Obama also declared that the establishment of a Palestinian state was a national interest of the United States. The Quartet adopted the timeframe, which was congruent with the Palestinian government program to complete the process of building state institutions by

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September 2011. Many in the international community viewed the parallel progress of the two channels – the negotiations and the state building – as promising. However, the deadlock in the direct talks propelled Mahmoud Abbas to adopt a move that would force Israel to engage in negotiations on a state based on the 1967 borders. The main thrust of the move is to enlist the international community to recognize a Palestinian state within these borders, thereby wresting from Israel the exclusive ability to decide the fate of the territories and the future of the Palestinian people.

The Palestinian leadership has advanced on both the bottom up and top down tracks, i.e., building a Palestinian state and attaining international recognition. Key members of the international community, including the Secretary General of the United Nations, have praised the Palestinians for their security-related and economic achievements and for their governmental reforms. Both the

World Bank and the International Monetary Fund have stated that the PA's economic institutions are ready for sovereignty. Many nations have announced that they recognize a Palestinian state within the 1967 borders, while others, including the United States and some European countries, have upgraded their diplomatic relations with the Palestinians.

The Palestinian strategy was not meant to supplant the political process to settle the conflict, rather to turn the Palestinians into an equal partner in negotiations that would be conducted along principles embraced by the international community. Should, against Israel's wishes, the Palestinian state be recognized by the UN as a state within the 1967 borders, or alternately, should the Palestinian attempt fail to have the international community force Israel to accept the 1967 lines as the basis for negotiations, the sides are liable to find themselves facing serious political and security challenges. This essay reviews the achievements to date in Palestinian state building, and analyzes the challenges the Palestinians and Israel will have to face in the various scenarios.

## **State Building from the Bottom Up**

### *The Security Apparatus*

The Palestinian security apparatuses in the West Bank have been built, trained, and armed by the Americans. Young, dynamic, professional commanders who cooperate together and operate under the authority of the Prime Minister have been put in charge. The areas of responsibility have been redefined, and today the security apparatuses operate in a coordinated manner to implement a common policy in all law enforcement matters. There has been a significant increase in the number of officers with academic backgrounds, including those with legal training. Motivated both by state building concerns and a fear of Hamas, the commanders maintain security coordination with Israel. Their operational activities have significantly reduced the number of IDF incursions into Palestinian areas, which in turn has enabled them to cope with challenges independently. There are fewer signs of anarchy: illegal weapons have been confiscated, auto theft is down, and a significant improvement in the residents' personal sense of security has been achieved.<sup>4</sup>

### *The Judiciary*

The traditional Palestinian judiciary has undergone comprehensive reforms. The number of judges has increased; administrative staffs in the legal system have undergone appropriate professional training; a program to integrate outstanding law school graduates into the legal system has been launched; and coordination and cooperation between law enforcement agencies – the Justice Ministry, the Office of the General Prosecutor, the High Judicial Commission, and the police force – have been expanded and regulated. These agencies are undergoing significant expansion and automation. The Justice Ministry has established new functions such as the Documentation Department, which supplies character references through an automated system, and the Mediation and Arbitration Department, which deals with public queries and provides arbitration licenses. As a result, the public's faith in the judiciary has grown, reflected by the rising number of people appealing to the courts.

### *The Economic System*

In recent years, the Palestinian economy has been characterized by a higher growth rate, a rising GDP, and shrinking unemployment. It has seen positive budget balances that include a rise in income, in part a result of taxation, a drop in loans, and a growth in development expenses. The PA has improved its tax collection system; the banking system is more institutionalized and better organized;<sup>5</sup> PA ministries have been connected to a computerized accounting system; and the annual budget is constructed on the basis of a common database among the ministries. By means of the shared database, the Finance Ministry controls the budget of the government ministries and publishes monthly income and expense reports on its website for public perusal.

The improvements in tax collection and in fiscal conduct in general are the most prominent expression of the PA's achievements in the economic realm. As a result of these accomplishments, the PA cut the total current deficit by nearly one half between 2008 and 2011, and this trend is continuing. Moreover, the still existing deficit stems almost entirely from the burden of financing government services in the Gaza Strip at a time when the PA has no way of collecting taxes there. The current budget for the West Bank in 2010 could have been balanced: had

it not been for the need to finance routine activities in the Gaza Strip in the amount of almost \$1 billion annually, the budget could have tripled or even quadrupled the investment budget for the West Bank.<sup>6</sup>

The PA is promoting construction, agriculture, and tourism as sources of employment and income. The modern city of Rawabi is under construction near Ramallah; new neighborhoods (al-Rihan near Bir Zeit and J'nan in Jenin) are being built; a national program for building tens of thousands of housing units in existing neighborhoods has been launched; and programs for long term mortgages for young couples have been approved. The agriculture budget has grown and large scale projects in rural areas have started, including soil improvement and expansion of artificial irrigation based agriculture. The new agricultural insurance law ensures that farmers are assisted and compensated for loss of land or income as a result of epidemics or droughts or even the erection of Israel's separation barrier. Greater security in recent years has resulted in increased tourism and the development of that economic sector. By contrast, industry lags behind and has not yet been significantly developed. Investors have so far avoided investing in productive sectors of the economy, preferring real estate and construction in the public sector.<sup>7</sup> Thanks to French investments, the first industrial park in the area controlled by the PA was constructed in Bethlehem.<sup>8</sup> There are plans for constructing industrial parks in Jenin, Bethlehem, and Jericho, as well as an information technology park in the al-Rihan neighborhood in Ramallah.<sup>9</sup>

### *Welfare and Social Services*

The PA has improved its efficiency in social services, especially in welfare, health, and education. Accordingly, infant mortality is low, life expectancy is high, the number of teens in high school is 90 percent, literacy among young people is 94 percent, and more than half of the university students are women. The Social Affairs Ministry conducts a broad, progressive national program funded by the EU and World Bank to help families in need.<sup>10</sup> Health services have been expanded: for example, a medical center in Ramallah has been established and construction has started on a modern medical facility in al-Rihan. The health system is cooperating with Egypt and Jordan on joint health programs (inoculations, disease identification, emergency treatment) and works to disseminate

information in order to improve the quality of life and prevent disease.<sup>11</sup> The World Health Organization has praised the scope, quality, and efficiency of medical treatment. The Education Ministry is investing in improving curricula and educational environments: schools are being equipped with labs, computers, and school lunch facilities. The Youth and Sports Ministry is promoting sports projects, establishing centers for training youth counselors, building playgrounds, refurbishing existing clubhouses and sports facilities, and running popular activities such as marathons. In the field of culture, the PA is establishing libraries and heritage museums and supporting existing cultural centers. The Culture Ministry runs art festivals throughout the PA and cultural activities in rural areas.

### *Infrastructures*

The PA seeks to reach a point at which it can provide half of its energy needs, and is encouraging the use of alternative energy production in the private and public sectors.<sup>12</sup> It is engaged in negotiations with the Israel Electric Company over the establishment of small power stations in Jerusalem, Jenin, Nablus, and Hebron.<sup>13</sup> It established the National Water Commission, which coordinates activities of the various water agencies and is formulating a strategic plan for managing water and sewage infrastructures. With the assistance of the donor nations, there is new drilling for water, routine maintenance of existing infrastructures, improvements in the sewage system, and work to prevent flooding. The PA is building new roads and other infrastructures, and providing maintenance for existing infrastructures in rural areas. It is encouraging investments in information technology and communication, fields it views as critical to the economy and the modernization of the Palestinian state.<sup>14</sup>

### *Good Governance*

The PA has enacted reforms to improve the quality and transparency of public management. It established an authority to combat money laundering, which created hotlines for the public to report on corruption and money laundering. In tandem, the PA has begun to investigate cases of forged documents and land ownership papers as well as embezzlement of public funds; some government ministries have

established ombudsman's offices; the Financial and Administrative Oversight Bureau has begun to receive the government's account ledgers from the Finance Ministry; the Monetary Authority has made public the criteria required to employ personnel in the banking sector, giving preference to applicants with academic degrees and practical experience; and various public agencies operate customer service websites, thereby increasing accessibility to the Palestinian government.

### **Challenges to Continued State Building**

The PA's achievements to date in building the institutions and infrastructures of a state-in-the-making are impressive. In certain ways, the PA already functions as a state government. However, its ability to continue to implement the programs designed to establish sovereignty in practice and become a viable state is limited by relations with Israel. The limit on water resources has implications for every economic endeavor, especially agriculture; the inability to operate in Area C, for example the Jordan Valley, which represents the largest reserve of open spaces for residential and agricultural development, is significant; and the lack of territorial contiguity and control of Area C prevents the PA from any possibility of tangibly planning and developing infrastructures in the context of a national set of priorities.

Moreover, while the economic reforms have in fact contributed to economic growth, it is still clear that this growth is not the result of productive economic activity, rather the result of external donations and assistance. The rapid growth is a reflection primarily of two factors whose potential is nearly fully realized. The first is the immediate effect of Israel having eased security restrictions: on the one hand, this relaxed some of the rigid restrictions in place during the intifada, and on the other hand, it allowed the realization of some of the untapped production capacities within the Palestinian economy. The second element is the expansion of demand by the public sector, financed by external assistance. While this growth has been manifested in a significant improvement in private demand alongside public consumption and in the improvement in the population's welfare (expressed, for example, in increased housing investments), the primary productive sectors (industry and agriculture) continue to suffer both from Israeli restrictions and a paucity of investments because of investor concerns about the lack of long term

political stability. One of the clearest indications of this is the lack of growth in exports. In a small economy such as the Palestinian economy, export is a primary growth engine for the long term, and as long as there is no significant increase in exports there can be no sustainable long term development.<sup>15</sup>

This analysis is also expressed in economic forecasts in Prime Minister Salam Fayyad's new economic plan for 2011-2013,<sup>16</sup> in which he relates to two possible future situations. The first is a scenario of overall change including, *inter alia*, opening the exports market to the world at large, canceling limits on importing dual purpose goods (to the West Bank), and extending permission to operate in Area C. In this scenario, rapid growth of 10-12 percent would continue for a year and unemployment would decrease. The second scenario is a status quo picture, in which growth would fall to 5 percent a year; the reduction in unemployment would stop; unemployment among young people would rise; and the business sector would experience no growth.

The PA faces additional state building challenges. Most of its institutions still suffer from failures such as the lack of administrative and financial independence and persistent cronyism in the civil service; the Palestinian security structure has yet to fully implement reforms that would unite the security apparatus under a single command and construct uniform operational attitudes and methods; the judiciary suffers both from power struggles between its constituent parts as a result of unclear lines of authority and a lack of appropriate legislation;<sup>17</sup> various factions continue to be a burden on the economy and the budget, such as the inflated structure of civil service pensions;<sup>18</sup> local government suffers from poor income and failures in budget management<sup>19</sup> and the large security services budget; and in terms of energy, the PA is dependent on Israel, which provides the PA with natural gas, gasoline, and most of its electricity.

Thus, turning the Palestinian entity into a viable state will require the leadership to continue to develop its independent capabilities by promoting the private sector, improving the efficiency of the civil service, strengthening the security apparatuses, and expanding law and order enforcement. To achieve these goals, the norms of good governance and efficient, transparent public institutions attuned to the needs of the populace must be maintained, and security stability – currently a

function of both Israeli military presence in the region and Palestinian security coordination with Israel – must be preserved. Clearly, in the absence of security stability, the Palestinian entity, even if recognized as a state by the international community, will not be able to continue to consolidate its rule. Undermined stability, whether the result of a crisis in relations with Israel because of the appeal to the UN, or the result of Salam Fayyad or Mahmoud Abbas disappearing from the political stage, or the result of Hamas growing in strength and/or severe power struggles within the PLO and between the various organizations, will reduce the prospects for the PA functioning as an efficient state and enforcing its authority independently within its borders. Developments such as these are also liable to reduce foreign aid and investments in the PA and even erase the state building achievements that have already been gained.

Therefore, the preference of the Palestinian leadership, once a Palestinian state is recognized, would presumably be to renew political negotiations in order to arrive at a permanent settlement. It will likely try to pressure Israel on this matter, but will not hurry to take unilateral steps in enforcing authority and realizing sovereignty that change the reality on the ground, out of concern about possible tensions that could lead to a collapse of security and economic relations with Israel. The desire to ensure continued international involvement and support for Palestinian state building will also serve as a restraining factor. At the same time, tensions between Israel and the PA are liable to arise as a result of the steps to delegitimize Israel, such as the call by UN members to level sanctions against it or to send a multi-national force to the region, or an appeal to the International Court of Justice on the status of the borders and the right of return.

### **The Political Process: Constraints on Turning to the UN**

The effort of bottom up state construction coupled with a top down effort at political establishment and transition from a de facto state in Area A to de jure recognition of a state within the 1967 borders by September 2011 has met with support from the international community. However, while the bottom up process has made impressive achievements, the deadlock in the direct talks has suspended the possibility of reaching a political settlement that allows the establishment of a Palestinian state alongside Israel by the target date of September 2011.

The efforts made by the Obama administration to bring the sides to renewed negotiations did not yield any practical result. The Palestinian leadership was reluctant to conduct empty talks with a right wing Israeli government and therefore made them conditional on a freeze in construction in the settlements and on starting the talks from the point at which they ended under the Olmert government. It rejected Prime Minister Netanyahu's insistence about not returning to the 1967 borders and his demand for recognizing Israel as a Jewish state, and insisted on its own demands for negotiations on the basis of UN resolutions. In congruence with the position of the American administration that a viable Palestinian state is an American national interest, the Palestinian leadership continued to insist on arriving at a full and final permanent settlement and rejected ideas involving an interim state with temporary borders. Mahmoud Abbas affirmed repeatedly that he is prepared to declare publicly, in Arabic, his willingness to sign an "end of claims against Israel" clause as part of a permanent settlement with Israel.

The Palestinian leadership was disappointed that the American administration did not set out a basis for negotiations or proposals to bridge the gaps between the sides on the core issues, did not persevere in demanding that Israel cease construction in the West Bank, and even cast a veto on a Security Council resolution condemning Israel over this issue in February 2011. The leadership's recognition that the Palestinians' only hope to realize their national aspiration lies in non-violent efforts and close cooperation with the international community led it to pursue state building measures while taking a zero tolerance attitude to terrorism, even absent hopes in the political process with Israel. At the same time, the Palestinian leadership sought to capitalize on the widespread international recognition that the occupation must end and Israel must not retain its exclusive decision making capacity about the fate of the territories and the future of the Palestinian people. Accordingly, the Palestinians began enlisting international support that would pave the way to a UN recognition of the Palestinian state within the 1967 borders. On the basis of this recognition, the Palestinian leadership seeks to hold negotiations on a permanent settlement. Justification for going to the UN relies on the Partition Plan Resolution of the General Assembly of November 1947; the recognition of the Palestinians' right to a state on the basis of a 1974 General Assembly resolution; and the PLO's 1988

Declaration of Independence, which has been recognized by over 100 nations.

This move has evinced official support for recognition of a Palestinian state within the 1967 borders among countries around the world. The possibility for significant political developments in this regard, as well as current regional and local circumstances, motivated Fatah and Hamas in April 2011 to reach a compromise agreement through the mediation efforts of the Egyptian Supreme Military Council.<sup>20</sup> Both movements responded to an initiative that recognized their right to continue their respective rules of the West Bank and Gaza Strip until presidential, Legislative Council, and Palestinian National Council elections are held, and to postpone dealing with security issues and other disputed questions until after the elections. The Palestinian leadership rejected claims made by Israel and some in the international community that the reconciliation represents a hindrance to negotiations over a permanent settlement. It stressed that any Palestinian government established after the reconciliation would be a government of technocrats that would act according to the views of the Chairman of the PA regarding the political process.

The general principle that President Obama laid out as an outline for Israeli-Palestinian negotiations (May 2011) did not change the picture from the point of view of the Palestinian leadership. While it welcomed his statement that any solution would be based on the 1967 borders and that there must be a sovereign Palestinian state with territorial contiguity, it also realized that the United States would not force Israel to accept a strategic decision to part from the territories and recognize the legitimate rights of the Palestinians. Therefore, the Palestinian leadership continues, at least for now, to prepare for a formal appeal to the UN in September. At the same time, it is aware of the reservations of the donor nations about its decision to receive recognition as a UN member nation, which is liable to change the security situation and annul what has been achieved by the massive resources invested to date in state building. The leadership is concerned lest the move prove to be an error and leave the Palestinian entity in a continued state of occupation and without defined borders. Mahmoud Abbas already declared that should Israel be prepared to renew the negotiations on a permanent settlement “on a shared, accepted, real basis” (in Arabic: *ussuss mushtarika, makhbula wasa’hiha*) and freeze

construction in the settlements, it would be possible to concede the step of going to the UN.

Thus if the Palestinian leaders feel that the United States will cast its veto in the Security Council or if key European nations refuse to lend the Palestinians their support in the General Assembly, they will likely avoid making the move. In such a case they are likely to suffice themselves with an international commitment, as proposed by France, whereby the political process would be based on the 1967 borders with agreed upon land swaps, as spelled out by President Obama. Should Israel reject this proposal, the Palestinian leadership would then be able to appeal to General Assembly and request recognition as a state and membership, or to the Security Council with a request to adopt a resolution based on Obama's principles.

### **Ramifications for Israel**

This past year, the Palestinian demand to freeze construction in the West Bank on the one hand, and the Israeli demand that Israel be recognized as a Jewish state and the Palestinians concede the right of return on the other, prevented a practical chance for conducting meaningful negotiations. The reconciliation between Hamas and Fatah added yet another impediment. However, the political freeze did not interfere with the process of constructing the nascent state. The donor nations, the International Monetary Fund, and the World Bank have overseen the implementation of development programs and reforms, and the Quartet has congratulated the PA for its state building activity. The achievements of the PA have reinforced the position of EU nations that it is necessary to meet the deadline that was set for ending the negotiations on a permanent settlement, i.e., September 2011.

In terms of international law and the UN, Israel and the Palestinians are obligated to negotiate in good faith on the basis of Security Council Resolution 242 of November 1967 in order to resolve their conflict. The Palestinian leadership has repeatedly declared its intention to ask the UN to recognize a Palestinian state in the 1967 borders and affirmed its own commitment to negotiations with Israel to achieve a peace agreement, including a "just solution" to the Palestinian refugee problem on the basis of General Assembly Resolution 194.<sup>21</sup> The international community supports the Palestinian position and feels it reflects sincere

intentions to end the conflict. Experts in international law even view this as an irreversible legal obligation that would be binding on any future leadership, i.e., there could be no territorial demands beyond the borders to be determined through negotiations, and the return of refugees would be of a scope and under circumstances agreeable to Israel. As such, the Palestinian leadership thereby legally defines the outside limits of its demands.<sup>22</sup>

By contrast, Israel's position casts it as the recalcitrant party in the international tribunal of public opinion. This is liable to make it hard for the United States and West European nations, seeking to strengthen their image as bearing the standard of democracy and human rights, to oppose the Palestinian appeal to the UN. In order to stop the process, Israel would do well to respond to an initiative presented to the sides by a third party, such as the French proposal, or to engage itself in a political move that would allow the sides to extricate themselves from the dire scenario they never meant to reach and renew their bilateral talks. Not stopping the Palestinian recourse to the UN is liable to create a new political and security reality that is not at all convenient for Israel.

The Palestinian leadership, which has raised very high expectations in Palestinian public opinion and has stressed repeatedly its determination to appeal to the UN, is well aware that a group of Western nations, headed by the United States, Germany, and Italy, opposes the unilateral move. It is also aware that the international community is worried about a change in the security situation that could cancel the state building achievements and weaken the pragmatic camp, and contribute to the strength of Islamic elements. The fact that the Palestinian leadership has hurried to accept the French proposal to convene an international conference and respond to the American call to renew the direct talks immediately on the basis of the principles outlined by President Obama is indicative of its desire to find an honorable way out of the UN strategy.

Barring this recourse, the Palestinian entity is likely to be recognized as a state by many key nations, even if its path to UN membership is blocked. Such recognition may be granted either explicitly or implicitly, with or without the establishment of relations. In terms of international law, it would mean recognizing the existence of a state called Palestine. The validity of interim agreements may be unclear, and it will then be necessary to determine which of these agreements the sides are interested

in maintaining, especially regarding the economy. Assuming that Israel wants to avoid a confrontation, it will have to arrive at understandings and arrangements with the Palestinian state that will ensure the stability of the region and a return to the negotiating table.

Should the attempt to achieve recognition of the Palestinian state within the 1967 borders fail and the attempt to force Israel to accept the 1967 borders as the basis for renewed negotiations come to naught, a crisis of expectations among the Palestinian public is liable to develop, which could spark a popular grassroots revolt. Such an uprising would likely be reinforced by the Palestinian opposition, which feels that it is precisely the economic and security calm that has allowed Israel to drag its feet. As was the case previously, the Palestinian public that once again realizes that its leadership has failed to end the occupation in political ways may demand to have its say and take to the streets, drawing inspiration and encouragement from the popular uprisings in the region. A similar development is also likely to occur should the appeal to the UN succeed but in practice not change reality on the ground.

For its part, Israel will find it hard to respond to a popular uprising with aggression and collective punishment, out of concern for world public opinion. In its distress, it will be forced to examine unilateral policy alternatives, such as implementing a disengagement from the West Bank, determining the borders independently, and completing construction of the separation barrier.

## Notes

- 1 The Fayyad program includes nine chapters detailing the national objectives and political principles of the future Palestinian state, as well as chapters dealing with government plans for constructing institutions and economic and social development. See [http://www.mop-gov.ps/issues\\_main.php?id=13](http://www.mop-gov.ps/issues_main.php?id=13).
- 2 *Haaretz*, "Palestinian PM: We'll Form De Facto State by 2011," August 25, 2009.
- 3 For more on this and the uprooting of corruption as part of the struggle for national liberation, see Salam Fayyad in *al-Ayyam*, December 6, 2009, <http://www.al-ayyam.ps/znews/site/template/article.aspx?did=128183&date=12/6/2009>.
- 4 See the PA report submitted to the Ad Hoc Coordination Committee of the Donor Nations in April 2010, Report of PNA to the AHLC (henceforth, Report to the donors, April 2010), [http://www.mop-gov.ps/new/publishing\\_details.php?pid=48](http://www.mop-gov.ps/new/publishing_details.php?pid=48), April 13, 2010.

- 5 Dozens of bank branches have opened, especially in rural areas, and a national payment system has been instituted to improve inter-bank money transfers, along with a mechanism overseeing and following up on bad checks. Similarly, a banking efficiency process involving reductions and mergers is taking place as required by regulation.
- 6 See data and illustration of reducing the budget deficit in the Progress Report of the International Monetary Fund's Ad Hoc Committee of April 13, 2011, in the table appearing on p. 34: "Macroeconomic and Fiscal Framework for the West Bank and Gaza: Seventh Review of Progress - Staff Report for the Meeting of the Ad Hoc Liaison Committee," Brussels, April 13, 2011, <http://www.imf.org/external/country/WBG/RR/2011/041311.pdf>. See also Yitzhak Gal, "'The Gates of Gaza' and the Economic Power of Hamas," in *Iqtisadi: The Middle East Economy* 1, no. 3 (2011): 8-17.
- 7 Avi Issacharoff, "An Economic Boom in the West Bank? Not Yet," *Haaretz*, April 13, 2010.
- 8 See "Bethlehem: Cornerstone Laid for New Industrial Zone with French Financing," *Port2Port* online, April 15, 2010, <http://www.port2port.co.il/Index.asp?CategoryID=95&ArticleID=68024>.
- 9 Report to the donors, April 2010.
- 10 I.e., The Palestinian National Cash Transfer Program (PNCTP), which represents the merger of two assistance programs: the EU's Special Hardship Case (SHC) and the World Bank's Social Safety Net Reform Project (SS-NRP). These two programs provide more than \$50 million annually to some 57,000 poverty stricken households. The merger of the programs created a unified database. According to the World Bank, the program is one of the most advanced programs in the Middle East and North Africa. See "Palestinian National Cash Transfer Program (PNCTP) in West Bank and Gaza," May 2, 2011, at <http://www.devex.com/en/projects/palestinian-national-cash-transfer-program-pnctp-in-west-bank-and-gaza>, and "West Bank and Gaza Social Safety Net Reform Project: Palestinian National Cash Transfer Program (PNCTP)," ReliefWeb report at <http://reliefweb.int/node/369039>, September 27, 2010.
- 11 Information campaigns are underway on smoking cessation, obesity, and the importance of physical activity.
- 12 Most homes have solar panels providing some 15 percent of electrical needs; agreements on building green schools and programs to harness the region's solar power have been signed with the Italian government; Rawabi is being planned as an energy-efficient city.
- 13 See Amiram Barkat, "Israel Electric Company to Establish Four Power Stations for the PA," *Globes*, December 6, 2009, at <http://www.globes.co.il/news/article.aspx?did=1000519913>.
- 14 In recent years, there has been growth in this sphere contributing towards the GDP. One of the manifestations is the significant growth in the number of households with a computer at home and in the number of internet users.

- In early 2010, the PA launched the Electronic Government project, connecting all government ministries and PA institutions and branches into a single computerized network. In tandem, the Palestinian Electronic Market, the first of its kind in the Arab world, was launched, enabling the sale and purchase of goods over the internet.
- 15 Early indications that the effect on growth and employment of the two elements noted above is close to being tapped out can be found in the UNRWA report "Labour Market Briefing: West Bank – Second-Half 2010," at <http://www.unrwa.org/userfiles/201106082849.pdf>.
  - 16 The plan is entitled "The 2011-2013 National Development Plan: Establishing a State and Building the Future." See at [http://mopad.pna.ps/web\\_files/issues\\_file/ArabicNDPforwep.pdf](http://mopad.pna.ps/web_files/issues_file/ArabicNDPforwep.pdf).
  - 17 The fact that the Legislative Council has not functioned in recent years because of the intra-Palestinian split has delayed the passing of laws, such as the Law on the Courts, and generated the consequent backlog in the court system. See the opinion by an EU control delegation on the court system in <http://www.haaretz.co.il/hasite/spages/1084632.html?more=1>.
  - 18 The public pension plan covers some 140,000 civil servants and security personnel and allows early retirement. According to World Bank recommendations, the PA must enact changes in the pension system that would include raising the retirement age, canceling early retirement, and reducing the funds accumulated.
  - 19 Most of the local authorities are hard pressed to provide public services as required because of inefficient tax collection, low income, and failures in budget management. Most authorities are operating with a deficit of more than 50 percent of the budget. Routine expenses such as salaries consume most of the income, leaving very little for public investments. This requires the government to cover, for example, the local government electric bills to the Israel Electric Company.
  - 20 See Ephraim Lavie, "The Challenge of the Palestinian Authority: State Building Without Governmental Legitimacy," *Strategic Assessment* 14, no. 1 (2011): 65-79, [http://www.inss.org.il/upload/\(FILE\)1304500855.pdf](http://www.inss.org.il/upload/(FILE)1304500855.pdf).
  - 21 Mahmoud Abbas. "The Long Overdue Palestinian State," *New York Times*, May 16, 2011, <http://www.nytimes.com/2011/05/17/opinion/17abbas.html>.
  - 22 See Eyal Benvenisti, "Abbas' Commitments," *Haaretz*, May 18, 2011, at <http://www.haaretz.co.il/hasite/spages/1228295.html>.

# Confidence Building Measures and the Revival of Israeli-Palestinian Negotiations: Thinking Out of the Box

Shiri Tal-Landman

Forecasters are predicting a stormy season in the Middle East. In September 2011, Israel may experience a political tempest when the UN General Assembly is expected to recognize a sovereign Palestinian state based on the 1967 borders. On the international arena, the recognition of an independent Palestinian state is liable, in Defense Minister Ehud Barak's words, to be accompanied by "a political tsunami," if economic and diplomatic sanctions are taken against Israel or charges are brought against senior Israelis in various international courts, should Israel be cast as invading the sovereign territory of a neighboring state. Extreme scenarios envision a widespread popular uprising among the Palestinians in the territories and the diaspora, encouraged by the winds of change blowing from the Arab spring.

Some claim that the ominous scenarios for September are overstated and that even if the UN recognizes a Palestinian state, the implications for Israel will be fairly limited. Nonetheless, among decision makers in Israel there is a sense that the status quo is untenable and Israel cannot sit idly by in light of the upheavals in its political environment, even if these are not necessarily expected to peak this coming September. As Barak stated: "Israeli inaction is deepening its isolation, such that it risks being left with nothing: the train proceeds toward a destination that is not good for Israel, and Israel is missing the opportunity to change the route."<sup>1</sup>

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Thus, the prevailing difference of opinion among Israel's decision makers is not whether, rather how, Israel ought to respond to developments. However, the discourse over Israel's available options has not progressed much: to a very large extent, the alternatives currently debated are rehashed versions of familiar formulae that have been long promoted by various ideological factions (so far, fruitlessly). These formulae range from calling for efforts to conclude a permanent settlement immediately (qualified by reservations that implementation of the said settlement would be gradual and depend on developments on the ground; such an approach was promoted by opposition leader Tzipi Livni and Defense Minister Barak<sup>2</sup>), through proposals for interim agreements (such as a plan for a Palestinian state within temporary borders, proposed by Member of Knesset Shaul Mofaz), to demands for an aggressive move that would stress the firmness of Israel's positions, such as declaring the Oslo Accords null and void (Foreign Minister Avifdor Lieberman<sup>3</sup>) or annexing Judea and Samaria to the sovereign territory of the State of Israel (as per ideas by Uzi Landau, Danny Danon, and others<sup>4</sup>).

For its part, the PA leadership is also looking for an outlet that would allow it to demonstrate significant progress towards ending the Israeli occupation before the September ultimatum. The main concern is that if this time-constrained diplomatic move does not yield the breakthrough the PA promised its electorate, the Palestinian public might despair of the political route heralded by the PLO and transfer its support to the alternative of armed resistance represented by Hamas. Therefore, the Palestinian leadership, like Israel, is interested in preventing the stormy weather by means of a significant political move.

This essay is an attempt to expand the range of alternatives available to the parties in their respective political toolboxes. The starting assumptions for the discussion are: (a) as a result of political pressures both leaderships are working towards finding an immediate creative exit strategy from the political deadlock; (b) both leaderships are finding it hard to commit to all the details of a permanent settlement due to pressure by coalition hardliners and uncertainty about the broader strategic environment, i.e., the ramifications of the "Arab spring"; and (c) in the long term, both leaderships identify the two-state solution as the

most reasonable framework for resolving the Israeli-Palestinian conflict in a way that would serve the fundamental interests of both sides.

On the basis of these assumptions, the essay proposes an alternate model of political interim moves based on confidence building measures, while differing with Israeli policymakers over the traditional interpretation of this idea.

### **Confidence Building Measures: Updating Parameters**

The notion of “confidence building measures” has acquired a bad name in the annals of Israeli-Palestinian negotiations and come to mean a tactic that helps Israel drag its feet while projecting the image of peace rejectionists onto the Palestinians. One of the reasons for the negative connotation associated with this political tool may be the incompatibility between the contents of the confidence building measures and the stage of their implementation in the chronology of the political process.

In the Israeli-Palestinian political process, extensive and effective use was made of two traditional types of confidence building measures. One was the formulation of mechanisms for security coordination designed to prevent an escalation of violence – when it was compatible with the interests of both sides.<sup>5</sup> A second type of confidence building measure in the history of the process was Israel’s unilateral gestures designed to increase the Palestinians’ trust in negotiations by making the “fruits of peace” apparent in their daily lives, such as fewer roadblocks, economic incentives, and the release of political prisoners. Steps of this type do in fact represent important building blocks in the process of stabilizing relations between adversaries and managing the level of violence. However, given the point in time at which the political process finds itself today, where the political and public dialogue on both sides is focused on disagreements over the very vision of settling the conflict and narrowing the divide between the sides, steps of this sort are something of an anachronism. At this stage, political moves that avoid any direct effect on the end point of the negotiations, including the familiar gestures in Israel’s political repertoire, send a message of inertia, if not regression, regarding whatever mutual trust there is, as each side questions the other’s desire to arrive at a settlement.

Accordingly, therefore, confidence building measures that strive to demonstrate progress in the political process at its current developmental

stage must reflect the sides' willingness to compromise on the deepest points of contention and prepare the ground for negotiations over the permanent agreement, while avoiding a fundamental change in the status quo before the sides are ripe to make that change.

### **Lessons from the Construction Freeze**

A typical example of a confidence building measure designed to respond to issues on the agenda in the conflict resolution stage concerned the Palestinian demand for an Israeli freeze on construction beyond the Green Line. Encouragement of construction and development in Judea, Samaria, and the Gaza Strip by the Israeli government even after the official talks began about the establishment of an autonomous Palestinian entity in these areas made the Palestinians doubt the sincerity of Israel's conciliatory declarations. A construction freeze was demanded in order to show Israel's understanding that its presence in the territories is temporary and that it embraces the objective of the negotiations: dividing the land into two states.

However, that which was seen by the Palestinian side (as well as by the international community) as a gesture that does not exceed a shared preliminary premise underlying the political process was perceived by Israel as an essential concession of a central point of contention, or at least of a bargaining chip that if conceded must be met with significant recompense. The political pressure that was brought to bear on the Israeli government to oppose the construction freeze stemmed less from its direct results (the temporary setback to the routine of life of residents in the territories) and more from the future political moves it was foreshadowing – i.e., signaling an Israeli willingness to retreat from this area. Therefore, only heavy American pressure moved Netanyahu to be the first Israeli prime minister who agreed to suspend construction in the territories for a period of ten months<sup>6</sup> (though not in Jerusalem) as a condition for resuming direct political negotiations. It was for the same reason that he refused to extend the construction freeze beyond the end of the declared period, despite a generous compensation package that the Obama administration offered Israel in exchange.<sup>7</sup> Perhaps this outcome is not surprising, as moves touching on the most sensitive issues of the conflict are bound to arouse protest. Nonetheless, it is also possible to

extract some valuable lessons from the failure of the freeze proposal that might reduce opposition to a move of this sort.

First, because the purpose of the move was to build trust between the parties about the capability of their partners to “deliver the goods” required by a permanent settlement, it is likely that planning a reciprocal gesture between the immediate parties to the conflict rather than a unilateral gesture (and not rewarded by a third party, in this case the United States) would help elicit the requisite public and political support. Even if a mediator was involved to help coordinate the move, the gestures included must apply to the parties themselves.

Second, the gestures by the two sides require a certain symmetry. If freezing construction in Judea and Samaria was tantamount to Israel declaring that it accepts the claim that Judea and Samaria, seen as the cradle of the Jewish homeland, are disputed territories, the American administration’s proposal to compensate for the freeze with a package of benefits, primarily a valuable squadron of planes, could have been seen as an attempt to bribe Israel to compromise its values and a commercialization of the commitment to the homeland. A Palestinian move that would reflect a conciliatory message with regard to the core issues to which the Palestinians attribute similar weight might have made such measures easier to effect. For example, when Netanyahu was asked to chart a course that would result in his agreeing to extend the construction freeze, he made his assent conditional on a symbolic gesture: Palestinian recognition of Israel as the nation state of the Jewish people.<sup>8</sup>

However, the question of Palestinian recognition of the Jewish nature of Israel is still one of the issues in the negotiations where the gap between the sides is substantial, and therefore the demand to implement it as a preliminary gesture for the negotiations is currently impossible. Thus, a third lesson of the “freeze failure” is that a confidence building measure at this point in the political process must relate to the sensitive issues, but in a creative fashion that will not arouse sweeping opposition. Finally, another weakness in the freeze proposal was the a priori determination of an

Reciprocal confidence building measures displaying the readiness of both sides to be flexible on the core issues form an alternative currently not in the parties’ respective political toolboxes.

end point (ten months). It should have been possible to foresee that not meeting the deadlines for a full agreement (or at least achieving a significant breakthrough in the negotiations by the deadline) would result in a termination of the talks.

### **“Voluntary Relocation” in Exchange for “Voluntary Rehabilitation”**

The objective of confidence building measures at the conflict resolution stage is to touch on the gaps between the positions in a creative manner that allows the sides to prove both their willingness to undertake significant steps to promote a permanent settlement and their ability to honor these steps over time. They are similar to sending up trial balloons that put the parties’ declarations about their commitment to the process to the test of practice.

A proposal that may help thaw the political freeze, given the current limiting political and strategic circumstances, calls for the two governments, even before they return to the negotiating table, to simultaneously undertake parallel moves. The Israeli government will pass a Voluntary Evacuation-Compensation Law that allows residents of Judea and Samaria in a defined area (for example, east of the security barrier) to be compensated for their assets in exchange for relocating to inside the Green Line (and stipulating that once the law is enacted, any Israeli citizen who chooses to move into the said defined area will not be eligible for compensation). In tandem, the Palestinians will ratify a decision that allows the relevant international mechanisms to offer Palestinian refugees (recognized as such by UNRWA<sup>9</sup>) an arrangement of voluntary resettlement: they would receive assistance in rebuilding their lives in their current country of residence or other countries (other than Israel) plus generous monetary compensation in return for giving up their status as refugees (and thus the right to make any future personal claims).

This proposal relates to claims seen by each of the sides as necessary starting conditions for any agreement based on the two-state principle: from the Palestinian side, the demand to establish an independent state in the West Bank and Gaza Strip, and from the Israeli side, the demand that the Palestinian refugee issue be settled outside the borders of the State of Israel (barring a willingness to consider accepting a symbolic number of refugees inside Israel proper). The vast majority on either

side of the conflict views these issues as absolute red lines. Without an agreement over them, the sides would sooner continue the conflict than compromise.

Furthermore, the parties' threshold conditions regarding these two demands have in principle received positive responses (whether publicly or tacitly) from their respective partners: Netanyahu expressed his commitment to the establishment of a Palestinian state alongside Israel in his September 2009 Bar-Ilan speech, and repeated his commitment to a vision that includes significant territorial withdrawals (excluding the settlement blocs) in his political speeches in May 2011.<sup>10</sup> For its part, the leadership of the PLO, both in secret discussions between the sides (revealed by the al-Jazeera leaks<sup>11</sup>) and in public political documents, noted its acceptance of Israel's reservation regarding the right of return in practice. For example, in an official document written by a PA support team for negotiations, which defines the PA's positions on all the core issues with regard to the permanent settlement and was made public on a PA ministry website (translated into a number of languages), the PA's position on the refugees is defined as follows:

A just solution to the refugee issue must address two aspects: the right of return and reparations..... Israel's recognition of the right of return will pave the way to negotiating how that right will be implemented. Choice is a critical part of the process...Compensation must be made for property that cannot be restituted (or if the refugee chooses compensation in lieu of restitution).<sup>12</sup>

In addition, there is fairly broad agreement even within the international community about the outlines for a permanent solution on the two issues: consistent pressure is exerted on Israel to commit to a withdrawal to the 1967 borders with corrections and land swaps around the Jewish settlement blocs, and despite the lack of concrete pressure on the Palestinian side about the refugees, official declarations indicate the support of the international community, headed by the United States, for the position that the issue must be resolved outside the borders of the State of Israel.<sup>13</sup>

The two issues described above touch on the very heart of the conflict, but at the same time there is a basic sphere of agreement about the fundamental principles of their resolution. Therefore, simultaneous moves that reflect the parties' commitment to implement these

principles would broadcast a clear message that the two sides recognize the compromises that will be required by the final settlement, while avoiding a steep political toll in the short term. Legislation officially defines government policy but its realization in practice is voluntary and leaves the right to choose in the hands of those who would be personally affected (a right representing a central basic condition in the Palestinian vision of resolving the refugee issue) and provides immediate tangible compensation for those who choose to accept it; for some, the financial compensation is significant, and even crucial. Such a policy would cushion the personal and public shock that attends forcible moves of this type. International funds that would be established to support the goal (where the money belonging to the parties to the conflict would also be deposited<sup>14</sup>) would be able to help finance the costs of both moves, and directorates of external experts (e.g., the UN) would be in charge of allocating compensation to individuals and coordinating the resettlement with the nations that agree to take in refugees. One could expect that some of the host nations, first and foremost Lebanon, would, out of internal political reasons, refuse to naturalize and resettle refugees on their sovereign land. Still, because the program is voluntary and would be realized in its first stage by a limited number of refugees, it is reasonable to think that it will be possible to offer alternate solutions to those interested, such as resettlement in Western nations (along the lines

Simultaneous moves would broadcast a clear message that the two sides recognize the compromises that will be required by the final settlement, while avoiding a steep political toll in the short term.

of the significant assistance in absorbing Iraqi refugees in recent years<sup>15</sup>). In fact, it may be that the political crises threatening the stability of regimes in the Arab world would actually strengthen their interest in participating in the resettlement process, as it would generate an influx of significant funds that would solidify the economies of the host nations. This advantage is of particular importance in states such as Jordan where most of the refugee population already has local citizenship.

Detailed planning of the apparatus and budgets that would be required to implement the two moves have been analyzed several times in studies over the past two decades and shown to be feasible.<sup>16</sup> The voluntary aspect of the moves could serve as a test run

for examining over time the effectiveness of the apparatus proposed on a relatively small sampling of those signing up for the compensation plan, before any sweeping implementation as part of a permanent settlement.

### **Recruiting Public and Political Legitimacy**

The ideas of monetary compensation in exchange for foregoing refugee status or residency in Judea and Samaria are not new: both may be found in the political discourse of both sides to the conflict since the beginning of the political process. Nonetheless, because of their symbolism and ramifications for the permanent settlement, these proposals have so far been rejected, largely due to the pressure exerted by the hawkish factions on both sides.

On the Israeli side, the “Home Redemption Law” for voluntary evacuation of settlement residents was placed on the Knesset table several times between 2005 and 2009, and today the NGO Blue White Future (among its founders is former minister Ami Ayalon) is promoting an effort to enact it as a unilateral Israeli move. However the effort has yet to receive sufficient parliamentary support.<sup>17</sup> By contrast, a large majority of the Israeli public supports such an arrangement: public opinion surveys conducted in 2007 and 2009 show that nearly 80 percent of Israelis support a voluntary evacuation compensation law even absent a signed peace treaty.<sup>18</sup>

On the Palestinian side of the equation, the picture is somewhat more complex. The humanitarian resettlement of refugees and their personal compensation has been a central component in the vision of the Palestinians and Arab states since 1949, but these are seen as being tied in a Gordian knot to the political and moral settlement of the issue, i.e., the physical resettlement of the refugees can take place only as part of realizing the right of return. Moreover, while in the negotiations the political leadership has modified its demand for mass return to Israel to symbolic recognition of the right of return as a moral principle, no steps have been taken to prepare the Palestinian public for the possibility that their demand to return to their homes will not be realized. The Palestinian leadership even promotes the rhetoric of the uncompromising right of return in all public reference to the issue.<sup>19</sup> Hence, the Palestinian side will have to cross two very difficult bridges in order to realize the proposed move: one, separating the personal resettlement of refugees from the

political resolution of the issue; two, breaking the taboo forbidding a public debate about compromising the right of return. Because the issue of the refugees lies at the very heart of the Palestinian national narrative, the challenge is significant. On the other hand, precisely because of this, the very act of starting the public debate on the issue indicates that the Palestinians are committed to the process.

Palestinians may fear that resettling the refugees would undermine their insistence on both recognition of the moral basis to their demand and requisite compensation for the moral wrong. Israel's concern is that enacting a voluntary evacuation law would weaken Israel's claim in the negotiations to rights in Judea and Samaria.<sup>20</sup> In order to allay these concerns, the confidence building measure could be supplemented by a declaration by both sides that would distinguish this step from the negotiations over the permanent settlement. Such a declaration could establish that the confidence building measure is designed to provide a solution to the existential and humanitarian needs of *individuals* on either side of the conflict, and in no way ends the demand for recognizing the *collective national* rights linked to the issues under discussion and the negotiations for a political settlement, which would constitute a central paragraph in the agenda of the talks once they open. On the one hand, such a declaration could help those considering voluntary evacuation and resettlement without being accused of treason against national goals. On the other hand, implementing the proposed confidence building measure would ease the negotiations over the collective and symbolic issues later in the process because it would reduce the threat inherent in the implementation of these demands (the right of return or the settlement enterprise).

In light of the public and political sensitivity of the issues under discussion, public opinion surveys measuring the willingness of the target populations to respond favorably to such arrangements are rare, but the few examples that exist indicate potential for their success. For example, a survey conducted in late 2007 in Judea and Samaria at the behest of Haim Ramon, then Deputy to Prime Minister Olmert, found that 25,000-30,000 of the Israelis living east of the separation fence would favor voluntary relocation in exchange for financial compensation that would allow them to resettle west of the Green Line. A more recent survey conducted in March 2010 showed that of the 80,000 residents

east of the fence, some 16 percent (about 13,000) would respond to such an initiative (the differences depend, inter alia, on the political context at the time the surveys were carried out, but the numbers nonetheless represent a significant segment of the 80,000-120,000 Israelis expected to be evacuated from their homes in the context of the permanent settlement, according to the various outlines of territorial division under discussion).<sup>21</sup> Even the Head of the Judea and Samaria Council, Danny Dayan, referring to the voluntary evacuation-compensation bill in a secret conversation with an American diplomat leaked to the media by Wikileaks, admitted that, "I'm an economist, and I know that some people will take it if the price is right."<sup>22</sup>

Surveys of the responses of Palestinian refugees to the principle of voluntary resettlement are even more rare because of the great sensitivity of the issue in the Palestinian public debate. The most comprehensive survey made public was carried out by the Palestinian research institute led by Dr. Khalil Shikaki in 2003-2004 among refugee communities in the West Bank, Gaza Strip, Lebanon, and Jordan. Respondents were asked to indicate their preferred choice of five alternatives mentioned in the context of resettling the refugees within the context of a peace treaty: returning to Israel; naturalization in the Palestinian state and compensation for lost property and suffering; moving to areas in the State of Israel to be transferred to the Palestinian state in land swaps plus compensation; naturalization, resettlement and compensation in their current country of residence; or immigrating to another country and resettling there, with compensation. Only 10 percent of respondents preferred returning to Israel. Other than the remaining 13 percent who rejected all options and the 5 percent who refused to answer the question, all the respondents chose options that involved monetary compensation and resettlement in countries other than Israel.<sup>23</sup> While this survey touched on refugee preferences in the context of a full peace treaty, it still suggests that at least a part of this population would be open to monetary compensation that allows them to climb the socioeconomic ladder, were this arrangement to be defined as separate from the process of settling the political and narrative dispute over the issue.

Nonetheless, there is no doubt that the confidence building measures discussed herein would arouse protest among those opposed to compromise on both sides of the conflict. In light of the current deep crisis

of trust between the sides, the probability of their being implemented is not high. Nonetheless, even if such a reciprocal move would be proposed and not accepted, the very proposal as a political initiative is likely to relax Israel's current image of refusing negotiations and diffuse some of the diplomatic pressures exerted on it. In addition, because the positions on the two issues are seen as fundamental conditions necessary for any settlement, a refusal to engage in a reciprocal move on these issues would provide clear indication that the sides are not ready for starting serious negotiations. Such a failure, disappointing as it might be, would at least make it clear to those involved in the political process that the current conditions require a paradigm shift from conflict resolution efforts to better conflict management options.

On the other hand, a successful reciprocal confidence building measure such as the one described above has significance on a number of levels. In the domestic circle, the move would be an important step in readying the hearts of both electorates for a possible permanent settlement. The core issues of the conflict are, first and foremost, political issues, whose resolution is being checked to a large extent by the lack of public legitimacy. Therefore, preparing the public in Israel for the idea that it will not be able to fulfill its historic rights to all of the land of Israel, and preparing the Palestinian public for the idea that it will not be able to fulfill its right of return are important for strengthening the pragmatic elements in both societies and increasing the flexibility potential of the leaders at the negotiating table. In the bilateral circle, should the sides succeed in passing the test of action represented by these steps, a test of special significance for the Palestinian unity government to be established, a clear message will be sent to the negotiations partner that the parties are committed to the two-state vision and painful ideological compromises stemming from that vision. This message will allow the reopening of the door to the negotiations before it is completely shut. In the broader circle, an arrangement of the kind proposed herein would strengthen the trust of the international community in the willingness of both sides to work towards an agreement. All of this would be possible while minimizing any immediate political risks.

The current uncertainty regarding the political and strategic environments of the parties to the conflict calls for a creative move that would allow the leaderships to carry out a trial run, which would examine

the readiness of the two sides to take historic decisions that could lead to a resolution of the conflict without immediately committing to the terms of the permanent settlement. This essay has proposed a preliminary idea that could be added to the political toolbox: reciprocal confidence building measures displaying the readiness of the sides to be flexible on the core issues on the negotiating table. The continuing erosion of the Israeli-Palestinian political process, now nearing its twentieth anniversary mark, is evidence of the urgent need to widen the set of oft recycled political paradigms and instead challenge leaders to think outside the box about additional political tools, whether as responses to current challenges or measures for future opportunities.

## Notes

- 1 Ehud Barak, speech at the conference "The Political Process in a Changing Strategic Environment," Institute for National Security Studies, Tel Aviv, March 13, 2011, <http://www.inss.org.il/heb/events.php?cat=337&incat=&read=5000>.
- 2 See, e.g., speeches by Livni and Barak at "The Political Process in a Changing Strategic Environment."
- 3 Ronen Medzini, "Lieberman: The September Declaration: The End of the Oslo Accords," *Ynet*, June 17, 2011.
- 4 MK Danny Danon, "Making the Land of Israel Whole," *New York Times*, May 18 2011, [http://www.nytimes.com/2011/05/19/opinion/19Danon.html?\\_r=1&emc=tnt&pagewanted=print](http://www.nytimes.com/2011/05/19/opinion/19Danon.html?_r=1&emc=tnt&pagewanted=print); Pinhas Wolf, "The Likud Hamstringing Netanyahu: 'We'll Annex the Jewish Settlements,'" *Walla*, May 16, 2011, at <http://m.walla.co.il/ExpandedItem.aspx?WallaId=1/1823824&ItemType=100&VerticalId=2>.
- 5 Gabriel Ben-Dor, David Dewitt, eds., "Introduction," *Confidence Building Measures in the Middle East* (Boulder: Westview Press, 1994), pp. 3-29; Yair Evron, *Confidence Building Measures in the Israeli-Arab Context*, The Steinmetz Center for Peace Studies, Tel Aviv University, 1995.
- 6 The construction freeze was in effect from November 2009 until September 2010.
- 7 The package included the United States promise of casting a veto on any anti-Israel UN Security Council resolution proposal for a full year, supporting Israel's security demands in the political negotiations, and giving a squadron of F-35 advanced fighter jets worth \$3 billion, all in exchange for extending the construction freeze by 90 days. Barak Ravid and Natasha Mozgovaya, "U.S. Offers Israel Warplanes in Return for New Settlement Freeze," *Haaretz*, November 14, 2010, at <http://www.haaretz.com/news/diplomacy-defense/u-s-offers-israel-warplanes-in-return-for-new-settlement-freeze-1.324496>.

- 8 Roni Sofer, "Netanyahu: Freeze in Exchange for Recognition of Jewish State," *Ynet*, October 11, 2010, at <http://www.ynet.co.il/articles/0,7340,L-3967765,00.html>.
- 9 As of June 2011, UNRWA registers list some 4,820,229 refugees, with close to 2 million of these living within the West Bank and Gaza Strip and another 2 million in Jordan. See Statistics at the UNRWA website at <http://www.unrwa.org/etemplate.php?id=253>.
- 10 Prime Minister Netanyahu's speech before the American Congress, May 24, 2011, [http://www.mfa.gov.il/MFA/Government/Speeches+by+Israeli+leaders/2011/Speech\\_PM\\_Netanyahu\\_US\\_Congress\\_24-May-2011.htm](http://www.mfa.gov.il/MFA/Government/Speeches+by+Israeli+leaders/2011/Speech_PM_Netanyahu_US_Congress_24-May-2011.htm); and Prime Minister Netanyahu's speech to the Knesset, May 16, 2011, <http://snipurl.com/25y9o>.
- 11 Barak Ravid, "In 2008 Livni Proposed Transfer of Control of Israeli Arab Villages to the PA," *Haaretz*, January 24, 2011, at <http://www.haaretz.co.il/hasite/spages/1211318.html>.
- 12 PLO Negotiations Affairs Department, *Negotiations Primer*, 2011, pp. 33-34, [http://www.nad-plo.org/userfiles/file/primer\\_english\\_020311.pdf](http://www.nad-plo.org/userfiles/file/primer_english_020311.pdf). The principle of compensation and resettlement of Palestinian refugees is common and accepted also within the Israeli right wing, which calls for promoting it separately and before negotiations over the resolution of the conflict, as part of a process to lessen the tensions between the sides. This project was promoted by an organization called Hayozma Hayisraelit (The Israeli Initiative), founded by Benny Alon <http://www.hayozma.org/Index.aspx>. Alon even succeeded in establishing a lobby in the Knesset that included MKs from the right and left of the political spectrum, designed to promote a humanitarian resolution to the refugee problem. See Pinhas Wolf, "First Time in Knesset: Lobby for Palestinian Refugees," *Walla*, July 29, 2008, at <http://news.walla.co.il/?w=/9/1321212>.
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- 14 Throughout the entire history of the issue, Israel has expressed its willingness to help compensate the refugees and resettle them, from the Lausanne Conference convened right after the end of the Israel War of Independence to discuss the issue, because of recognition of the part it played (practically, though denying moral responsibility) for creating the problem. Therefore, one may assume that it would be able to undertake such a move even apart

- from a full peace agreement, if a clear distinction is drawn between personal compensation and recognition of moral responsibility.
- 15 Iris Dor-On, "The EU Prepared to Take in 10,000 Iraqis," *NEWS1*, November 28, 2008.
  - 16 E.g., Arie Arnon and Saeb Banya, eds., *Aix Group: Economic Dimensions of a Two-State Agreement Between Israel and Palestine*, 2007, [http://www.aixgroup.org/economic\\_dimensions\\_english\\_website.pdf](http://www.aixgroup.org/economic_dimensions_english_website.pdf); Gabrielle Rifkind, *Pariahs to Pioneers*, Oxford Research Group, May 2010, [http://www.bluewhitefuture.org.il/wp-content/uploads/2010/08/Settler\\_Report.pdf](http://www.bluewhitefuture.org.il/wp-content/uploads/2010/08/Settler_Report.pdf).
  - 17 Akiva Eldar, "Lots of Talk, Few Opportunities for Implementation," *Haaretz*, September 5, 2008, at <http://news.walla.co.il/?w=/21/1341736>; Mazal Muallem, Aluf Benn, and Nadav Saguy, "Prime Minister: We should Discuss Evacuation-Compensation East of the Fence, but Not Soon," *Haaretz*, December 3, 2007, at <http://www.haaretz.co.il/hasite/spages/930587.html>; Jonathan Lis, "The Coalition Prevented Vote on Evacuation-Compensation Bill," *Haaretz*, November 11, 2009, at <http://www.haaretz.co.il/hasite/spages/1127361.html>; website of Blue White Future, Voluntary Evacuation Law, at <http://www.bluewhitefuture.org.il/hakika/495/>.
  - 18 Yehuda Ben Meir and Olena Bagnó-Moldavsky, *Vox Populi: Trends in Israeli Public Opinion on National Security, 2004-2009*, Memorandum No. 106, Tel Aviv: Institute for National Security Studies, November 2010, p. 26; Akiva Eldar, "And Let Someone Try Stopping Them," *Haaretz*, March 29, 2007, at <http://www.haaretz.co.il/hasite/spages/843317.html>.
  - 19 Sari Nusseibeh, in an interview on the Camp David and Taba conferences in 2001, was quoted as saying that "the Palestinian leadership told the Israelis that the refugee problem is solvable. So they went back to the media and stood there giving speeches about the right of return for four million refugees. This is how you build up hopes for return." Are Hovdenak, "Trading Refugees for Land and Symbols: The Palestinian Negotiation Strategy in the Oslo Process," *Journal of Refugees Studies* 22 (2008): 37.
  - 20 Maya Bengal and Ark Bender, "Livni: Voluntary Evacuation from the West Bank – Only After Borders are Determined," *nrgMaariv*, September 3, 2008, at <http://www.nrg.co.il/online/1/ART1/782/436.html>.
  - 21 Rifkind, *Pariahs to Pioneers*, p. 20.
  - 22 Yossi Melman and Ofer Aderet, "Wikileaks Documents – the Israeli File Revealed: Chair of Judea and Samaria Council: Some Settlers would Evacuate for the Right Price," *Haaretz*, April 7, 2011, at <http://www.haaretz.co.il/hasite/spages/1224123.html>.
  - 23 For the complete data, see PSR - Survey Research Unit, *PSR Polls among Palestinian Refugees*, 18 July 2003, <http://www.pcsr.org/survey/polls/2003/refugeesjune03.html>.



# Hamas' Internal Challenge: The Political and Ideological Impact of Violent Salafist Groups in Gaza

**Benedetta Berti**

Given the Gaza Strip's political and international isolation, as well as Hamas' ongoing efforts to restrict and regulate press freedoms within Gaza, there is little way to assess the actual degree of authority and control that Hamas is able to exercise over the local population. The official narrative portrays the Hamas government as solidly in charge of Gaza, enjoying a high level of popular support, and encountering virtually no political or military opposition. However, despite the indisputable strong grip that the organization indeed has over Gaza, there is more to this story. In particular, recent events, including the kidnapping and killing of an Italian activist by a local Salafist cell and the Salafists' repeated defiance of Hamas' restrictions on rocket fire against Israel, have highlighted the precarious and tense state of relations between the Hamas government and the violent Salafist groups operating within the Strip.

This article sketches the origins and development of the violent Salafist movement in Gaza, and defines the nature and magnitude of the threat that this movement poses to Hamas and its government, both politically and militarily. The article also discusses the potential impact of the Salafist movement on Hamas' broader political and organizational strategy.

## **The Violent Salafists in Gaza**

Salafism, a revivalist movement within Sunni Islam, has been present in Gaza since the early 1970s when, led by Sheikh Salim Sharab, a number

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of Palestinian clerics trained in Saudi Arabia returned to the Strip to spread their vision of Islam.<sup>1</sup> However, throughout the 1980s and 1990s, this non-violent stream of Salafism, represented today by movements like the Palestinian branch of Hizb ut-Tahrir (the Liberation Party), was a relatively marginal force within the Palestinian political arena.<sup>2</sup> Currently, these non-violent groups remain active in Gaza, advocating the establishment of a pan-Islamic caliphate and opposing the Hamas-led government, but they lack the popular support and legitimacy to have a strong political impact or to seriously challenge Hamas' monopoly in Gaza.

In contrast, violent Salafist cells, which represent a much newer and potentially more destabilizing phenomenon, only began to emerge in the period preceding the 2005 Israeli withdrawal from Gaza, increasing their presence and activism exponentially ever since, especially in the aftermath of Hamas' takeover of the Strip.<sup>3</sup> Organizationally, violent Salafist groups represent a loose network of small clusters of self-radicalized Palestinians, who share aspirations and ideological background and who want to challenge the hegemony of more established Islamist groups like Hamas and Palestinian Islamic Jihad.

Indeed, the Palestinian Salafist-jihadists are all interested in challenging Hamas and its government. This attitude has been effectively

From a purely military perspective, Salafist activism is more of a nuisance than a strategic threat. However, despite their relative military weakness, the challenge posed by Salafist-jihadist groups is very real.

summarized by Kata'ib al-Tawhid's leader Abu Abdhallah, who stated that his group aims "to overthrow Hamas and set up an Islamic caliphate in the Gaza Strip."<sup>4</sup> While this purported goal seems highly unrealistic given the limited operational and organizational capacity of such groups, it is quite reflective of their antagonistic attitude toward Hamas. These groups believe that Hamas should not have engaged in the secular Palestinian political system and participated in the 2006 elections, and that since then the movement has gradually lost its Islamic character. Internally, they believe that Hamas is not doing enough

to "Islamize" the Palestinian society within Gaza, and they are highly dissatisfied with the record of this Islamic organization with respect to both imposing *sharia* law and moving towards the creation of an Islamic

government. Similarly, the Salafist-jihadist movement is highly critical of Hamas' temporary hiatus in its open confrontation of the State of Israel, and their members accuse the organization of excess moderation. For their part, Palestinian jihadists openly and directly pursue a strategy of jihad against the Jewish state.

In addition, the violent Palestinian Salafists all share a transnational jihadist orientation, and they aspire to link the nationalist Palestinian cause with the broader international jihadist network. In other words, Salafist-jihadists within Gaza are ideologically aligned with groups like al-Qaeda, and see this group, as well as other violent Salafist movements like the Lebanese Fatah al-Islam, as a viable model to emulate within the Palestinian territories.<sup>5</sup> According to Salafist-jihadist activist Abu Mustafa, in an 2008 interview with *Der Spiegel*, members of the local Salafist movement "feel just like al-Qaida and we think as they do."<sup>6</sup>

However, despite the strong ideological links between the local violent Salafists and the international jihadist network, to date there is very little evidence of concrete organizational or operational links between Gaza-based groups and international terrorist organizations like al-Qaeda. Similarly, the movement still appears to be overwhelmingly Palestinian, despite the fact that in the past few years a small number of foreign militants, some of them returnees from Iraq, have allegedly entered Gaza through Egypt to join the ranks of the local jihadists.<sup>7</sup> Regardless, the movement is homegrown and its ranks are dominated by self-radicalized Palestinians, including former Fatah members,<sup>8</sup> along with an increasingly large number of disaffected Hamas militants who, disappointed by the group's "moderate drive," also joined the ranks of the violent Salafists.<sup>9</sup>

A lack of reliable data complicates any attempt to assess the exact number of active Salafist-jihadist militants. While both the Salafist leaders and Fatah have an interest in inflating the numbers, Hamas has consistently downplayed the magnitude of this threat.<sup>10</sup> A conservative estimate would indicate that Salafist-jihadist militants within Gaza number between 2,500 and 3,000 members.<sup>11</sup>

Exhaustively mapping the number of active groups is difficult, as existing factions implode and disappear, new micro-clusters emerge very rapidly, and many of the small and loosely affiliated cells consistently adopt a variety of front names to perpetrate their attacks.<sup>12</sup> Nonetheless,

it is possible to identify a number of more established and “core” organizations.

Historically, one of the first Salafist-jihadist groups to emerge in 2006 and still active to this day is Jaish al-Islam (the Army of Islam), created by former Popular Resistance Committee member Mumtaz Dughmush and linked to the powerful Dughmush clan in Gaza.<sup>13</sup> The group first gained notoriety by taking part, together with the Hamas Qassam Brigades and the Salah al-Din Brigades, in the kidnapping of IDF soldier Gilad Shalit in June 2006, as well as by orchestrating the 2007 kidnapping of BBC correspondent Alan Johnston.<sup>14</sup> The latter incident was likely organized to embarrass and challenge the political hegemony of Hamas within Gaza and, as such, it represented an example of clan-based politics attempting to employ violent jihadist ideology to gain additional internal legitimacy. At the same time, however, the group showed its international jihadist orientation by linking Johnston’s release with that of an al-Qaeda cleric held in the UK, Abu Qatada.<sup>15</sup>

In response to this abduction, Hamas decided to target the group and its members aggressively, substantially reducing their size and importance and causing the Army of Islam to regroup and re-focus its operations mostly against internal targets (i.e., businesses deemed as “corrupt” and “un-Islamic,” or the local Christian community).<sup>16</sup> Yet while downsized, the group is still active, and in 2009 Jaish al-Islam was allegedly involved in training Egyptian jihadists of the al-Zeitun cell, an al-Qaeda inspired group that was planning the assassination of the Israeli ambassador to Egypt.<sup>17</sup> More recently, at least as late as December 2010, the group was also involved in rocket fire against Israel.<sup>18</sup>

Another well established local Salafist-jihadist group is the Jaish al-Ummah (Army of the Nation), founded in 2007 and led by Abu Hafs al-Maqdisi.<sup>19</sup> Over the years this group has focused especially on firing rockets, blowing up explosive charges, and firing shells at Israel<sup>20</sup> – often in plain disregard of Hamas’ calls to observe an informal ceasefire with Israel – while largely avoiding claims of responsibility for attacks against internal Palestinian targets.<sup>21</sup> At the same time, the group has also maintained a highly antagonistic stance towards Hamas, with its leader affirming: “We believe that Hamas does not implement the rule of God on earth, and does not implement or enforce any ruling of the Islamic *sharia*.”<sup>22</sup> The relations between the group and Hamas have been tense

over the past years, with Hamas periodically arresting and releasing the group's leaders and operatives, including al-Maqqdisi himself.<sup>23</sup>

A third important example of Palestinian Salafist-jihadist groups is Jund Ansar Allah (the Army of Allah's Supporters), created in 2008 in Rafah by Syrian-born Abu-Abdallah al-Muhajir (Abu-Abdallah al-Suri).<sup>24</sup> Jund Ansar Allah is one of the few well-known Palestinian violent Salafist organizations, known for its role in the August 2009 clashes between the Hamas government and the Gaza-based Salafists, which resulted in one of the bloodiest episodes of internal violence in the past few years. The 2009 confrontation took place in reaction to anti-Hamas pronouncements by Abd-al-Latif Musa, one of the group's leaders as well as the imam of the Ibn Taymiyah Mosque in Rafah (one of the hubs of violent Salafism within the Gaza Strip). Musa announced the creation of the "Islamic Emirate" of Rafah, openly defying the Hamas government and questioning its sovereignty over parts of Gaza.<sup>25</sup> This was met by a harsh military response orchestrated by the Hamas government, leading to a violent confrontation between the two groups that resulted in the death of at least 29 people, and inflicting a serious blow to Jund Ansar Allah and its organizational capacity.<sup>26</sup> Since then, the group has maintained a relatively low profile, while continuing to recruit new members and promote its ideology.<sup>27</sup>

In October 2009 and March 2010, in the aftermath of the August 2009 crackdown, Jund Ansar Allah resurfaced and claimed responsibility for rocket fire against Israel.<sup>28</sup>

Finally, any survey of the main active Salafist-jihadist groups should also mention Jaljalat (Rolling Thunder), a cluster of loosely affiliated cells of militants allegedly led by Mahmud Talib, a former leader within Hamas' military wing. Talib allegedly decided to defect and join the ranks of the violent Salafists in protest against Hamas' decision to participate in the 2006 Palestinian elections.<sup>29</sup> Within Gaza, Jaljalat groups have attacked local internet cafes, and they have claimed responsibility for the bombing of the house of Dr Marwan Abu-Ras, a Hamas member of the Palestinian Legislative Council,<sup>30</sup> as well as for the bombings against Hamas' security

The Salafist-jihadist network has managed to threaten Hamas from an ideological perspective – both by accusing it of being too moderate and by exerting pressure to hasten the pace of Islamization of Palestinian society within Gaza.

buildings in August 2009, following the group's crackdown on Salafists in Rafah.<sup>31</sup>

Beyond this specific designation, the term "Jaljalat" is also used by Hamas officials to refer to all active Salafist-jihadist cells within the Strip, and Western analysts have employed the term to refer to violent Salafists who either defected from Hamas or are currently maintaining a dual loyalty towards Hamas and the Gaza-based jihadists.<sup>32</sup> The widespread confusion over the term's precise classification has been partially explained by Mahmud Talib, who admitted in an interview with *al-Ayyam* that "There is nothing called 'Jaljalat.' We were given this name by people at the beginning of our work,"<sup>33</sup> further validating the idea that the term designates a very loose network of militants rather than a well defined organization.

In addition to these well known actors, new groups keep emerging within Gaza,<sup>34</sup> and they join the ranks of the already established Salafist-jihadists in perpetrating attacks both against "un-Islamic" targets within Gaza and against Israel. Since early 2011, there has been a sharp surge in the number of rocket attacks orchestrated and carried out by the groups against Israel,<sup>35</sup> signaling a trend of increased activism by these radical clusters. Another recent episode that further confirms the presence of the Gaza-based violent Salafist clusters was the recent kidnapping and killing of an international worker of Italian nationality in April 2011.<sup>36</sup> The group that claimed responsibility for abducting Vittorio Arrigoni, al-Tawhid wal-Jihad, initially asked for the release of one of the group's leaders – detained by Hamas in March 2011<sup>37</sup> – but it then clumsily killed the hostage before the negotiations with Hamas proceeded. In the Arrigoni case, Hamas reacted by promptly identifying and killing those responsible for the kidnapping, sending a strong message to the local jihadist cells.

### **Tackling the Salafist Threat: Policy Response and Strategic Impact**

From this brief analysis is clear that since its forceful takeover of the Strip in 2007, the Hamas government in Gaza has faced an internal challenge to its authority and control.

From a military point of view, both the limited numerical and operational strengths of the Salafist-jihadist cells and the general lack of

coordination between the different radical clusters significantly reduce the magnitude of the threat to Hamas. In other words, these groups are currently no match for Hamas, and they would be unable to forcefully topple the Hamas government or take control of Gaza. Therefore, from a purely military perspective, Salafist activism is indeed more a nuisance than a strategic threat.

However, despite their relative military weakness, the challenge these groups pose is still very real. First, the violent Salafist network embodies an ideological challenge to the Hamas government, questioning its Islamic identity and its commitment to fighting against Israel. In turn, these accusations have a concrete impact upon Hamas' policymaking, as the Islamist movement and government alike feel threatened by such accusations and, as such, feel additional pressure to publicly demonstrate their commitment both to create an Islamic system within Gaza and to support the ideal of jihad against Israel. These accusations and the underlining perception that Hamas has become "too moderate" constitute a real concern for the organization, especially as the Salafist-jihadist ideology has been able to gain a constituency within Gaza, often appealing to Hamas members themselves. Recent declarations by the Hamas government in praise of Osama Bin Laden following his assassination, for example, should be read in the context of the ongoing battle for the hearts and minds of Gaza's more radical population.<sup>38</sup> At the same time, Hamas has responded to the ideological challenge by focusing even more on asserting its control over religious establishments in Gaza, for example by relying on the Ministry of Religious Endowments to consolidate its hold over the Islamic infrastructure – including mosques, charities, and other Islamic groups and associations – while seeking ways to further isolate mosques under Salafist influence.<sup>39</sup>

Second, these groups represent an organizational challenge for Hamas, as the violent Salafists have been able to recruit from Hamas' rank and file. In particular, the violent Salafist cause has captured the allegiance of many

The Salafist threat within Gaza enhances the dilemma facing Hamas since its electoral victory in 2006: how to accommodate the pragmatic needs of governing Gaza and gaining international status and recognition while still preserving its core ideological premises and the support of its more radical constituency.

dissatisfied members of Hamas' military wing. Analysts have repeatedly pointed out the connection between Jaljalat groups and Hamas members, noting numerous cases of double memberships in Hamas' military wing and the violent Salafist cells.<sup>40</sup> In this sense, the Salafist-jihadist trend constitutes a threat to the organization's cohesion and unity. To tackle this problem, Hamas has taken a series of measures to better monitor the loyalty of its rank and file. More specifically, according to Hamas Interior Minister Fathi Hammad, the group has revised its recruiting and training procedures, while "freezing" the membership of all Hamas members suspected of being active in Salafist-jihadist circles.<sup>41</sup> Thus Hamas is highly concerned about the potential rise of a pro-Salafist cluster within its armed wing, as well as about the potential defection of Hamas members, and finally about the broader potential for the group to lose touch with part of its core constituency within Gaza.

Third, and perhaps most significantly, in the past few years these groups have been at the forefront of the attacks perpetrated against Israel, putting them in a powerful position and giving them the leverage of potentially triggering an escalation of violence with Israel, thus potentially acting as spoilers and meddling in Hamas' long term strategy in Gaza.

For these reasons, Hamas has changed its policy with respect to these groups from one of initial relative tolerance of their military operations against Israel, to one that alternates between containment of their attacks at the border<sup>42</sup> and a more aggressive strategy of cracking down on the Salafist-jihadist operational cells and detaining these groups' leaders.<sup>43</sup> Particularly in the aftermath of Operation Cast Lead in Gaza (December 2008-January 2009), Hamas has become increasingly determined in regulating and controlling these groups – primarily as a reaction to the Salafist-jihadists' repeated defiance of the Hamas government (for example by ignoring the calls to respect the unofficial ceasefire with Israel, or by openly challenging Hamas' monopoly of power within Gaza).

However, despite the increased level of vigilance against the Salafist-jihadist threat, these groups have only grown more defiant of the Hamas government, and they have periodically resurfaced to challenge its political hegemony and question its long term strategy (as demonstrated by the recent kidnapping and killing of Vittorio Arrigoni, along with the surge in rocket attacks against Israel).

## Hamas and the Salafist Challenge: What's Next?

The violent Salafist groups operating within the Gaza Strip constitute a loosely affiliated network of Palestinian militants who have joined forces with those who would strengthen the ties between the nationalist Palestinian struggle and the transnational jihadists' agenda. In addition, these groups question the political hegemony and the monopoly of force that the Hamas government wields.

Despite the fact that these groups' military strength and operational capacity is limited, they still represent a real challenge to Hamas and its government. The Salafist-jihadist network has managed to threaten Hamas from an ideological perspective – both by accusing it of being too moderate and by exerting pressure to hasten the pace of Islamization of Palestinian society within Gaza. Moreover, these groups have succeeded in gaining sympathy and recruiting from members of Hamas' military wing, thus potentially threatening both the internal cohesion and the external legitimacy and popularity of the organization. Finally, by launching uncoordinated and unauthorized rocket attacks against Israel, these groups have shown their ability to escalate the level of hostilities against Israel without the prior approval of the Hamas government or leadership.

In the future, in the context of the renewed dealings with Fatah, with respect to both creating a joint national unity government and becoming more involved in a potential peace process with Israel, the constraints of the pro-Salafist constituency within Gaza could have a concrete impact on Hamas' level of ideological flexibility and practical accommodation. In other words, the Salafist threat within Gaza enhances the dilemma that Hamas has been experiencing since its electoral victory in 2006: how to accommodate the pragmatic needs of governing Gaza and gaining international status and recognition while still preserving its core ideological premises and the support of its more radical constituency. Finding a balance between these two imperatives appears even more complicated in light of the pressure exerted by the radical factions within Gaza.

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# Power, Pirates, and Petroleum: Maritime Choke Points in the Middle East

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## Introduction

Waterways with vital sea traffic that are vulnerable to blockage because of accident, terrorism, piracy, or war are known as maritime choke points.<sup>1</sup> Vital traffic includes not only transport of oil and other sources of energy (e.g., coal, liquefied natural gas), but also transport of any essential cargo (e.g., foodstuffs) and movement of naval forces. Vulnerability is most often the result of narrowness and the waterway's absolute or relative exclusivity of access. For example, the Suez Canal is not the only route between Europe and Asia; ships can circumnavigate Africa, but doing so is more costly and time consuming. Current discussions of maritime choke points focus primarily on Middle Eastern straits that are traveled by oil tankers to reach the United States, Europe, and the Far East.

This article discusses the strategic value of three significant maritime choke points in the Middle East – the Straits of Hormuz, both ends of the Red Sea, and the Turkish Straits – and reviews the threats to these locations in light of strategic developments in the region. The importance of choke points has grown given the sharp rise in oil prices (two thirds of the world's oil trade moves by sea),<sup>2</sup> the increased tension between Iran and the United States and Israel, the growth of Somali piracy off the Horn of Africa,<sup>3</sup> the instability following the wave of anti-regime demonstrations across North Africa and the Middle East that began in

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early 2011, and increased awareness of the potential for environmental disasters in narrow waterways. Recent revelations that Osama bin Laden and his al-Qaeda colleagues considered attacks on marine targets, along with the ongoing problem of piracy, have heightened concerns about the safety and security of international shipping.<sup>4</sup>

### The Straits of Hormuz



The Straits of Hormuz connect the Persian Gulf with the Gulf of Oman and the Arabian Sea. Located between Iran in the north and Oman and UAE in the south, the straits are considered one of the world's most important choke points mainly because they constitute the only sea passage to the open ocean from large areas of the petroleum-exporting Arabian/Persian Gulf. The

narrowest point of the Straits of Hormuz is approximately 33 kilometers, but the international shipping lane is only 10 kilometers wide. The shipping lane at the entrance to the Persian Gulf is in Oman's territorial waters; farther north, the tankers enter an area that is close both to the islands Iran controls in the Gulf (Iran controls seven out of eight major islands in the straits) and Iran's major naval bases, potentially allowing it to obstruct free shipping in the Gulf with relative ease. Roughly a third of all seaborne traded oil, as well as about 20 percent of all liquefied natural gas (LNG), passes in tankers through the Straits of Hormuz.<sup>5</sup>

The straits have been the scene of accidents and terror attacks in recent years – a function of their global importance, the high volume of commercial and military traffic, and geographical conditions. For example, in July 2010 an al-Qaeda affiliate, the Abdullah Azzam Brigades, claimed responsibility for an explosion in the rear of the Japanese oil tanker *M. Star* while it passed through the straits.

Iranian threats to close the straits to international shipping and thereby stop the flow of Gulf oil have increased in frequency and intensity in recent years. Senior Iranian officials have warned explicitly that Iran can and will block the straits in response to "any act of aggression or adventure."<sup>6</sup> In general, these pronouncements are intended to deter the international community from increasing the pressure on Tehran and

raise the cost of any military confrontation with it, particularly against its nuclear facilities. Former commander of the Revolutionary Guards naval force, Rear Admiral Morteza Saffari, has warned that “American warships are easy prey for the Iranian navy.”<sup>7</sup> Iran also threatened that it would respond if its ships’ cargoes were subjected to inspections (a step included in a 2010 Security Council resolution on Iran).

In addition, and because of America’s military superiority in the Gulf, Iran has placed priority on acquiring and building a large number of small, fast moving vessels (some of which are for unmanned use) and has re-outfitted civilian vessels for military missions. As a result, in recent years there have been reports of increased Iranian naval activity and even Revolutionary Guard vessels skirmishing with American ships. These incidents were demonstrative, rather than destructive (the US ships were not actually attacked), and were intended to send a message (“naval diplomacy”) to the United States, namely that Iran sees the straits as its strategic backyard. Both sides subsequently tried to minimize the impact of these incidents, and there was even talk of establishing a hot line between the two sides.<sup>8</sup>

In the unlikely event that Iran could effectively close the straits for a long period of time, such a move would not be in Iran’s own best interests. Closure would interfere with the import of refined oil to Iran and Iran’s export of crude oil (representing some 80 percent of its income), and would almost certainly lead to a confrontation with the American navy. Unlike with Saudi Arabia, Iraq, and the UAE, the great majority of Iran’s oil exports pass through the waterway.<sup>9</sup> It is thus not surprising that Iran has never attempted to block the straits, certainly not fully, even at the height of the “Tanker War” during the last phases (1987-88) of the Iran-Iraq War. Aside from Iran’s naval inferiority vis-à-vis the American navy, such a move would also require extensive naval mining, something Iran found difficult to accomplish clandestinely in the past and which is tantamount to an act of war.

Estimates are that the US Fifth Fleet is capable of opening the straits to naval vessels within a “few days to two weeks,”<sup>10</sup> even if Iran were willing to sacrifice all of its assets, suffer massive retaliation, and potentially lose many of its own oil facilities and export revenues. Former United States Director of National Intelligence Admiral (ret.) Dennis Blair believes that Iran could close the straits, but only briefly, because the US could

“neutralize Iran’s attacking forces with a combination of actions at sea and attacks against command-and-control facilities, missile sites, ports, and airfields along the Iranian side of the straits.”<sup>11</sup> Such assessments are presumably based on the fundamental weakness of the Iranian air force, a belief in the American ability to paralyze Iranian positions near the straits (where Iran stations its coastal defense cruise missiles), and the improved US ability to remove naval mines. In addition, unlike other vessels such as cargo ships, tankers are hard to sink due to their size, structure, and the fact that crude oil doesn’t burn easily.

Nonetheless, senior American military sources have expressed concern regarding the Iranian ability to close the straits: “Iran is developing its conventional military with ‘limited’ offensive missiles and naval assets able to disrupt Gulf shipping,” and it “has the ability to restrict access to the Straits of Hormuz with its naval forces temporarily and threaten U.S. forces with missiles.”<sup>12</sup> As early as 2008, Iran announced that it was building new bases, which could threaten movement through the straits. In late 2010 the Iranians also introduced new types of vessels into service, such as mini subs and improved weapons based on asymmetric tactics.<sup>13</sup> According to testimony by Vice Admiral Lowell Jacoby during his tenure as Director of the Defense Intelligence Agency, Iranian mining could halt the flow of oil through the Straits of Hormuz.<sup>14</sup>

Indeed, even an “optimistic” scenario (a partial blockade of the straits with rapid effective international action to open them), that includes sporadic Iranian “harassment” of Gulf shipping could cost the international community dearly due to the effects on the already volatile global energy market. The impact of even a limited campaign is liable to last a long time, beyond the event itself, because of the residual concern about supply disruptions. A longer event might necessitate tapping into strategic reserves, taking advantage of the redundancy of global oil production capabilities (which is limited because it is primarily concentrated in Saudi Arabia), and using alternate shipping routes such as the Saudi East-West and the Habshan-Fujairah pipelines, which can carry up to five million and 1.5 million barrels per day, respectively. Releasing oil from strategic reserves and increasing production have already taken place this year, largely in response to the rise in prices caused by supply disruptions in Libya.<sup>15</sup>

Thus because of its fundamental military weakness, Iran is incapable of blocking the straits completely for long and therefore in any conflict will focus on disrupting freedom of movement in the Gulf in general, while attempting to avoid a comprehensive campaign that might cost it dearly – militarily, politically, and economically.<sup>16</sup> Until then, it will likely continue to threaten to close the straits, a move that serves it well even if it appears contrary to its own basic interests, taking advantage of the straits' unique geographical conditions and global sensitivity to tremors in the world's energy market. That said, any confrontation is liable to develop into or be part of a more widespread campaign that both sides might be hard pressed to contain. For example, Iranian harassment and American-led counteractions could prompt an attack on the western shore of the Gulf, where there is strategic infrastructure, including ports, refineries, and desalination plants. This possibility undoubtedly will give pause to anyone considering a muscular response to Iran's threats.

### Red Sea Choke Points



The Red Sea, the most direct maritime route between Asia and Europe, is bordered by two choke points, one natural and one man-made. The Bab al-Mandab strait in the south lies between Eritrea and Djibouti on the west and Yemen on the east, and is about 29 kilometers wide.<sup>17</sup> The Suez Canal in the north connects the Red Sea with the Mediterranean, is roughly 193 kilometers

long, and is only 205-225 meters wide and 24 meters deep.<sup>18</sup>

The Convention of Constantinople (1888), which governs navigation of the Suez Canal, guarantees neutrality and free passage in the canal during peacetime and war.<sup>19</sup> Nevertheless, the Suez Canal has been both a focus and victim of international conflicts. The canal was closed following the Suez Crisis from October 1956 until April 1957, and again following the Six Day War from June 1967 until 1975. Such a closure today is difficult to imagine, and would cost billions of dollars in lost revenue to Egypt and necessitate slower, more expensive shipping to the rest of the world.

There are numerous strategic ramifications to transport in and around the canal. In addition to the petroleum and related products that pass through the canal, almost three quarters of the total crude oil moving from south to north in 2010 (and approximately 80 percent of Persian/Arabian Gulf crude oil exports to Europe) passed through the 320 kilometer Suez-Mediterranean (SUMED) pipeline.<sup>20</sup> On the other side of the Sinai Peninsula, the Gulf of Aqaba is home to Jordan's only sea port, and Eilat is strategically important for Israel, though only a small percentage of its total imports and exports pass through the port.

The Red Sea has become an increasingly important Iranian-Israeli arena. Iran reportedly transports weapons through Sudan – and even manufactures them there – to equip terrorist groups in Africa and the Middle East.<sup>21</sup> Moreover, in recent years Iran has invested significant efforts in developing its relationships with a number of East African countries, including Kenya, Eritrea, Somalia, Djibouti, Tanzania, and the Comoro Islands. This is reminiscent of initiatives under Nasser in the 1960s that were intended to provide Egypt with greater ability to block Israeli shipping along the length of the Red Sea.<sup>22</sup> In addition, as part of its high profile regional muscle flexing, in 2011 Iran dispatched ships to the Mediterranean Sea through the Suez Canal, and apparently for the first time, sent submarines to the Red Sea. According to American sources, Israel for its part has bombed Iranian weapons convoys headed for Hamas-controlled Gaza.<sup>23</sup>

Though states' interests in the Red Sea area vary and are sometimes at odds with each other, all seem to put a premium on unfettered shipping. In recent years the greatest regional threat to this common interest has been Somali piracy.<sup>24</sup> Much has been said and done about this ongoing problem. International efforts and resources, including the deployment of European, American, NATO, Chinese, Indian, Iranian, and other naval forces, coordinated commercial ship movements, dedicated tracking and communications resources, and widespread adoption of anti-piracy practices have driven the attacks away from Bab al-Mandab further east along the Yemeni coast of the Indian Ocean (towards the Straits of Hormuz) and to the south of the Horn of Africa.<sup>25</sup>

Tactical measures have thus reduced (that is, displaced) the number of pirate attacks in the Red Sea in recent years. However, the strategic problem of which piracy is a symptom – failing states – may well be



worsening along the Red Sea. Somalia's ongoing problems could prove to be just the tip of the iceberg. Yemen for some time has been racked by sectarian and tribal violence. Much as political and economic conditions in Somalia proved to be a breeding ground for both piracy and the Islamist terrorist group al-Shabaab, Yemen in the last two years has become the adopted home of al-

Qaeda in the Arabian Peninsula. Recent reports suggest that this group has seized control of areas along the Yemeni coast.<sup>26</sup> Yemen's instability long predates the large scale demonstrations that began to sweep across the Arab world in early 2011, but an increasingly disordered Yemen could make the country even more useful a base for Somali pirates, and expand its already thriving weapons black market. While instability in Yemen and Sudan or even their collapse would not necessarily lead to increased piracy on the Red Sea, it is a distinct possibility. This potential, combined with the global importance of undisturbed shipping through the area, suggest that the stability, security, and prosperity of these states are a widely shared interest.

This understanding is hardly new. Little wonder that the British Empire, for whom transportation to and from India via the Suez Canal was essential, maintained a presence in Egypt, Sudan, and Aden (now Yemen).

Concerns regarding Egypt are different. Effective management and smooth operation of the Suez Canal and the SUMED pipeline remain a clear Egyptian interest. Nevertheless, the country is currently experiencing its greatest political turmoil in over half a century. Egypt's poverty and problems of governance pale in comparison to those of Yemen, Sudan, and Somalia, and the country appears an unlikely source of Red Sea piracy. Though there were concerns regarding shipping slowdowns in early 2011,<sup>27</sup> Egypt's Suez Canal revenue in April 2011 was over 15 percent higher than it was a year earlier when fees were the same.<sup>28</sup>

At the same time, the Egyptian government is struggling with a restive Bedouin population in the Sinai Peninsula, from which terrorists, including suicide bombers, have attacked Egyptian targets (primarily tourist sites, e.g., the Hilton hotel in Taba). In 2009 Egyptian authorities

arrested 26 people for planning to attack ships in the Suez Canal and oil pipelines.<sup>29</sup> The Sinai pipeline carrying natural gas from Egypt to Israel and Jordan, which provides Israel with more than 40 percent of its natural gas supply, primarily for electricity generation,<sup>30</sup> has been sabotaged repeatedly this year. In May an Egyptian security official claimed that over 400 Bedouin, Palestinian, and foreign Arab members of al-Qaeda were in the peninsula, and Israeli Prime Minister Netanyahu pointed out that Egypt is having “difficulties exercising its sovereignty over Sinai.”<sup>31</sup> While Egypt dedicates significant resources to securing the canal, it is possible that the canal or the SUMED pipeline could become targets of future attacks. An attack on either site could hinder global transportation.

The Red Sea does not appear as central a choke point as the Straits of Hormuz because of the latter’s proximity to both the sources of oil and to a confrontational Iran. In addition, anti-piracy measures in the Red Sea region have been effective enough that the trend among Somali pirates is to move away from the Red Sea to the more open waters of the Indian Ocean. Nevertheless, the geographic and political potential remains for the Red Sea to become every bit as difficult a waterway as were the Straits of Hormuz during the Iran-Iraq War. At the same time, because of the common international interest regarding the states bordering the Red Sea, there is enormous potential for continued cooperation.

### The Turkish Straits



The Turkish Straits, comprised of the Bosphorus, the Sea of Marmara, and the Dardanelles, connect the Black Sea with the Aegean and Mediterranean Seas and are the supply route for oil from the Caspian Sea region to Europe. In 2009, an estimated 2.5 million barrels of oil were exported daily through the Turkish Straits.<sup>32</sup>

As with the Suez Canal, the Turkish Straits lie entirely within a single state. They are governed by Turkey according to the Montreux Convention, which was signed in 1936 and is one of the oldest international treaties still in place. At times Turkey has adhered closely to the convention. For example, Turkey blocked US ships traveling to Georgia during the 2008 war because they exceeded the tonnage limits stipulated in the

convention.<sup>33</sup> However, at other times Turkey has claimed that the Montreux Convention should be updated and has added provisions of its own regarding the travel of ships in the straits.

The Bosphorus and the Dardanelles are part of the larger struggle for control of the Black Sea, and have in the past been a cause of substantial tension between Turkey and the great powers, especially Russia. In recent years, with the warming of relations between Turkey and Russia – largely due to Turkey’s growing dependence on Russian natural gas – some of the tensions have subsided and the two states are cooperating more than in the past. This was evident, for example, during the conflict in Georgia, when Turkey, as mentioned above, refused to allow US ships with high tonnage to move through the straits. The conflict in Georgia presented Turkey with a difficult dilemma, as it was reluctant to become entangled in a direct conflict with Russia. At the same time, Turkey is a member of NATO and has traditionally been an ally of the West. From the Turkish viewpoint, refusing to allow the passage of large US vessels but allowing the movement of smaller ships was in accordance with the Montreux Convention, but perhaps more importantly, was an act of diplomatic balance.<sup>34</sup>

In the wake of the conflict in Georgia, NATO has tried to increase its presence in the Black Sea. The breakup of the Soviet Union and the Eastern bloc has led to a rise in the number of independent states bordering the Black Sea, which in turn has triggered changes in the strategic environment. For example, the US has decided to fund the building of bases in Romania and Bulgaria. While formally these bases are not to be “US bases,” they will serve for training of American soldiers and for future American power projection capabilities. Thus, after many years of a Black Sea dominated by Turkey and Russia, it seems all sides will have to reckon with a larger US presence in the region. This is already causing some tension; Russia, for example, complained in June 2011 about the presence of a US warship with anti-missile capability in the Black Sea as part of a joint Ukrainian-US naval exercise, and stated that it “would not let pass unnoticed the appearance of elements of US strategic infrastructure in the immediate proximity to our borders.”<sup>35</sup>

Beyond the traditional security dimension, Turkey has repeatedly raised concerns over the environmental threats stemming from the fact that the Turkish straits are not only among the busiest choke points (fourth in the world), but also very difficult to navigate. The Bosphorus

is the narrowest natural strait used for international shipping; at their narrowest point, the straits are 800 meters wide.<sup>36</sup> Turkish Prime Minister Recep Tayyip Erdoğan has been outspoken on the matter, asserting that “there has been a busy [sic] tanker (carrying oil) traffic in Turkish straits. *Everyone should accept that it is not possible for us to live with this threat.*”<sup>37</sup> Erdoğan, formerly mayor of Istanbul with its population of 13 million, is well aware of the hazards related to heavy traffic in the straits and how Istanbul would suffer from a catastrophic event in the straits.

In April 2011, Erdoğan announced his intention to construct a “second” Bosphorus strait, the “Istanbul Canal,” by the year 2023. The plan is to build a canal through the western districts of Istanbul, which will reduce if not eliminate commercial traffic in the Bosphorus. All sizes of ships will be able to travel through it.<sup>38</sup> Many have praised the idea of the Istanbul Canal, noting that it will diminish the threat of a tanker accident and also reduce the costs accrued by ships waiting to pass through the busy Bosphorus strait. However, there has likewise been criticism of the proposal. Some contend that the risks will be the same in a man-made canal as in a natural one, and that “such passages are open targets for terror attacks.”<sup>39</sup> Another criticism is that the plan somewhat undermines Turkey’s emphasis in recent years on the benefits of constructing energy transfer pipelines through its territory. Still, as Erdoğan has put all of his political weight behind the Istanbul Canal plan, and presented it as part of his successful 2011 reelection campaign, it is highly likely to materialize.

## Conclusion

Maritime choke points are among the most sensitive locations where geography, trade, and politics meet. The three cases discussed in this article are of particular concern because their rising importance in the global energy market is matched by a parallel rise in the volatility of some of the states surrounding them.

The challenges posed by Middle East choke points, evident even before the massive dependence on oil arose in the twentieth century, have become more urgent in recent years. As a result, states have worked hard to establish security and control over these strategic passageways while developing land-based alternatives like oil and gas pipelines, artificial canals, and railways. Yet while these measures help diversify risk, they are costly to build and maintain, and they require significant international

cooperation. Because they can be comparatively easy to access (on the ground, rather than at sea) and are highly technology dependent (e.g., pumping stations, lock systems), these alternatives themselves can constitute choke points that are perhaps more vulnerable than the sea routes they are intended to supplement or replace. Therefore, interested states will have to continue their significant investment in securing these routes.

Significantly, the fact that so many states have a common interest in unfettered sea traffic has led to a de facto unity of purpose – even among states like the United States and Iran – that might otherwise be fierce competitors.

## Notes

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