



# Israel and Hamas: Conflict in Gaza (2008-2009)

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## Summary

On December 27, 2008, Israel launched a major military campaign dubbed “Operation Cast Lead” against Hamas in the Gaza Strip. The Israeli offensive came in response to markedly increased Palestinian rocket fire following the expiration of a six-month cease-fire on December 19. On January 3, 2009, Israel began a ground offensive into Gaza. Despite international pressure to halt the fighting (including the passage of U.N. Security Council Resolution 1860 on January 8), the conflict continued until January 18, when Israel unilaterally ceased fire and Hamas followed suit shortly thereafter. Israel’s technological superiority and reliance on heavy armor and firepower contributed to a wide disparity in casualties—approximately 1,440 Palestinians have died (with some organizations estimating that at least half of the dead are civilians), compared with 13 dead (including four civilians) on the Israeli side.

The officially stated Israeli goal of Operation Cast Lead was to diminish the security threat to residents of southern Israel by steeply reducing rocket fire from the Gaza Strip, weakening Hamas, and restoring Israel’s deterrence. Hamas, however, has “spun” the survival of most of its leaders and fighters, and their control over Gaza, as victory. Nevertheless, by temporarily disabling Hamas’s military capacity, Israel might have decreased its vulnerability to future attacks by buying time to deploy new, more sophisticated anti-rocket defense systems. Greater U.S., European, and Egyptian openness to implementing tougher anti-smuggling measures both on land and at sea could hinder the rearmament capacity of Hamas and other Palestinian militants in Gaza. Nevertheless, the practicability of such measures, and whether they will be accompanied by an opening of Gaza border crossings to renewed commerce, remains uncertain.

International attention has turned to brokering a sustainable cease-fire arrangement and to addressing the needs of the Gazan population—both in terms of continued humanitarian assistance and of reconstruction. The United States and others in the international community are concerned that, given Hamas’s continued control of Gaza, reconstruction assistance could be squandered or used for undesirable means. Yet, the Palestinian Authority and the international community might lose an opportunity to regain influence in Gaza if they do not involve themselves more quickly and decisively in the reconstruction effort.

The conflict has exacerbated tensions between countries in the Middle East with a relatively pro-Western orientation—like Egypt, Jordan, and Saudi Arabia—and other countries and non-state actors in the region—like Iran, Syria, and Hezbollah. The Saudis have taken the lead in seeking to mitigate intra-Arab tensions by reopening dialogue with Syrian officials and by taking a harder rhetorical line with Israel. Leadership transitions in both the United States and Israel and continued internal division among Palestinians have contributed to difficulties in analyzing prospects both for post-conflict stability and reconstruction and for the Arab-Israeli peace process. New U.S. Special Envoy for Middle East Peace George Mitchell has been given broad negotiating authority by the Obama Administration. Yet, resumption of serious Israeli-Palestinian final-status negotiations might not occur unless and until stable leadership emerges from both sides.

This report will not be updated. Further policy developments on issues covered in this report will be analyzed in other CRS reports, including CRS Report RL33530, *Israeli-Arab Negotiations: Background, Conflicts, and U.S. Policy*, by Carol Migdalovitz, CRS Report RL34346; CRS Report R40092, *Israel and the Palestinians: Prospects for a Two-State Solution*, by Jim Zanotti; and *The Egypt-Gaza Border and its Effect on Israeli-Egyptian Relations*, by Jeremy M. Sharp.

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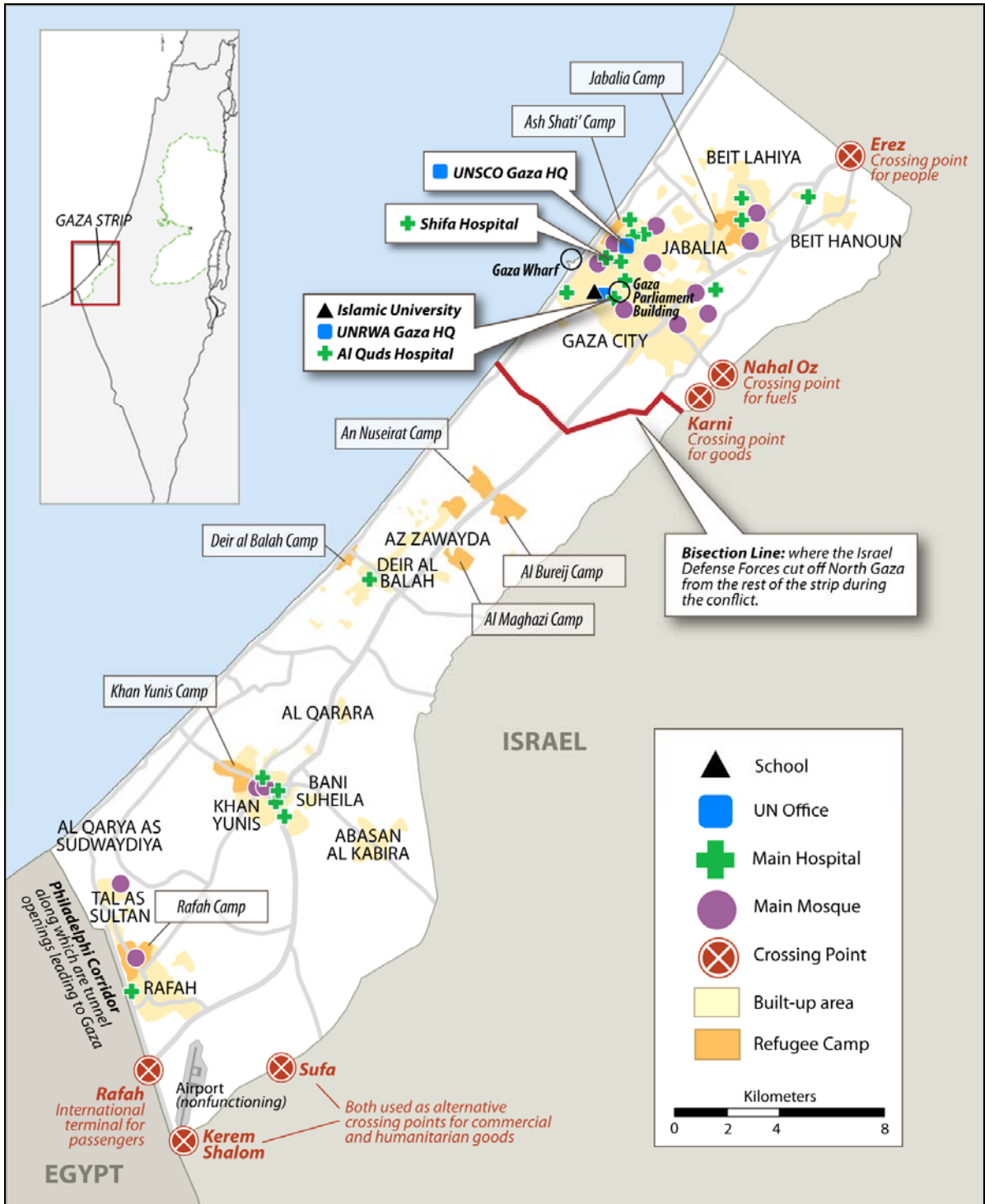
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Figure I. Map of the Gaza Strip in the 2008-2009 Conflict



**Sources:** U.N. Office for the Coordination of Humanitarian Affairs (including for the Bisection Line) and UNOSAT, with additional data from UNRWA; adapted by CRS.

**Note:** All locations are approximate.

# Introduction: The Gaza Conflict<sup>1</sup>

## Overview of the Conflict

Israel launched “Operation Cast Lead” against the Palestinian Islamist militant group Hamas (a U.S.-designated Foreign Terrorist Organization) in the Gaza Strip on December 27, 2008. Initially, coordinated Israeli air strikes against pre-selected targets took Hamas by surprise. In addition to weapons caches and military facilities, Israel targeted elements of Gaza’s infrastructure that it believed supported Hamas’s military objectives, including a network of smugglers’ tunnels along the border with Egypt. Some observers complained that the target list was overly broad, or that Israel did not take enough care in distinguishing between legitimate targets and civilian areas. Air strikes also killed a few senior Hamas leaders, including (on January 15) Hamas interior minister Said Siam.

On January 3, 2009, Israel expanded its operations by beginning a ground offensive—sending thousands of troops over Gaza’s northern border, along with tanks, armored personnel carriers, and artillery divisions. The ground operation began in the north largely to disable Palestinian rocket launch sites that took advantage of the area’s relative proximity to targets in southern Israel. Having captured military targets in the northern sector of Gaza, the Israeli forces positioned themselves around Gaza City during the week of January 5 after taking control of Gaza’s main north-south highway, and there was limited close-quarters fighting between Israeli forces and Hamas gunmen in various Gaza City neighborhoods and in towns in the immediate vicinity such as Jabalia. By cutting off northward access and targeting the tunnels from Egypt, Israeli forces prevented Hamas from supplying its fighters with weapons from the south of Gaza.

Despite Hamas’s use of deception (such as wearing civilian clothing and using civilian buildings for military purposes—possibly including Shifa Hospital, Gaza’s main medical center (see **Figure 1** for location)) and other guerrilla warfare tactics, Israeli ground forces did not meet formidable resistance. Many Hamas fighters remained in hiding and chose, perhaps deliberately, to avoid open confrontations with the better-equipped Israeli forces. Israel reportedly gained valuable intelligence from Gazans it detained, from captured maps and plans, and from subterfuge. Israel’s decision to have its troops go in “heavy,” using armored vehicles and firepower even in urban environments, is also thought to have kept Israeli casualties low, perhaps at greater cost to Gazan civilians (even though many were warned to leave targeted areas ahead of time).

During the Israeli offensive, Palestinian rocket attacks on southern Israel continued (see “Palestinian Rocket Attacks from Gaza Since 2001: Threat Assessment and Israeli Responses” below), although their frequency diminished as the fighting endured. Hamas and other allied Palestinian militant groups moved more rocket-launching operations into densely-populated sectors of Gaza City and to areas further south that were less endangered by Israeli forces.

The intensification of Israeli military operations led to heightened international pressure for an end to hostilities. The United Nations Security Council passed Resolution 1860 on January 8 by a

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<sup>1</sup> This section was prepared by Jim Zanotti, Analyst in Middle Eastern Affairs.

14-0 vote (with the United States abstaining<sup>2</sup>), which called for an “immediate, durable and fully respected ceasefire leading to the withdrawal of Israeli forces from Gaza” and encouraged the re-opening of border crossing points on the basis of the Israel-Palestinian Authority 2005 Agreement on Movement and Access (AMA). Both Israel and Hamas refused to halt the conflict.

Members of Congress expressed support for Israel’s operations in Gaza. S.Res. 10, passed by unanimous consent in the Senate on January 8, recognized the “right of Israel to defend itself against attacks from Gaza and reaffirm[ed] the United States’s strong support for Israel in its battle with Hamas, and support[ed] the Israeli-Palestinian peace process.” A similar resolution, H.Res. 34, passed the House on January 9 by a vote of 390-5, with 22 voting present.

Starting on January 7, Israel instituted what it called a “humanitarian corridor”—a lull in violence for three hours every day—in order to allow medical assistance in conflict areas and to allow trucks to bring needed goods and supplies to Gazan civilians. Yet, some insisted that this measure did not sufficiently address humanitarian needs. After the death of at least two U.N. humanitarian workers and the injury of others, there were also complaints from international organizations (particularly the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) and the International Committee of the Red Cross) that Israel’s “heavy” approach to countering Hamas and other militants made the environment for providing humanitarian assistance too dangerous, and that the organizations were not given sufficient access to injured Gazans.

Additionally, there were multiple reports that Israeli fire hit U.N. buildings and/or compounds during the conflict, killing and injuring several shelter-seeking civilians. In the most deadly case, in which 43 Palestinians were killed by Israeli shelling on January 6 in response to fire from Palestinian militants, the reports turned out to be false—Israeli fire struck an area adjacent to, not inside, a U.N. compound. Getting timely and accurate reports of these and other occurrences proved challenging due to Israel’s barring of the international media from entering the territory independently during the conflict (only a small group was permitted into Gaza, accompanied by Israeli troops).

On two occasions (January 8 and January 14), volleys of Katyusha rockets were fired from southern Lebanon into northern Israel. No deaths were reported (although there were two injuries), and Israel fired back at the locations from which the rockets came (and following the second occurrence, Lebanese troops found and dismantled three additional rockets set to be fired), but did not retaliate further. Hezbollah appears not to have been directly responsible, but some analysts believe that Hezbollah and/or Iran may have orchestrated or at least consented to the firing to cause confusion in Israel and to portray themselves as defenders of the Palestinian cause, and that the indirect, low-level nature of the attack may have been intentionally calibrated to avoid a major Israel reprisal.

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<sup>2</sup> In a January 12 speech in Ashqelon, Israeli Prime Minister Ehud Olmert claimed that his personal intervention with President Bush was responsible for changing the U.S. vote on Resolution 1860 from a “yes” to an abstention. See “Rice Shame-Faced by Bush Over UN Gaza Vote: Olmert,” *Agence France Presse*, January 12, 2009. The State Department denied Olmert’s claim.

Israel announced on January 11 that reserve troops were being inserted alongside regular army divisions, and another week of fighting in and around Gaza City ensued, with air strikes and ground raids also continuing in southern Gaza near the Egyptian border. Most of Hamas's top Gaza leadership had gone into hiding, and there were reports of disagreement among Israeli Prime Minister Ehud Olmert, Foreign Minister Tzipi Livni, and Defense Minister Ehud Barak over how to end Israel's involvement in the conflict. Finally, a unilateral pullout was announced on January 17—one day after a U.S.-Israel Memorandum of Understanding on halting weapons smuggling into Gaza was signed in Washington, DC—and became effective on January 18. Following one more round of rocket attacks, Hamas ceased fire on January 18 as well. The Israeli pullout was complete on January 21. Some reports speculated that the cessation of hostilities was timed to precede the U.S. presidential transition (which took place on January 20).

The United Nations reports that as a result of Israel's three-week military offensive in the Gaza Strip, the Palestinian death toll stands at approximately 1,440 (with some organizations estimating that at least half of the dead are civilians). The estimated number of injured is 5,380. An unknown number of Palestinians have either been internally displaced or remain unaccounted for. Four Israeli civilians were killed and 183 injured by rocket and mortar fire by Palestinian militants in Gaza. Nine Israeli soldiers were killed and 340 wounded during the military operation (one additional Israeli soldier has been killed since the end of major hostilities).

## **Post-Conflict Developments**

Although the Israeli offensive has ended, sporadic fighting has continued. Israel has directed return fire at the source of rocket attacks and has engaged militants in periodic skirmishes. Despite Prime Minister Olmert's warning that continued attacks would be answered by "disproportionate" force, no major re-escalation has occurred. Some analysts believe that absent extreme provocation, the potential for a new offensive is unlikely until a new Israeli government is assembled following the national elections that were held on February 10.

President Barack Obama and Secretary of State Hillary Rodham Clinton appointed former Senator George J. Mitchell as U.S. Special Envoy for Middle East Peace on January 22. President Obama said that Mitchell "will be fully empowered at the negotiating table." Mitchell traveled in the region from January 27 to February 3, meeting separately with Israeli and Palestinian Authority (PA) leaders in Jerusalem and Ramallah, respectively, as well as with leaders in Egypt, Jordan, Saudi Arabia, and Europe. He has scheduled another visit to the region for late February. The Obama Administration made it clear that Mitchell will not meet with Hamas leaders. Mitchell is seeking to bolster Egyptian-brokered negotiations for a long-term cease-fire between Israel and Hamas (see a more detailed discussion of Mitchell's efforts and Obama Administration policy in "The Conflict's Implications for U.S. Policy" below). A more formal truce would presumably include arrangements to manage the various Gaza border crossings and to prevent the smuggling of weapons into Gaza. The Israeli security cabinet decided on February 18 that any



truce must include the release of Gilad Shalit, an Israeli corporal who has been in Hamas's captivity for more than two years.<sup>3</sup>

The international community has shown interest in helping with the reconstruction of Gaza—estimated to cost as much as \$3 billion—but some countries disagree about Hamas's involvement in any reconstruction, and many are uneasy about implementing anything permanent without agreement on a more sustainable post-conflict order. At an Arab League summit in Kuwait on January 19 (see “Intra-Arab Political Developments” below), Saudi Arabia announced plans to donate \$1 billion to the reconstruction, and up to an additional \$1 billion may be forthcoming from other Arab countries. PA Prime Minister Salam Fayyad announced on February 4 that the PA plans to spend over \$600 million on reconstruction by channeling money into Gaza through banks that are free from Hamas's control. An international donors' conference is planned to take place in Cairo on March 2. To prepare the ground for such a conference, Egypt is trying to revive hopes of Palestinian national unity, having invited Hamas to attend talks with other Palestinian factions (most notably PA President Mahmoud Abbas's Fatah movement).

On February 19, Senator John Kerry, the Chairman of the Senate Foreign Relations Committee, and—in a separate delegation—Representatives Brian Baird and Keith Ellison visited the Hamas-controlled Gaza Strip. According to the U.S. consulate in Jerusalem, the congressional visits are the first since 2000, and the first visits by U.S. government officials to Gaza in over three years (since before the Hamas victory in Palestinian Legislative Council elections in 2006).<sup>4</sup> The two congressional delegations reportedly visited sites in northern Gaza that were destroyed or damaged during the conflict and met with U.N. officials. Neither delegation met with Hamas officials.<sup>5</sup> The visits proceeded despite the fact that sporadic fighting in and around Gaza continues.

## The Conflict's Origins

Prior to the start of Israel's campaign, experts warned that a full-scale resumption of Israeli-Palestinian violence was imminent, as Egyptian mediation failed to extend the six-month cease-

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<sup>3</sup> See “Security Cabinet: No Truce Until Shalit Is Freed,” *Jewish Telegraphic Agency*, February 18, 2009. According to the same article, gaining the release of Shalit would probably involve a prisoner swap with Hamas. Some observers believe that this decision has complicated negotiations and might delay a truce.

<sup>4</sup> Taghreed El-Khodary, “Kerry and 2 U.S. Representatives Visit Gaza,” *New York Times*, February 19, 2009.

<sup>5</sup> *Ibid.* *Agence France Presse* reported that before crossing over into Gaza in a U.N. vehicle, Sen. Kerry told journalists in Sderot, Israel that the visit “does not indicate any shift whatsoever with respect to Hamas.... What it indicates is our effort to listen and to learn.... What has to change is behaviour. What has to change obviously is Hamas's consistent resort to instruments of terror.” “U.S. Senator John Kerry Visits Gaza,” *Agence France Presse*, February 19, 2009. The same day of the U.S. congressional visits to Gaza, the United Kingdom newspaper *The Independent* reported that two French senators met with Hamas politburo chief Khaled Meshaal in Damascus in early February, and that since the end of 2008, members of parliament from the United Kingdom, the Netherlands, Sweden, and three other Western European nations had consulted with Hamas representatives, despite the official Quartet policy against such contacts. The article quotes a senior European diplomat as saying, “Far more people are talking to Hamas than anyone might think. It is the beginning of something new—although we are not negotiating.” Anne Penketh, “Europe Opens Covert Talks with ‘Blacklisted’ Hamas,” *The Independent* (UK), February 19, 2009.

fire (*tahdiya* or calm) that expired on December 19, 2008. Israel and Hamas had indirectly agreed (via Egyptian mediation) to the cease-fire in June.

For the first five months, the cease-fire held relatively well. Some rockets were fired into Israel, but most were attributed to non-Hamas militant groups, and, progressively, Hamas appeared increasingly able and willing to suppress even these attacks. No Israeli deaths were reported (although there were injuries and property damage), and Israel refrained from retaliation.

Nevertheless, each party felt as though the other was violating the terms of the unwritten cease-fire. Hamas demanded—unsuccessfully—that Israel lift its economic blockade of Gaza, while Israel demanded—also unsuccessfully—a full end to rocket fire and progress on the release of Israeli corporal Gilad Shalit from Hamas’s captivity.

Israel cited the sporadic rocket fire as justification for keeping the border crossings and Gaza’s seaport closed to nearly everything but basic humanitarian supplies. Hamas, other Arab leaders, and some international and non-governmental organizations involved in aiding Gazan civilians complained that Israel was renegeing on its promises under the unwritten cease-fire agreement. Some in Israel believed that the pressure applied through a blockade on Gaza could squeeze Hamas from power by turning Gazans against the Islamist group, while other observers asserted the exact opposite—that confining economically desperate people in Gaza would likely increase their dependence on Hamas. The nearly complete shutdown of the highly export-dependent Gazan economy<sup>6</sup> left Israel and its supporters open to charges that they were knowingly worsening the already-precarious situation of Gaza’s population—one of the most densely concentrated (Gaza’s 1.5 million people live within the territory’s 146 square miles) and poorest in the world. The United Nations estimates that at least 80% of Gazans live below the poverty line.

Many believe that, all along, both sides considered the six-month cease-fire to be merely an opportunity to prepare more fully for eventual conflict. Accounts of Hamas’s military buildup and its use of tunnels from Egypt’s Sinai Peninsula for smuggling weapons, and reports describing how Israel devised plans for the eventual Gaza offensive, support this argument. Some commentators have said that giving up on the cease-fire was in both sides’ interests—asserting that Hamas wanted to reclaim the mantle of “heroic resister” in order to reverse erosions in its popularity among Palestinians since its takeover of Gaza, while Israeli leaders wanted to prove their ability to defend Israeli citizens on the eve of national elections.<sup>7</sup>

Violence had already resumed in the waning days of the cease-fire. After an Israeli raid on November 4 (ostensibly aimed at preventing Hamas’s use of tunnels to abduct Israeli soldiers), rocket fire on Israel resumed with greater intensity from Gaza. Some analysts speculated that the cross-border skirmishes and rocket fire that continued into December represented jockeying by both Israel and Hamas for more favorable renegotiating positions as the cease-fire’s December 19 expiration approached.<sup>8</sup> On the 19<sup>th</sup>, Hamas issued a statement on its website that “The cease-fire

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<sup>6</sup> The Palestinian Federation of Industries estimates that 98% of Gaza’s industrial operations are now inactive. See The World Bank, *Palestinian Economic Prospects: Aid, Access and Reform: Economic Monitoring Report to the Ad Hoc Liaison Committee*, September 22, 2008.

<sup>7</sup> Daoud Kuttab, “Has Israel Revived Hamas?” *Washington Post*, December 30, 2008.

<sup>8</sup> See Karin Laub, “Analysis: Hamas, Israel Trying to Rewrite Truce,” *Associated Press*, November 17, 2008.

is over and there will not be a renewal because the Zionist enemy has not respected its conditions.” On December 24, approximately 88 rockets were fired into southern Israel from Gaza, followed by another 44 on December 25.<sup>9</sup> The magnitude of this assault—although it did not cause casualties—apparently prompted the Israeli leadership’s decision to launch the December 27 air strike and larger offensive.

## **Did Israel Achieve Its Goals?<sup>10</sup>**

The officially stated Israeli goal of Operation Cast Lead was to diminish the security threat to residents of southern Israel by steeply reducing rocket fire from the Gaza Strip, weakening Hamas, and restoring Israel’s deterrence, which many believed had been weakened as a result of the 2006 war against Hezbollah in Lebanon. Some perceived a broadening of goals as the operation prolonged, noting that Prime Minister Ehud Olmert may have wanted to add the ouster of Hamas from power to Israel’s immediate aims. Yet, no official statements were made to that effect, and the operation was ended well before any such ouster could be achieved. Foreign Minister Tzipi Livni specifically stated that ousting Hamas remained a goal for the future. Nonetheless, many in Israel were disappointed that it was not accomplished, and the government’s political opponents sought to exploit that failure in the final two weeks of the national election campaign. It may still be too early to appraise Israel’s achievements completely, as bombing assessments usually trail the end of a conflict for some time. Therefore, the following is only a preliminary appraisal.

Rocket launches, while still occurring, have decreased markedly. Since Israel’s unilateral cease-fire began on January 18, 2009, there have been about 40 sporadic rocket launches into southern Israel, far fewer than occurred on average per day just before Operation Cast Lead. Moreover, Israeli officials believe that smaller militant groups, such as Palestinian Islamic Jihad and the Al Aqsa Martyrs’ Brigades, and not Hamas, have fired the rockets, as they did during the cease-fire (although it is possible that Hamas is enabling or acquiescing to these attacks while preserving deniability). The Israel Defense Forces (IDF) maintains that air strikes took out half of Hamas’s rockets and other munitions stockpiles as well as a substantial number of rocket launchers and Hamas military commanders who had been in charge of the launches. The IDF also admits that its estimates are inconclusive.

During the operation, Israel also destroyed many facilities that it regarded as part of the Hamas support network—police stations, ministries, university buildings, other schools, factories, tunnels, and homes of leaders and commanders—with the intent of weakening the institutions of Hamas rule in Gaza. However, most Hamas leaders survived and the group’s control of the Gaza Strip is not threatened. Furthermore, Hamas retains fighters, weapons, and tunnels beneath the Gaza-Egypt border through which to smuggle more arms. Even if the IDF Gaza Coordination and Liaison Administration’s claim that 750 Hamas fighters were killed is accepted, Hamas’s estimated strength before the conflict was 9,000, meaning it may still have considerable

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<sup>9</sup> International Crisis Group, *Ending the War in Gaza*, Middle East Briefing No. 26, January 5, 2009.

<sup>10</sup> This section was prepared by Carol Migdalovitz, Specialist in Middle Eastern Affairs.

manpower.<sup>11</sup> Moreover, while Israeli airstrikes may have destroyed up to 80% of the estimated 300 tunnels under the border,<sup>12</sup> some tunnels still are visibly in use and others are being repaired.

Part of Israel's effort to weaken Hamas involved gaining international understanding of and aid in combating the problem presented by Hamas's arms smuggling. This may have been achieved. The United States and several European countries promised assistance that may prove to be effective, and the role of Egypt in this regard will be critical (see "Efforts to Prevent Arms Smuggling into Gaza" below).

Finally, Hamas's rhetoric does not bespeak weakness, as it has "spun" survival as victory. To some extent, the results of the ongoing cease-fire negotiations may be telling. If Hamas compromises on its demands that all border crossings be opened and that the release of IDF corporal Gilad Shalit, whom Hamas captured in 2006, is not tied to the border issue, then its claims of victory may ring hollow. If Israel cedes control of crossings and releases "high value" Palestinian prisoners in exchange for Shalit, then Hamas may have more to boast about.

Israel's military deterrence probably has been restored. Hamas politburo chief Khaled Meshaal (alternate spelling: Khalid Mish'al) admitted that he had been surprised by Israel's assault, its length, and its ferocity.<sup>13</sup> That Hamas has not been responsible for rocket launches since the cease-fire, even though it retains the capability, and did not directly engage the IDF suggests that it may be reluctant to test Israel's will. Moreover, Israel's military achievements during the conflict were made at minimal physical cost to itself: 13 dead (four of whom were civilians and five of whom were soldiers killed by friendly fire). The Palestinian casualties, according to the United Nations, included over 1,400 dead and roughly 5,400 wounded, plus huge infrastructure and physical losses. The massive devastation may serve as the ultimate deterrent.

## **Palestinian Rocket Attacks from Gaza Since 2001: Threat Assessment and Israeli Responses<sup>14</sup>**

Since 2001, several Palestinian terrorist groups based in the Gaza Strip have attacked communities in southern and coastal areas of Israel with thousands of indiscriminately fired rockets and mortars. During the second Palestinian *intifada* or uprising in 2001, Hamas militia members and others fired homemade mortars at Israeli settlements in the Gaza Strip and launched the first locally produced "Qassam" rockets, named after the early 20th Century militant leader Shaykh Izz al Din al Qassam. Widely-available household ingredients, such as fertilizer, sugar, alcohol, and fuel oil, serve as propellants for the low-cost Qassam rockets, which are fabricated locally from scrap metal and pipes and armed with smuggled explosives. Teams of engineers, chemists, and machinists have improved the range and payload of the Qassam series rockets over

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<sup>11</sup> Tovah Lazaroff and Yaakov Katz, "Israel Disputes Gaza Death Toll," *Jerusalem Post*, January 23, 2009. Total Hamas strength estimate is from the U.S. State Department, *Country Reports on Terrorism*, 2007.

<sup>12</sup> Yaakov Katz, "Hamas Takes Control of All Gaza Tunnels," *Jerusalem Post*, January 22, 2009.

<sup>13</sup> "President Abbas Says: It Is the Palestinian People Who Have Triumphed and Israel Does Not Want Peace," *Wafa*, January 27, 2009, Open Source Center Document GMP20090127751006.

<sup>14</sup> This section was prepared by Christopher M. Blanchard, Analyst in Middle Eastern Affairs.

time, and several individuals and facilities associated with rocket research and production operations have been targeted in Israeli military raids.

Since 2006, longer-range 122mm Grad rockets and 122mm Grad-style copies, often referred to as Katyushas, have expanded the range of Hamas and its allies beyond relatively small Israeli communities near the Gaza border, such as the town of Sderot (population est. 24,000), to the larger coastal cities of Ashqelon (population est. 120,000) and Ashdod (population est. 200,000) and to the Negev city of Beersheva (population est. 185,000). Similar mid-range rockets have been fired by Palestinian Islamic Jihad (Al Quds series) and the Popular Resistance Committees (Nasser series). A map showing the approximate range of various Gaza-based rockets and mortars appears as **Figure 2** below.

Press reports allege that some 122mm rockets fired against Israel have been Grad-style copies made in Iran, while others have been Eastern-bloc editions modified to expand their range and lethality. The longer range Grad rockets are believed to be smuggled into the Gaza Strip via tunnels from Egypt. The approximately 7,000 rockets and mortars fired by Palestinians since 2001 have killed at least 18 Israelis and wounded dozens, while the persistent threat of rocket fire has had a broader negative psychological effect on Israelis living in targeted communities.<sup>15</sup> Some observers estimate that Palestinian militants in Gaza may have had as many as 10,000 rockets at their disposal at the outset of the Gaza conflict, up to a third of which may have been Grad-style rockets.

In response to ongoing rocket attacks, Israel has invested millions of dollars in both passive and active defense measures, including an advance warning alert system known as “Color Red,” safe room construction programs in residential areas near Gaza, and the deployment of a new counter-rocket defense system known as “Iron Dome.” In December 2008, the Israeli cabinet issued final approval for a three-stage plan to build reinforced security rooms in all 8,500 housing units within 2.8 miles of the Gaza Strip. The cost of the program is estimated to be over \$200 million.<sup>16</sup> Reports suggest that Israel has budgeted \$230 million for the development and procurement of the Iron Dome system; its rocket interceptor costs are estimated at \$45,000 each, with a total annual system deployment cost in areas around Gaza estimated at \$25 million. Some Israeli military officials and public figures reportedly favor the deployment of a less mobile, but potentially more cost effective directed laser system, based on the work of the joint Israeli-U.S. Tactical High Energy Laser (THEL) research program that was terminated in 2004.<sup>17</sup> For more detailed information on Israeli rocket defense measures, see “Defense Budget Appropriations for U.S.-Israeli Missile Defense Programs” below.

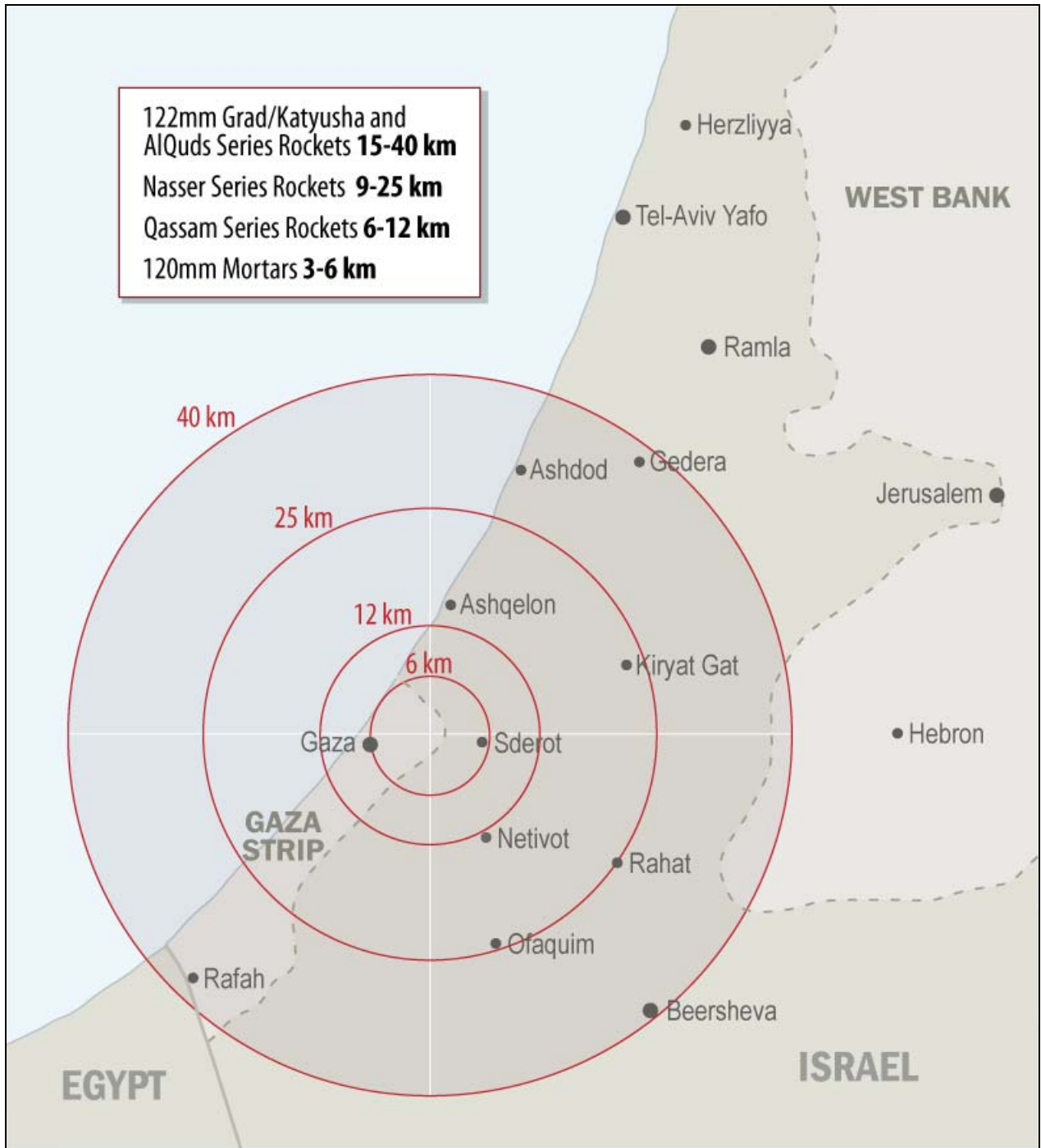
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<sup>15</sup> Toni O’Loughlin and Hazem Balousha, “News: Air Strikes on Gaza,” *The Observer* (UK), December 28, 2008; David Isby, “Effective anti-Qassam defence could be more than six years away,” *Jane’s Missiles and Rockets*, January 1, 2007.

<sup>16</sup> Herb Keinon and Yaakov Katz, “Cabinet okays rocket-protection for communities within range,” *Jerusalem Post*, December 8, 2008; Yaakov Lappin and Dan Izenberg, “Barak wants government’s okay to hit Gaza residential areas,” *Jerusalem Post*, November 10, 2008.

<sup>17</sup> See Alon Ben-David, “Iron Dome advances to meet Qassam threat,” *Jane’s Defence Weekly*, March 17, 2008.

Figure 2. Range of Selected Rockets and Mortars Fired from the Gaza Strip



**Source:** Map Resources, adapted by CRS. Data based on reporting by *Jane's Missiles and Rockets* and Israeli government statements to international media outlets.

**Notes:** All ranges listed for weapons are approximate and may vary based on launch sites and the characteristics of individual rockets, most of which are locally produced and some of which are modified from their original foreign designs.

## **Impact of the Conflict on Civilians<sup>18</sup>**

The fighting in Gaza and southern Israel during the conflict affected both Palestinian and Israeli civilians. Questions were raised over who was a legitimate target. Rockets from Palestinian militants in Gaza were and continue to be almost exclusively fired with the aim of killing and terrorizing Israeli civilians. Israel's bombing campaign and ground offensive targeted Hamas, but some have charged that Israel's targeting of cultural, residential, and governmental sites disproportionately impacted Gaza's civilian population despite Israel's insistence that these sites are inextricably linked with Hamas's military operations. Israeli officials and media have alleged that Hamas has virtually or actually used Gaza civilians as "human shields," citing Hamas's use of homes, mosques, schools, and hospitals for military purposes and its militants' immersion in densely-populated areas. The toll exacted goes beyond civilians' immediate well-being to possible implications for regional politics and post-conflict reconstruction, including concerns over further radicalization on either or both sides.

Since the cease-fire took effect on January 18, 2009, Israel and Hamas have exchanged fire on a number of occasions; the threat to civilians on both sides remains. Continued restrictions on goods flowing into and out of Gaza have slowed the arrival of humanitarian supplies to Gaza and political concerns have delayed the development of a plan to rebuild Gaza. Casualty figures for both Palestinians and Israelis are stated in "Overview of the Conflict" above.

### **Impact on Palestinian Civilians**

In spite of periodic humanitarian relief shipments allowed by Israel, the 22-day conflict further deteriorated the already dire humanitarian situation in the Gaza Strip. While Palestinians began to return home after the cease-fire, an estimated 46,000 displaced persons remained in UNRWA shelters throughout the Gaza Strip.<sup>19</sup>

Access to food, potable water, and services such as electricity and sanitation was extremely limited during the fighting. Since the cease-fire, provision of health care has resumed except in clinics that were badly damaged or destroyed during the conflict. Remaining clinics are overwhelmed, but an estimated 120 foreign doctors have entered Gaza since December 27, 2008 to provide temporary assistance to understaffed facilities. On January 19, the Director of Hospital Services in Gaza stated that no more medical personnel are needed at the present time but that there is a shortage of medical supplies. The World Health Organization has warned of the risk of an outbreak of disease due to unrecovered bodies and due to the sewage flowing in Beit Hanoun and Beit Lahia in the Gaza Strip. Water, sanitation, and electricity facilities damaged in the fighting are being assessed and repaired and fuel shipments to waste disposal facilities and the

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<sup>18</sup> This section was written by Casey L. Addis, Analyst in Middle Eastern Affairs.

<sup>19</sup> United Nations Office for the Coordination of Humanitarian Affairs Field Update on Gaza, January 19, 2009. Available online at [http://www.ochaopt.org/gazacrisis/admin/output/files/ocha\\_opt\\_gaza\\_humanitarian\\_situation\\_report\\_2009\\_01\\_19\\_engl-ish.pdf](http://www.ochaopt.org/gazacrisis/admin/output/files/ocha_opt_gaza_humanitarian_situation_report_2009_01_19_engl-ish.pdf).

Nahal Oz power plant resumed, albeit in limited quantities, on January 17. Cooking gas and diesel are still in short supply and only allowed into Gaza sporadically.<sup>20</sup>

## **Impact on Israeli Civilians**

Over 600 rockets and 200 mortars have been launched by Palestinian militants into southern Israel since the official expiration of the June-December 2008 cease-fire between Israel and Hamas.<sup>21</sup> Hamas and other groups firing rockets and mortars target Israeli civilians specifically, and some observers argue that the arbitrary nature of these attacks compound the physical danger they represent with severe psychological repercussions that cannot be quantified.<sup>22</sup> The siren alert system used to warn civilians of incoming attacks provides only momentary warning time for Israelis to head to shelters, and because the rockets are fired indiscriminately, virtually no place can be safely ruled out as a target—further contributing to Israeli anxieties.

During Operation Cast Lead, Hamas rockets hit a school, open markets, homes, and other sites in Sderot, Gedera, Ashdod, Ashqelon, Beersheva, and elsewhere in southern Israel. As mentioned in “Overview of the Conflict” above, northern Israel was also hit by rockets originating from Lebanon on January 8 and January 14, prompting concerns among Israelis in the north that they might have to be on indefinite alert. The government of Israel has stated that it is the right of its people to feel safe in their homes, and other analysts have alluded to the “expectation of normal life.”<sup>23</sup>

## **Possible Consequences and Unresolved Issues**

### **Addressing the Needs of the Gazan Population**

#### **Humanitarian Situation and Response<sup>24</sup>**

In addition to the casualties suffered during the conflict (see “Overview of the Conflict” above) and the continued displacement of approximately 46,000 Gazans, protection of civilians and safety of movement remains an urgent concern. Access is also a critical issue, both in terms of civilian access to essential services and full access by the aid community to those in need. There are outstanding requests for aid workers to enter Gaza and it is reported that many staff of international organizations have so far been denied entry. Lack of sustained provision of basic supplies through checkpoints has also presented difficulties.

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<sup>20</sup> Ibid.

<sup>21</sup> Yanir Yagna, “Gaza Militants Fire at Least 14 Rockets into Southern Israel,” *Ha'aretz*, January 14, 2009.

<sup>22</sup> Israeli Embassy Press Release, January 10, 2009. Available online at <http://israelemb.org/Operation%20Cast%20Lead/Website4.htm>.

<sup>23</sup> Richard Cohen, “A Conflict Hamas Caused,” *Washington Post*, January 6, 2009.

<sup>24</sup> This section was prepared by Rhoda Margesson, Specialist in International Humanitarian Policy.



Initial needs assessments show that food, health assistance, and clean water are urgently required. There are severe shortages of power. Extensive damage has been done to homes and public infrastructure throughout the Gaza Strip and emergency repairs are needed for critical buildings. Other elements that would likely be included in any recovery plan include education, job creation, and emergency cash assistance. An assessment of early recovery needs projected over a 24-month period is expected later in the year.

On February 9, 2009, the United Nations Relief and Works Agency for Palestine Refugees in the Near East (UNRWA) lifted the suspension on movement of its humanitarian aid supplies into Gaza, following the return by Hamas of all aid supplies it had confiscated at gunpoint between February 3 and February 5.

### ***Gaza Flash Appeal***

The international community, led by the United Nations, is coordinating a humanitarian response. The nine-month Gaza Flash Appeal in the amount of \$613 million was formally launched on February 2 (even though it had been in existence with a smaller funding request since December 31).<sup>25</sup> This plan includes 106 non-governmental organization (NGO) projects and 82 U.N. projects in response to the humanitarian needs of the Gaza population. The U.N. Humanitarian Coordinator leads the Humanitarian Country Team (HCT) with the support of the U.N. Office for the Coordination of Humanitarian Affairs (UNOCHA).<sup>26</sup> The overall coordination of the humanitarian effort relies on the cluster/sector/working group approach, which includes a focus on the following sectors: education, health, logistics, protection, water/sanitation, food security and nutrition, agriculture, mental health, and shelter. There are more than 50 international NGOs working in Gaza and approximately 16 U.N. agencies.

### ***UNRWA Quick Response Plan to Restore Critical Services to Refugees in Gaza***

UNRWA is mandated to provide relief and social services to registered Palestinian refugees living in the West Bank, the Gaza Strip, Jordan, Lebanon, and Syria. UNRWA-registered refugees receive benefits that can include food, housing, clothing, and basic health and education. UNRWA also manages microfinance and microenterprise programs and infrastructure projects to address the living conditions of refugees. In Gaza, roughly 70% of the population are registered as refugees. UNRWA is actively involved in the current humanitarian response to refugees and working closely with the HCT as part of the overall coordinated effort. Other humanitarian aid organizations (as described above) work with non-refugee Palestinians. UNRWA has issued a separate appeal for \$345.9 million to address the needs of the Palestinian refugees in Gaza with respect to the following sectors:

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<sup>25</sup> The Consolidated Appeal Process (CAP) is the humanitarian sector's main tool for coordination, strategic planning and programming. This Flash Appeal revises the Gaza portion of the original 2009 Occupied Palestinian Territory (OPT) CAP and brings the total 2009 OPT CAP to approximately \$876 million.

<sup>26</sup> Participants include the heads of U.N. humanitarian agencies, individual NGOs, Association of International Development Agencies (AIDA), Palestinian NGO Network (PNGO), with the International Committee of the Red Cross (ICRC) and Medecins Sans Frontieres (MSF) as observers.

- Education: Mainly for school repair and equipment, psychological support for children;
- Food Aid: The crisis has exacerbated an already dire food security situation. Before the crisis, 56% of the population of Gaza were food insecure and UNRWA used to provide food assistance to around 650,000 refugees in Gaza and feed 200,000 children at UNRWA schools. Now UNRWA seeks to provide two rounds of general food distribution for all registered refugees in Gaza (1,000,000 persons) and two rounds for 550,000 vulnerable persons. UNRWA seeks also to expand the school feeding program due to the increase of children's vulnerability;
- Emergency Job Creation: Due to the level of destruction and the economic needs of the refugees, the program would include clean-up operations and light repairs/rehabilitation of conflict-affected camps, including roads and community areas, thereby contributing to longer-term post-conflict recovery;
- Emergency Cash Assistance: Due to further damage to homes, possessions, and livelihoods and to loss of life and the high cost of post injury care, UNRWA plans to provide cash grants to 20,000 refugee families affected by the conflict. Cash assistance to Special Hardship Case beneficiaries is also set to be expanded;
- Shelter: 15,000 damaged refugee shelters are to be repaired; 20,000 families whose homes have been destroyed or damage are to receive rental subsidies and non-food items to replace their belongings. Destruction of water, sewage, and waste networks, pipes and tanks inside Jabalia and Rafah camps are to be repaired;
- Repair and Rehabilitation of UNRWA Installations: 53 UNRWA installations have been damaged. This includes 36 school compounds, seven health centers, distribution centers, sanitation offices, warehouses, offices of the Microfinance Department, the Gaza Field Office compound, and neighboring Gaza Training Center; and
- Health: There has been a dramatic negative impact on the health status of the entire Gaza refugee population. Also, seven of UNRWA's 19 health installations are in need of reconstruction. There is a severe strain on UNRWA health clinics due to the high number of patients. Regular primary health care services have been disrupted through the loss of medical consultation days; immunization programs have been suspended. The pharmaceutical supply line has come under extreme pressure and needs to be restocked. Extraordinary levels of physical and emotional stress in the entire population are in need of treatment through psycho-social support programs.

The appeal sets forth the following conditions as important to facilitate post-conflict improvement in living conditions for Gazans:

- 1) Sustained provision and delivery of basic items, such as food aid, fuel, and medical supplies;
- 2) Unimpeded access and freedom of movement by humanitarian aid workers in and out of Gaza;
- 3) Protection of the provision and delivery of humanitarian emergency and recovery assistance from political interests and control; and

4) Expanded list of items to be imported, such as equipment, building materials, commercial goods and cash to help infuse the private sector and over time reduce dependency on international assistance.

For information on U.S. humanitarian assistance to Gaza, see “U.S. Humanitarian Aid (Including to UNRWA) and Other Economic Assistance to Palestinians” below.

### **Concerns Regarding Reconstruction<sup>27</sup>**

While some see Gaza reconstruction as an humanitarian imperative, others see it as a race for influence in Gaza, recalling the role that rebuilding southern Lebanon played in bolstering the popularity of Hezbollah after the summer 2006 war. Observers fear that if Hamas is or appears to be more efficient or expeditious in delivering relief and rebuilding infrastructure, then the organization’s popularity in Gaza could increase at the expense of Mahmoud Abbas’s PA, widening the divide between Palestinian factions and further eroding the PA’s legitimacy. Hamas has reportedly already handed out over \$33 million to families who lost homes, business, or family members in the fighting, but has not yet been able to launch large-scale reconstruction due to ongoing restrictions on the flow of goods into Gaza.<sup>28</sup> Concern over getting involved too late with the reconstruction may have partially motivated the PA’s February 4 announcement of \$67 million in immediate aid (\$50 million “for temporary housing and urgent needs” and another \$17 million for infrastructure repair).<sup>29</sup>

The challenges for rebuilding Gaza center on Hamas’s control of both political and civil institutions in Gaza. The United States and the European Union have refused to aid the Hamas “government,” instead providing assistance to the PA as the recognized representative of the Palestinians despite Hamas’s control in Gaza. Hamas controls government institutions and the police force in Gaza, raising questions about who will oversee Gaza reconstruction and how goods and services will be delivered to Gazans after the conflict. Khaled Meshaal, the Hamas leader living in exile in Damascus, has called upon the international community (and Arab states in particular) to form a committee to oversee Gaza reconstruction and warned donors not to hand over funds to the “corrupt” PA.<sup>30</sup>

Since the cessation of major hostilities on January 18, 2009, the international community has worked to find a solution to rebuilding Gaza that circumvents Hamas. Lack of consensus has slowed the process of rebuilding. Most of the international community supports the PA—despite the fact that it has virtually no presence in Gaza, nor is it able to influence events in Gaza without Hamas’s explicit or tacit approval—as the preferred vehicle for administering international assistance and overseeing the implementation of reconstruction in Gaza. While some hope that this responsibility will improve the PA’s popularity among Gazans, others worry that the PA’s legitimacy could be eroded if it appears to Palestinians that Abbas’s government was complicit in

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<sup>27</sup> This section was prepared by Casey L. Addis, Analyst in Middle Eastern Affairs.

<sup>28</sup> See “Middle East: Gaza Ceasefire Faces Poor Prospects,” *Oxford Analytica*, February 6, 2009; Griff Witte, “After Gaza War, Daunting Curbs on Rebuilding,” *Washington Post*, February 8, 2009.

<sup>29</sup> “Fayad: PNA to Aid Gaza with \$67 Mln,” *Xinhua News Service*, February 4, 2009.

<sup>30</sup> Griff Witte, “After Gaza War, Daunting Curbs on Rebuilding,” *Washington Post*, February 8, 2009.

Operation Cast Lead in order to secure for itself a role in Gaza after the crisis.<sup>31</sup> In a recent statement, Hamas Minister of Economics Ziyad al-Zaza said that “Mahmoud Abbas couldn’t get into Gaza on the back of an Israeli tank. So now they’re trying to get him in through the aid he’s offering.”<sup>32</sup> These statements suggest that Hamas is positioning to use any PA role in reconstruction to further erode popular support for the PA.

Thus, major actors working to win support for the Palestinians have said that Palestinian reconciliation is necessary before Gaza recovery efforts can be effective. United Nations Secretary-General Ban Ki-moon has said that the international community will provide for the Palestinians “but the Palestinians must complete internal unity,” and Quartet envoy Tony Blair has also advocated the formation of a national unity government capable of implementing the reconstruction process effectively.<sup>33</sup> Prospects for Palestinian unity are discussed further below in “Efforts at Unity and the Question of Elections.”

The willingness of Israel to open the crossings into Gaza for reconstruction supplies is another important factor in the reconstruction of Gaza. Israeli government spokesman Mark Regev said that “What we want is to see the reconstruction of Gaza. What we don’t want to see is the reconstruction of Hamas.”<sup>34</sup> In addition to a viable reconstruction plan that circumvents Hamas, Israel has said that the release of Gilad Shalit is necessary before the crossings into Gaza will be fully opened.<sup>35</sup> Currently, Israel is reluctant to allow goods like cement and steel into Gaza for fear that such materials could be used by Hamas for military purposes.<sup>36</sup>

As the international debate over reconstruction continues, various organizations are working to provide immediate relief to Gazans. Some, such as UNRWA, have provided humanitarian assistance but are reluctant to be a responsible party or middleman with respect to long-term reconstruction efforts. As mentioned above (see “Humanitarian Situation and Response”), UNRWA temporarily suspended its imports of food and supplies following two Hamas thefts on February 3 and February 5. The incidents underscore concerns—shared by organizations assisting in humanitarian and reconstruction efforts and their international sponsors and donors—that supplies could be diverted away from the Gazan civilians for whom they are intended. Even if Palestinian unity is forged, any unity government would likely have to include members of Hamas, and thus may not assuage international fears that reconstruction assistance could be squandered or used for undesirable means.

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<sup>31</sup> “Fayad: PNA to Aid Gaza with \$67 Million,” *Reuters*, February 4, 2009.

<sup>32</sup> Griff Witte, “After Gaza War, Daunting Curbs on Rebuilding,” *Washington Post*, February 8, 2009.

<sup>33</sup> “Gaza Reconstruction Likely to Take a Long Time,” *Xinhua News Agency*, January 27, 2009.

<sup>34</sup> Mimi Dahr, “Rebuilding Gaza a Political Minefield,” *Associated Press*, January 29, 2009.

<sup>35</sup> Sabrina Tavernise and Sebnem Arsu, “Abbas Seeks Greater Role for His Palestinian Authority,” *New York Times*, February 7, 2009.

<sup>36</sup> Griff Witte, “After Gaza War, Daunting Curbs on Rebuilding,” *Washington Post*, February 8, 2009.

## Efforts to Prevent Arms Smuggling into Gaza

### U.S. Efforts to Prevent Smuggling from Egypt<sup>37</sup>

#### *The Smuggling Tunnels*

Though it has persisted for decades, smuggling via a network of underground tunnels beneath the eight-mile Egypt-Gaza border (known as the “Philadelphi Route” or “Philadelphi Corridor”) has become particularly widespread due to Israel’s total blockade of Gaza, Hamas’s demand for weapons, and the lack of viable economic alternatives to black market activity on both sides of the border. Over the last three years, arms smuggling has increased dramatically due to intra-Palestinian fighting and Israeli-Palestinian violence. At the same time, the demand for commercial items inside Gaza has skyrocketed due to the international aid boycott of the Palestinian Authority that followed the formation of a Hamas-led government in 2006 and Israel’s closure of the Gaza Strip following Hamas’s 2007 Gaza takeover.

One goal of Israel’s Operation Cast Lead was to destroy as many underground tunnels as possible. Although Israeli military officials estimate that repeated aerial bombardments destroyed hundreds of tunnels, numerous reports indicate that smuggling activity has resumed. Experts note that a number of systemic factors contribute to the ongoing smuggling trade between Egypt and Gaza, including:

- *the prevalence of smuggling amongst Egyptian Bedouins in the Sinai Peninsula.* The Bedouin community is largely self-governed and partially dependent on smuggling goods, people, drugs, and arms for its livelihood. Aside from the tourist industry, the Egyptian government has invested little in Bedouin areas. Furthermore, the 1979 Israel-Egypt peace treaty limits the number of Egyptian army and police forces which can patrol parts of the Sinai, making it difficult to enforce the rule of law there.
- *the ease of tunnel construction.* According to numerous media reports, tunnels are financed by tightly knit Palestinian and Bedouin clans on both sides of the border for between \$30,000 to \$120,000 each, depending on a tunnel’s length and depth.<sup>38</sup> The equipment needed to build a successful tunnel (electric generators, cable, telephone wire, pipes, plastic containers) are widely available and labor costs are cheap. Once built, a tunnel can recoup its owner’s investment in just a few months, and Hamas allegedly taxes proceeds from the sale of smuggled goods, giving the group a vested interest in the enterprise.<sup>39</sup>
- *the lack of security forces on both sides of the border with the political will to halt smuggling.* On the Gaza border, there is no non-Hamas entity capable and/or willing to stop smuggling. Authorities there reportedly encourage and, as previously mentioned, even tax the trade. On the Egypt side, a 750-man Border

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<sup>37</sup> This section was prepared by Jeremy M. Sharp, Specialist in Middle Eastern Affairs.

<sup>38</sup> "Gaza’s Subterranean Resistance," *The National*, January 22, 2009.

<sup>39</sup> "Hamas Making \$20 million a Month from Gaza Smuggling Tunnels," *Ha'aretz*, August 31, 2008.

Guard Force (BGF) was deployed along the border following Israel's withdrawal from Gaza in 2005.<sup>40</sup> Over the last two years, Israel has questioned Egypt's political will to stop arms smuggling, though in recent months Israel has refrained from its previous public criticisms. In August 2008, Israeli defense officials acknowledged that they had received information from IDF military intelligence that Egypt was making an extra effort to curb the flow of weaponry and explosives into Gaza.<sup>41</sup> Although Egypt may be more diligent in halting weapons smuggling, others allege that BGF troops look the other way when it comes to smuggling items other than guns and ammunition. According to one tunnel owner, "There's too many people interested in keeping the tunnels open. There's too much money to be made."<sup>42</sup>

### *Role of Congress*

In late 2007 and early 2008, as Israeli leaders stepped up their public criticism of alleged Egyptian complicity in Hamas weapons smuggling, Congress addressed the issue. During consideration of the House version of the FY2008 State, Foreign Operations, and Related Programs Appropriations bill (H.R. 2764), lawmakers inserted new language that proposed to withhold \$200 million in Foreign Military Financing (FMF) from Egypt until the Secretary of State certifies that Egypt has taken concrete steps toward improving its human rights record, strengthening judicial independence, and curbing Palestinian smuggling along the Gaza border.

Despite vociferous protests from the Egyptian government asserting that conditionality would harm bilateral relations, Congress passed legislation that temporarily suspended some aid to Egypt. P.L. 110-161, the FY2008 Consolidated Appropriations Act, contained Section 690, which withheld the obligation of \$100 million in FMF or Economic Support Fund amounts until the Secretary of State certifies, among other things, that Egypt has taken concrete steps to "adopt and implement judicial reforms that protect the independence of the judiciary; to review criminal procedures and train police leadership in modern policing to curb police abuses; and to detect and destroy the smuggling network and tunnels that lead from Egypt to Gaza." In March 2008, then Secretary of State Condoleezza Rice stated that "I have exercised on behalf of the United States the waiver in terms of Egyptian assistance.... The Bush Administration sought to have that flexibility. We believe that this relationship with Egypt is an important one and that the waiver was the right thing to do."<sup>43</sup>

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<sup>40</sup> When Israel unilaterally dismantled its settlements and withdrew its troops from the Gaza Strip in August 2005, it negotiated a new security arrangement with Egypt to bolster efforts to secure the Egyptian side of Rafah. After extensive Israeli-Egyptian talks, Egypt deployed 750 border guards to secure the Philadelphi Route or Corridor. The memorandum of understanding between Israel and Egypt delineated the type of equipment the Egyptians may use (small arms and jeeps, no heavy armor) and the length of the patrol area (14km on the ground and 3 km into the sea).

<sup>41</sup> "Intel Branches Split on Egypt's Role," *Jerusalem Post*, August 5, 2008.

<sup>42</sup> "Gaza Smugglers Ready to Resume Work," *Associated Press*, February 11, 2008.

<sup>43</sup> Department Of State, Public Notice 6139, Determination and Waiver of Section 690(a) of the Department of State, Foreign Operations, and Related Programs Appropriations Act, 2008 (Div. J, Pub. L. 110-161) Relating to Assistance for Egypt, February 29, 2008.

### ***New U.S. Anti-Smuggling Support to Egypt***

During and after the debate on aid conditionality, the Bush Administration sought to broker a solution to the smuggling problem that was amenable to all parties. In order to allay Israeli concerns over smuggling and assist the undermanned Egyptian BGF force in Rafah, Egypt, the U.S. government in 2007 sent former Deputy Assistant Secretary of State Robert Danin and former Deputy Assistant Secretary of Defense Mark Kimmitt to Egypt to assess the smuggling problem. According to an Israeli media report, the two U.S. officials recommended that, among other things, the United States provide Egypt with sophisticated tunnel-detection and demolition equipment, such as unmanned ground vehicles and acoustic sensors, to improve Egypt's tunnel detection capability. A second team from the U.S. Army Corps of Engineers also traveled to Egypt in December 2007 and offered to assist Egypt by providing technical advice and training.

In late 2007, the Bush Administration and the Egyptian government agreed to set aside \$23 million of Egypt's annual Foreign Military Financing (FMF) toward the procurement of more advanced detection equipment, such as sensors, remote-controlled robotic devices, seismic-acoustic tunnel detection equipment, and the computers to process seismic data.<sup>44</sup> On June 16, 2008, U.S. Embassy in Cairo Spokesman Robert Greenan said that a U.S. (Defense Department) team had begun training Egyptian forces in using electronic equipment, including instruments that measure ground fluctuations, to detect smuggling tunnels.<sup>45</sup> According to the Egyptian Embassy in Washington, D.C., "In October 2008, training sessions for Egyptian officers were held in Egypt to use the new equipment at a training site set specifically for that purpose. Pentagon officials commended the seriousness and skills of the Egyptian officers trained to use these equipment. The BGF started employing the new US equipment upon their arrival in January 2009."<sup>46</sup> The U.S. Army Corps of Engineers may have also assisted Egypt in installing advanced cameras and sensors, such as ground-penetrating radar.

At this point, it would appear that there are no additional plans to augment existing U.S. support to Egypt in Rafah. This may be due, in part, to the sensitivities of the Egyptian government to a larger U.S. presence on Egyptian soil and the potential risk U.S. personnel may face from installing equipment designed to undermine the area's primary economy, tunnel smuggling. Although there have been no known threats made against U.S. personnel, retaliatory attacks are always a possibility.

Recent reports indicate that U.S. assistance to the BGF in Rafah is somewhat deterring smuggling activity. According to one Gaza tunnel owner, "The Egyptians have deployed everywhere on the other side and they have set up cameras. We haven't been able to bring anything."<sup>47</sup> According to another smuggler, "The Egyptians are closing the tunnels because the Jews and the Americans are putting pressure on them.... The situation now is dangerous."<sup>48</sup>

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<sup>44</sup> "Egypt to Bolster Gaza Border," *Washington Post*, January 7, 2008.

<sup>45</sup> "US Trains Egypt Forces in Gaza Tunnel Detection," *Agence France Presse*, June 16, 2008.

<sup>46</sup> Embassy of Egypt Fact Sheet, February 6, 2009.

<sup>47</sup> "Gaza Smugglers Say Egypt Tightening Tunnel Trade," *Agence France Presse*, February 8, 2009.

<sup>48</sup> "Israel: Rafah Tunnel Smugglers Say Business Down 60% After IDF Operation," *Jerusalem Post*, February 6, 2009.

The United States also may be facilitating Israeli-Egyptian cooperation on the smuggling issue. Reportedly, Israel may be more willing to renegotiate a 2005 MOU with Egypt to expand the number of Egyptian BGF forces from 750 to between 1,500 and 2,200 men. Reports also indicate that Israeli-Egyptian intelligence sharing has increased.

### ***U.S.-Israeli 2009 Memorandum of Understanding (MOU)***

As Operation Cast Lead was winding down, the Bush Administration, in its final days, signed a new MOU with the Israeli government pledging additional U.S. support to counter weapons smuggling. According to the MOU, the United States, among other things, pledged to:

“accelerate its efforts to provide logistical and technical assistance and to train and equip regional security forces in counter-smuggling tactics, working towards augmenting its existing assistance programs; and the United States will consult and work with its regional partners on expanding international assistance programs to affected communities in order to provide an alternative income/employment to those formerly involved in smuggling.”<sup>49</sup>

### **International Maritime Anti-Smuggling Efforts and Security Support<sup>50</sup>**

Efforts to restrict the flow of weapons from Iran and other sources to the Gaza Strip in the wake of the January 2009 hostilities now extend beyond Rafah and the Egyptian Sinai to the Red Sea and Mediterranean Sea. On February 4, Denmark hosted officials and expert advisers from Canada, the United States, the United Kingdom, Norway, the Netherlands, Germany, France, Spain, and Italy at a consultation meeting to discuss joint support for anti-smuggling efforts related to the Israel-Hamas cease-fire.<sup>51</sup> Israel attended as an observer, although the Palestinian Authority and Egypt did not send representatives. The participants reportedly will meet in London later this month to attempt to reach a consensus and initiate a joint action plan.

The United Kingdom, France, and Germany have submitted a joint letter to Israel and Egypt offering naval support for maritime anti-smuggling operations and border security assistance. European naval forces currently command the U.N.-authorized Maritime Task Force (MTF) that enforces the anti-arms trafficking provisions of United Nations Security Council Resolution 1701 off the coast of Lebanon. The French frigate *Germinal*, which was diverted from its MTF mission and sent to help patrol the waters near Gaza after the cessation of major hostilities in late January, has since been withdrawn amid warnings and protests from Egypt. German border security experts visited Egypt in late January to assess the potential for German and EU support for Egyptian anti-smuggling efforts.

Israel reportedly has sought to convince the United States, Egypt, Cyprus, and NATO countries to alter existing maritime security arrangements or to establish new maritime security initiatives to interdict suspected arms shipments bound for Hamas in Gaza (and potentially for Hezbollah in

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<sup>49</sup> "Text of U.S.-Israel Agreement to End Gaza Arms Smuggling," *Ha'aretz*, January 17, 2009.

<sup>50</sup> This section was prepared by Christopher M. Blanchard, Analyst in Middle Eastern Affairs.

<sup>51</sup> Kim McLaughlin, "Ways to stop Gaza arms smuggling aired at meeting," *Reuters*, February 5, 2009.



Lebanon).<sup>52</sup> Specifically, Israel may be seeking to persuade NATO members to expand the mandate of Operation Active Endeavor, a robust maritime intelligence sharing and counterterrorism program in the Mediterranean, to include new interdiction authorizations.<sup>53</sup> Similarly, Israel may support an expansion of the mandate of the U.S.-led multinational Combined Task Force 151 that currently patrols the Gulf of Aden in support of counterterrorism and anti-piracy missions.

Recent events have illustrated the potential legal and operational challenges that new or expanded U.S. or multilateral missions might entail. On January 27, Chairman of the U.S. Joint Chiefs of Staff Admiral Michael Mullen confirmed international press reports that a U.S. Navy vessel boarded a Cypriot-flagged ship suspected of transporting weaponry from Iran to Syria for possible reshipment to Hamas.<sup>54</sup> The U.S. search took place in the Red Sea after the Israel-Hamas cessation of hostilities was reached, and the ship subsequently was monitored as it transited the Suez Canal before being detained in Cypriot waters for inspection. As of February 10, the ship, the *M.V. Monchegorsk*, was anchored off of Limassol, Cyprus and was under the control of Cypriot authorities. Cypriot government officials reportedly received confidential confirmation from the United Nations Sanctions Committee established pursuant to U.N. Security Council Resolution 1737 (Iran) that "military ordnance" and "raw materials used for the assembly of munitions" found on board the ship violate Security Council Resolution 1747, which prohibits Iran from supplying, selling, or transferring arms or related materiel.<sup>55</sup>

At issue remains a lack of explicit authority for international maritime forces seeking to restrict the flow of weaponry to Hamas that would enable high seas interdiction beyond the consensual inspection rights provided to navies under current maritime law and existing United Nations sanctions. Resolution 1747 requires all member states to "prohibit the procurement of such [prohibited] items from Iran by their nationals, or using their flag vessels or aircraft, and whether or not originating in the territory of Iran." Admiral Mullen emphasized this point stating that, "The United States did as much as we could do legally... We were not authorized to seize the weapons or do anything like that."<sup>56</sup> Cypriot authorities considered whether to offload the prohibited cargo in Cyprus or transfer the ship and its cargo to a third-party for further disposition. On February 13, the Cypriot government announced its decision to unload containers

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<sup>52</sup> Yaakov Katz and Brenda Gazzar, "Israel seeks mandate for navies to seize arms ships," *Jerusalem Post*, February 3, 2009.

<sup>53</sup> An Israeli naval officer began serving in a liaison role at Operation Active Endeavor headquarters in January 2008. For more information on the Operation, see NATO's website at [http://www.afsouth.nato.int/JFCN\\_Operations/ActiveEndeavour/Endeavour.htm](http://www.afsouth.nato.int/JFCN_Operations/ActiveEndeavour/Endeavour.htm).

<sup>54</sup> Anne Gearan, "Top US military official says US could not prevent suspected Iranian arms shipment to Gaza," *Associated Press*, January 27, 2009.

<sup>55</sup> Enforcement of Resolution 1747 is monitored by the Sanctions Committee established pursuant to Resolution 1737 on Iran. For more information, see <http://www.un.org/sc/committees/1737/index.shtml>. See also, Elias Hazou, "Ship is carrying banned weapons, says UN panel," *Cyprus Mail*, February 8, 2009; and, U.S. Open Source Center, "Cypriot President Says UN Committee's Reply on Monchegorsk Ship 'Clear, Final', Report EUP20090209430003, CNA (Nicosia), February 7, 2009.

<sup>56</sup> Anne Gearan, "Top US military official says US could not prevent suspected Iranian arms shipment to Gaza," *Associated Press*, January 27, 2009.

holding suspected contraband items from the *MV Monchegorsk*, and subsequently has transported several of the containers to facilities controlled by the Cypriot armed forces for storage.<sup>57</sup>

## **Intra-Palestinian Politics – Fatah (PA/PLO) and Hamas**

### **Pre-Conflict Background**

Fatah, the secular nationalist movement formerly led by Yasser Arafat, has been the dominant faction in the Palestine Liberation Organization (PLO) for decades. Fatah was supported by a vast majority of the Palestinian people in both the West Bank and the Gaza Strip upon the establishment of the Palestinian Authority and limited self-rule in 1994. Since then, problems with internecine violence, divisiveness, and widespread disenchantment with corruption and poor governance, along with failure in establishing a Palestinian state, have led to popular disillusionment. The death of Arafat in 2004 removed Fatah's unifying symbol, further eroding the movement's support as Mahmoud Abbas took over its leadership.

No Palestinian movement has benefitted more from, or contributed more to, Fatah's weakening than Hamas. Since Hamas's inception, it has maintained its primary base of support and particularly strong influence in the Gaza Strip (largely through a network of social and charitable organizations that has helped it extend its influence into the West Bank and the Palestinian diaspora), even though its top leadership is headquartered in exile in Damascus, Syria. Hamas's politicization and militarization can be traced to the *intifada* ("uprising") that began in the Gaza Strip in 1987 in resistance to the Israeli occupation. Hamas refuses to recognize the right of Israel to exist, refuses to renounce the use of violence, and refuses to consider itself bound by previous agreements reached by the PLO and PA with Israel. Due to Hamas's perpetration of suicide bombings against Israeli civilians and other acts of terrorism, the United States designated it as a Foreign Terrorist Organization in 1997, and U.S. aid to Palestinians has been tailored to bypass Hamas and Hamas-controlled entities.

Hamas's victory in January 2006 Palestinian legislative elections set in motion a chain of events that contributed to the Gaza conflict. The refusal of the United States, the European Union, and much of the rest of the world to have direct dealings with or to give financial assistance to a Hamas-dominated PA government helped lead to a tense Palestinian factional standoff that was only temporarily eased by a February 2007 Hamas-Fatah "unity agreement" brokered by Saudi Arabia. These tensions produced fighting between Hamas and Fatah that led to Hamas's forcible takeover of the Gaza Strip in June 2007. In response to the Hamas takeover, PA President Abbas dissolved the Hamas-led cabinet and appointed a "caretaker" technocratic PA government in the West Bank (led by Prime Minister Salam Fayyad, a former World Bank and International Monetary Fund official), leading to renewed U.S. and international assistance for the PA in the West Bank that prompted Hamas to further tighten its grip on Gaza.

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<sup>57</sup> *Cyprus News Agency* (Nicosia), "Government To Unload and Store Monchegorsk's Cargo," February 13, 2009.

## Hamas's Political Maneuvering

With its *de facto* control of Gaza intact in the conflict's aftermath, Hamas is working to achieve and consolidate political gains among Palestinians while the memory of the conflict is still fresh—at the expense of PA President/PLO Chairman Mahmoud Abbas and his Fatah movement. Hamas may be modeling its opportunism after Hezbollah's success at turning the wide notoriety it received across Lebanese sectarian lines for its resistance to Israel during the 2006 war into an expanded role within Lebanon's political system.<sup>58</sup> The January 29 announcement by Hamas politburo chief Khaled Meshaal of a possible "alternate PLO" has been seen by some analysts as a call for a new Palestinian umbrella organization defined by its opposition to Western policies, and by others as a scare tactic aimed at winning Hamas membership in the PLO itself.<sup>59</sup>

Some within the international community say that organizational fissures between Hamas's Gaza-based leadership and its leadership-in-exile could be exploited by promising Gazan leaders greater engagement and other incentives in return for moderating their goals and tactics. Others might say that Hamas is more united than it seems, and that it benefits from the portrayal of its leadership as divided because this perception provides Hamas with greater flexibility in dealing with both Western actors who hold out hope of its moderation and its Syrian and Iranian allies who are reminded not to take its rejectionist stance for granted. Presenting a divided front also may serve Hamas by providing it with a rationale to explain policy inconsistencies or changes of direction to the Palestinian people.

## Abbas on the Defensive?

Hamas's post-conflict maneuvering appears to have put Abbas and his political allies on the defensive. In countering Hamas's message, Abbas and his supporters have emphasized the PLO's long tradition and international recognition as the legitimate representative of the Palestinian people. Changes in the tone of the PA's rhetoric at different points during the Gaza conflict may have reflected a feeling by Abbas that he was in a no-win situation.<sup>60</sup> Support for Palestinian resistance, even if only rhetorical, would have endangered Israeli and U.S. cooperation with the reform efforts and peace negotiations—aimed at the eventual creation of a Palestinian state—that form the primary basis of his political appeal to Palestinians. On the other hand, silence would have betokened support for Israeli aims, subjecting Abbas and his allies to allegations of "collaboration."

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<sup>58</sup> See CRS Report R40054, *Lebanon: Background and U.S. Relations*, by Casey L. Addis.

<sup>59</sup> "Abbas Rejects Hamas Leader's Call for New PLO," *Agence France Presse*, January 31, 2009. Meshaal was quoted as saying, "At this moment, the PLO no longer represents us, and is no longer a unifying point of reference, but has become impotent and a tool for deepening the Palestinian divisions." Sana Abdullah, "Hamas Plans Alternative Authority to PLO," *Middle East Times*, January 30, 2009. In seeking to clarify Meshaal's pronouncement, Gaza-based Hamas leader Mahmoud al Zahar later said on Al Jazeera that Hamas wants "to acquire the international and Arab legitimacy and everything that the PLO has gained through elections, and to join the PLO," *Reuters*, February 8, 2009.

<sup>60</sup> A *Washington Post* column asserted that Abbas's adviser Nimr Hammad told the Lebanese daily *Al Akhbar*: "The one responsible for the massacres is Hamas, and not the Zionist entity, which in its own view reacted to the firing of Palestinian missiles." Robert J. Lieber, "Hard Truths About the Conflict," *Washington Post*, January 1, 2009. Abbas, however, did assertively call for an end to fighting—although some say only after being criticized as too complacent. In one statement, he said that if a cease-fire was rejected, that all parties would be to blame, but singled Israel out as being potentially responsible for "perpetuating a waterfall of blood."

As it was, Hamas and much of the Arab and Western media alleged that the relative restraint of Abbas's remarks during the conflict signaled his passive acceptance of the Israeli offensive. Hamas's opportunity to broaden its appeal may rest on its success at convincing Palestinians that the Gaza conflict shows that the long-term Fatah/PA/PLO strategy of peaceful engagement is misguided. Hamas argues that peaceful engagement plays into the hands of an Israel that seeks to weaken the Palestinians by sowing division through the false hope of a future state.<sup>61</sup>

Abbas's seemingly defensive posture may also be explained by regional trends signaling the possible political ascendancy of nationalist movements featuring Islamist elements at the expense of those featuring secular and/or pan-Arab elements. Some have theorized that these trends are likely to lead to the decline of Abbas's secular Fatah movement—and, along with it, the official PLO position of peaceful engagement with Israel—and the continuing rise of Hamas and other Islamists. Hamas's survival of the Gaza conflict could bolster this trend and/or fuel further cultural and political separation between Palestinians in the West Bank and in Gaza.<sup>62</sup>

### **Efforts at Unity and the Question of Elections**

In the aftermath of the Gaza conflict, efforts have begun to bring the West Bank and Gaza under unified Palestinian rule. The relevant Palestinian factions (particularly Hamas and Fatah) have been invited to Egypt on February 22 for a "comprehensive national dialogue" whose end goal is political unity, and there are reports that the factions are already holding Egyptian-brokered discussions.<sup>63</sup> The prospect of Palestinian unity may serve the interests of some in the international community, particularly Arab states—both by alleviating concerns over challenges posed to post-conflict reconstruction efforts in Gaza and by promoting regional stability. Yet, the failure of several efforts since the June 2007 West Bank/Gaza split to forge Hamas/Fatah unity indicates that success may be unlikely.

A prominent issue in unity discussions between Hamas and Fatah is likely to be whether to hold Palestinian presidential and/or legislative elections, and, if so, when, where, and how. There is a dispute over whether Abbas's presidential term expired on January 9, 2009, or whether it continues until the electoral term of the Palestinian Legislative Council (PLC)—in which Hamas maintains a majority—ends in January 2010.<sup>64</sup> On January 9, Hamas announced that Abbas's term had ended, but, despite speculation that it might name a successor PA president from the Hamas

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<sup>61</sup> See "Gaza Raids Boost Hamas, Undermine Abbas on Palestinian Street," *Agence France Presse* (with the *Daily Star* (Beirut)), January 1, 2009. A Hamas spokesman has even accused Abbas of "having formed a secret cell of Fatah supporters in Gaza to collect information on the whereabouts of Hamas leaders," with the intention of giving this information to the Israeli military. Griff Witte, "Israel's Attacks on Gaza Deepen Palestinian Rift," *Washington Post*, January 1, 2009.

<sup>62</sup> This separation may be partially explained by the lack of a territorial link between the two Palestinian territories, and partially explained by geography and recent history linking the Gaza Strip with Egypt and the West Bank with Jordan. For further information on the Gaza/West Bank divide and on the territories' respective ties with Egypt and Jordan, see CRS Report R40092, *Israel and the Palestinians: Prospects for a Two-State Solution*, by Jim Zanotti.

<sup>63</sup> See "Fatah, Hamas Meet in Cairo to Prepare for Unity Dialogue," *Xinhua News Service*, February 13, 2009.

<sup>64</sup> See "Middle East Politics: Prolonging Abu Mazen," *Economist Intelligence Unit*, November 28, 2008.

leadership of the PLC, it did not. Hamas cited the conflict (which was ongoing at the time) as the reason for its restraint.<sup>65</sup>

Before the Gaza conflict, Abbas had proposed holding presidential and legislative elections simultaneously sometime between the January 2009 and January 2010 dates, and he has renewed this proposal in the conflict's aftermath.<sup>66</sup> Hamas has rejected Abbas's proposal, insisting that presidential elections be held and that legislative elections be held only upon the expiration of the PLC's term—in hopes that it might be able to win the presidency without risking the loss of its legislative majority.

Forging a unity government with Hamas and reaching compromise on how to hold elections could appeal to Abbas and the PA. They would like to regain a foothold in Gaza—presumably at least through involvement in its reconstruction and by having a role in monitoring its border crossings—but do not want to look like they are, as Hamas has put it, “returning on Israeli tanks.” Unity, however, would be at the expense of conceding greater legitimacy to Hamas, with unpredictable consequences. Moreover, unity could come at the expense of negotiations and security cooperation with Israel, and at the expense of aid and diplomatic ties with the United States and Europe, if the arrangement gives Hamas too prominent a role in the PA. Another reason unity might not be favored by Abbas is that Hamas has reportedly used brutal tactics of revenge and forced interrogation against Fatah members and supporters in Gaza in retaliation for their supposed collaboration with Israel during the conflict.<sup>67</sup>

It remains to be seen whether Hamas is willing to moderate its platform, decrease its militancy, or give up its monopoly on Gaza in return for greater legitimacy and participation in Palestinian institutions. The opportunity, through a unity agreement, for Hamas to reestablish an open presence in the West Bank, with the hope that it might one day gain control of the West Bank through elections or by force, could be persuasive (given that recent PA actions have focused on reducing Hamas's military profile and charitable activities in the West Bank), as could a possible pathway to PLO membership. If Hamas gains the release of its imprisoned members of the Palestinian Legislative Council (PLC) as part of a truce with Israel, the reconstitution of its quorum as the majority party could boost its ability to affect political developments, and appreciably increase its leverage in unity negotiations.

It may be too early to assess the impact of the Gaza conflict on Palestinian public opinion with accuracy. Some believe that Hamas strengthened its resistance credentials among Palestinians while Fatah looked like Israeli collaborators or appeared inconsequential, while others believe that Hamas lost support (particularly in Gaza) for its willingness to put civilians at risk during the

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<sup>65</sup> See Khaled Abu Toameh, “Hamas: Abbas No Longer Heads PA,” *Jerusalem Post*, January 9, 2009.

<sup>66</sup> In a February 4 address before the European Parliament in Strasbourg, France, Abbas asked the European Union (EU) for peacekeepers and election monitors to help make elections logistically possible. The EU response indicated that there was little likelihood that peacekeepers would be sent under current circumstances. See “Abbas Asks EU to Send Peacekeepers to Middle East,” *Deutsche Presse-Agentur*, February 4, 2009. Some believe that without outside help in planning and coordinating elections in both the West Bank and Gaza, Abbas might seek to hold elections in the West Bank only, which may compromise the elections' legitimacy.

<sup>67</sup> The *San Francisco Chronicle* reported that as of January 22, Fatah officials said that 19 of its members had been executed and many more brutally tortured by Hamas. Matthew Kalman, “Hamas Executes Suspected Fatah Traitors in Gaza,” *San Francisco Chronicle*, January 22, 2009.

conflict. A poll conducted by the Jerusalem Media Communication Centre at the end of January 2009 concluded that the level of support for Hamas had increased dramatically at Fatah's expense since a previous poll in November 2008—from a 37-20% Fatah advantage in November to a 29-28% advantage for Hamas in January.<sup>68</sup> Yet, these results were contradicted by another January 2009 poll conducted by the Palestinian Center for Public Opinion. This poll showed Fatah retaining an appreciable advantage over Hamas (in rounded figures, 39-24% in the West Bank and East Jerusalem and 43-28% in Gaza).<sup>69</sup>

## **Regional and International Implications of the Gaza Conflict<sup>70</sup>**

### **Regional and International Responses**

The worldwide response to the Gaza crisis was characterized by consistent calls for an end to the violence and by concern over the humanitarian situation in Gaza. Protests broke out in numerous Middle Eastern and other international capitals, and the Arab media continuously aired footage of casualties in Gaza. The crisis also exacerbated existing tensions between countries in the region with a relatively pro-Western orientation—like Egypt, Jordan, and Saudi Arabia—and other countries and non-state actors—like Iran, Qatar, Syria, and Hezbollah. The United States and other Western countries generally faulted Hamas for starting the crisis but some, including France, also criticized the Israeli response as disproportionate.

Regional responses to the conflict consistently condemned the Israeli air campaign and ground invasion as “disproportionate” and tantamount to a “massacre” of Palestinians in Gaza. Governments as well as other regional leaders issued statements criticizing the attack. For example, Grand Ayatollah Ali al Sistani, the prominent Iraqi Shia cleric, condemned the attacks as “barbaric.” Iranian President Mahmoud Ahmadinejad and Syrian President Bashar al Asad called the Israeli campaign “outrageous aggression.”<sup>71</sup> Near the end of the second week of fighting, Al Qaeda second-in-command Ayman al Zawahiri said that the Israeli offensive was a “Zionist-Crusader campaign” against Islam and Barack Obama’s “gift” to the Palestinian people before he takes office. Zawahiri called on Muslims around the world to respond by hitting “Zionist and

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<sup>68</sup> Jerusalem Media and Communications Centre (JMCC) Press Releases, Polls No. 66 (November 2008) and 67 (January 2009). Accessible at <http://www.jmcc.org/publicpoll/results/2008/no66-eng.pdf> and [http://www.jmcc.org/publicpoll/results/2009/67\\_jan\\_english.pdf](http://www.jmcc.org/publicpoll/results/2009/67_jan_english.pdf). The poll results have been rounded for this report. The November and January polls were conducted by 60 researchers through face-to-face interviews with random samples of roughly 1,200 Palestinian adults proportionally taken from the West Bank, Gaza Strip, and East Jerusalem based on territorial population ratios. The polls have a margin of error of 3% and a confidence level of 95%. JMCC was established in 1988 by a group of Palestinian journalists and researchers and receives assistance from the Friedrich Ebert Stiftung, a foundation affiliated with the German Social Democratic Party (SPD).

<sup>69</sup> Brenda Gazzar, “Palestinian Poll: Hamas Support Drops,” *jpost.com*, February 9, 2009. The poll was conducted through face-to-face interviews with random samples of 673 Palestinian adults, having a 4% margin of error. The Palestinian Center for Public Opinion, located in Beit Sahour in the West Bank, has done public opinion polling among Palestinians since 1994, and is directed by its founder, Dr. Nabil Kukali.

<sup>70</sup> This section was prepared by Casey L. Addis, Analyst in Middle Eastern Affairs, and Christopher M. Blanchard, Analyst in Middle Eastern Affairs.

<sup>71</sup> U.S. Open Source Center (OSC) Document—GMP20081229950075—“World Leaders Call for Calm in Gaza Conflict,” December 29, 2008.

Crusader” targets around the world and by all available means.<sup>72</sup> Osama bin Laden followed Zawahiri’s statement with an unauthenticated audiotaped message—bin Laden’s first public statement since May 2008—that circulated on Islamist websites on January 14, exhorting Muslims to wage holy war on Israel and criticizing Israel’s “Arab allies.”<sup>73</sup>

There were more moderate reactions. In a joint press conference, the Egyptian and Turkish foreign ministers urged both parties to stop attacks and called for Palestinian reconciliation. They also focused attention on humanitarian needs in Gaza. Contrary to the views of its own citizenry (which is majority-Palestinian) and some of its parliament members, the Jordanian government also took a more tempered position, though King Abdullah II condemned the attacks and called on Israel to halt all military actions in Gaza. As the conflict continued and the humanitarian toll grew on both sides, moderate responses gave way to outrage reflected both in leaders’ statements and in public opinion.<sup>74</sup>

In addition to condemning Israel, some regional voices have criticized certain Arab governments for not taking more active steps to end Israel’s military campaign and blockade of the Gaza Strip. These criticisms reflect existing intra-Arab and Sunni-Shia fault-lines. As protests broke out across the region and as Arab media outlets ran footage from Gaza, Al Qaeda, Hezbollah, Syria, and Iran charged moderate Arab governments of complicity in the attacks because of their inaction. In particular, the Egyptian government faced strong criticism for its refusal to open the Rafah border crossing (which links Egypt with Gaza) for humanitarian aid.<sup>75</sup>

### **Intra-Arab Political Developments**

Criticism appeared to coalesce into action when, just a few days before the beginning of a scheduled Arab League economic summit in Kuwait on January 19, Qatar hosted an “emergency summit” of its own to address the crisis. After Saudi Arabia and Egypt publicly announced that they would not attend, the Qatari meeting (January 16) failed to attract the necessary quorum of Arab states to speak for the Arab League. The list of those who did attend—including Hamas leader Khaled Meshaal, Iranian President Mahmoud Ahmadinejad, and Syrian President Bashar al Asad—made the event look to some like a pro-Hamas function. Days later in Kuwait, Arab leaders made limited efforts to overcome their apparent divisions, appearing together in conversation for a symbolic photograph, but otherwise announcing no significant joint efforts or initiatives. Saudi Arabia announced its intention to donate \$1 billion to reconstruction in Gaza, but no firm joint plans or delivery mechanisms were discussed.

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<sup>72</sup> “Al-Qaida: Attack Western Targets to Avenge Gaza,” *jpost.com*, January 7, 2009.

<sup>73</sup> Alan Cowell and Graham Bowley, “Bin Laden, on Tape, Urges Holy War Over Gaza,” *New York Times*, January 14, 2009.

<sup>74</sup> In citing the U.S. response to the conflict in Gaza as what he perceived to be another example of bias towards Israel, former Saudi ambassador to the United States Prince Turki al Faisal, at a forum on U.S.-Gulf state relations being held in Washington, DC on January 6, openly challenged then-President-elect Obama to change U.S. policy in the Middle East. Prince Turki also said, “Enough is enough, today we are all Palestinians and we seek martyrdom for God and for Palestine, following those who died in Gaza.”

<sup>75</sup> U.S. Open Source Center (OSC) Document—GMP20081229869001—“Saudi Clerics Urge Support for Gazans, Egypt to Keep Rafah Crossing Open,” December 29, 2008.

In early February, ministers from the United Arab Emirates (UAE), Saudi Arabia, Egypt, Jordan, and five other Arab states<sup>76</sup> met in Abu Dhabi with Palestinian Authority Foreign Minister Riyad Al Malki to coordinate a response to efforts by Hamas to argue that the PA and PLO had become illegitimate representatives of the Palestinian people (also see “Hamas’s Political Maneuvering” above). According to UAE Foreign Minister Shaykh Abdullah bin Zayed Al Nahayyan, the meeting was meant “to support Arab unity, rally support for the Arab peace initiative, give more support to the PA, led by President Abbas, and support the PLO as the sole and legitimate representative of the Palestinian people.” He reportedly added that the participants hoped to “help achieve Arab accord that will stop unwelcome and unconstructive interferences in our affairs by non-Arab parties.”<sup>77</sup> PA Foreign Minister Malki added that the meeting was intended to create a positive atmosphere for the next Arab summit, scheduled to take place in Qatar in late March 2009.<sup>78</sup>

The meetings in Qatar, Kuwait, and Abu Dhabi were interpreted within the region as being indicative of a potentially growing division among Arab states on the role of the PA after the conflict, and also prompted some observers to speculate about the willingness of some Arab states to deviate from the long-standing practice of following the lead of Saudi Arabia and Egypt. The willingness of Qatar to deal with Hamas alongside Iran and Syria also raised concerns about the influence of non-state actors (mainly Hamas and Hezbollah) and Iran in the region, particularly with respect to Palestinian affairs.<sup>79</sup>

The Doha communiqué from the Qatari meeting called for a suspension of the Arab Peace Initiative<sup>80</sup> and an unconditional opening of all crossings into Gaza with EU or Turkish monitoring. Saudi Arabia and Egypt opposed this language in the official statement issued after the meeting in Kuwait, instead expressing support for the Egyptian proposal to end the violence that had called for the PA to manage the crossings.<sup>81</sup> However, days later in Kuwait, Saudi King Abdullah bin Abd al Aziz, the original sponsor of the Arab Peace Initiative, characterized the Gaza conflict as “bloody, painful and brutal scenes and genocide being carried out by a criminal,

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<sup>76</sup> Ministers from Morocco, Tunisia, Yemen, Kuwait, and Bahrain also attended.

<sup>77</sup> U.S. Open Source Center Report GMP20090204001006, “UAE, Palestinian Officials View Aims of Abu-Dhabi Meeting, Upcoming Doha Summit,” *Al Watan* (Abha, Saudi Arabia), February 4, 2009.

<sup>78</sup> *Ibid.* The same article reported that efforts are underway among some of the same participants from the Abu Dhabi meeting to prevent another “Qatari surprise” at the March summit along the lines of Qatar’s issuing of invitations to Hamas and other militant Palestinian groups for the January 16 “emergency summit” (see footnote 79).

<sup>79</sup> Some observers have perceived Qatar to be complicit in allowing the influence of Iran, Hamas, and Hezbollah to grow, given its brokering of the 2008 agreement that gave Hezbollah and its opposition partners a greater role in Lebanon’s government, its invitation of Hamas leader Khaled Meshaal to the January 16 “emergency summit” meeting (along with the leaders of Palestinian Islamic Jihad and the Popular Front for the Liberation of Palestine-General Command—two other U.S.-designated Foreign Terrorist Organizations with exiled leadership based in Syria), and its willingness to play host to Meshaal’s announcement of a possible “alternate PLO” on January 29.

<sup>80</sup> The Arab Peace Initiative is a Saudi proposal approved by the Arab League in Beirut in 2002 and re-adopted in Riyadh in 2007 that promised a comprehensive Arab peace with Israel if Israel were to withdraw fully from the territories it occupied in 1967 and agree to the establishment of a Palestinian state with a capital in East Jerusalem.

<sup>81</sup> U.S. Open Source Center (OSC) Document---GMP20090120693004—“Arab League Musa Reads Final Statement Issued by Kuwait Arab Summit,” January 20, 2009.



inhuman, and merciless gang as the world listened and watched,” and warned Israel that “the Arab Initiative on the table today will not be on the table for ever.”<sup>82</sup>

Since late January, Saudi Arabia has sought to build intra-Palestinian and intra-Arab unity in response to the crisis. These efforts appear to be driven by the kingdom’s desire to further the Palestinian cause and to limit Iran’s influence in Arab affairs. Concern about the potential emergence and intentions of a right-wing coalition government in Israel also may be influencing Saudi efforts to consolidate the positions of Palestinians and Arab governments. In Kuwait, King Abdullah lamented that political disputes among Arabs “have led us to division and dispersion of our will. These disputes have helped and are still helping our treacherous Israeli enemy and whoever seeks to sow division of the Arab ranks and take full advantage of promoting his regional goals at the expense of our unity, dignity and aspirations.”<sup>83</sup>

Saudi-Syrian engagement has emerged as the most important front in this regard, and Saudi leaders have reportedly taken steps in recent weeks to open channels of dialogue with Syrian President Bashar al Asad after four years of tension and distrust. King Abdullah bin Abd al Aziz reportedly held side discussions with President Asad at the Kuwait summit and sent the kingdom’s intelligence director, Prince Muqrin bin Abd Al Aziz, to Damascus to deliver a personal message on February 15. The visit followed consultations in Riyadh among King Abdullah and Egyptian Foreign Minister Aboul Gheit and intelligence director General Omar Suleiman. At present, it appears that Saudi Arabia has taken the lead in attempting to restore a common Arab political position, while outsourcing to Egypt efforts to handle negotiations meant to reconcile Hamas and Fatah and to improve border security with Gaza.

## **Impact of the Conflict on Israeli Elections<sup>84</sup>**

Preliminary results of the February 10, 2009 Israeli national elections are inconclusive. The centrist Kadima Party led by Foreign Minister Tzipi Livni appears to have placed first with an estimated 28 seats, but parties to the right of Kadima scored a combined majority of 65 seats out of 120 in the Knesset. Livni campaigned, in part, on a peace platform and took votes from the left—from Labor and the smaller Meretz Party. She may have been aided by her efforts to project strength and determination during the Gaza conflict, when she held her own beside an array of foreign interlocutors seeking an early end to the fighting. Livni had opposed the June cease-fire with Hamas, arguing, as it turned out correctly, that it would enable the group to arm. And she was the proponent of a policy of declaring a unilateral cease-fire at the end of the recent conflict—which the government adopted.

Yet, the outcome of the Gaza conflict clearly reverberated in favor of the right in the elections. Defense Minister and Labor Party leader Ehud Barak could not sustain the boost he had received during Operation Cast Lead as the planner of a very successful military offensive because he was seen as seeking to end the operation “too soon,” i.e., before ousting Hamas from power. Likud

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<sup>82</sup> U.S. Open Source Center (OSC) Document— GMP20090119869001—“Saudi King: Israel 'Must Realize' Arab Peace Offer 'Will Not Be on Table Forever',” January 19, 2009.

<sup>83</sup> Ibid.

<sup>84</sup> This section was prepared by Carol Migdalovitz, Specialist in Middle Eastern Affairs.

leader Benjamin Netanyahu pounced on the failure to topple Hamas and promised to do the job if he became prime minister. His party made a comeback by winning an estimated 27 seats, up from 12 in the March 2006 election. *Yisrael Beitenu* (Israel Our Home), a farther right-wing party led by Avigdor Lieberman, registered gains by harping on an alleged internal threat from a “fifth column” of Israeli Arabs, some of whom had carried Hamas flags during demonstrations against the Gaza operation and reawakened many Israelis’ concerns about the estimated 1.5 million Arab citizens of Israel residing in their midst. His campaign theme “no loyalty, no citizenship” appeared to resonate with many Israelis.

Israeli President Shimon Peres is not required to name Livni as prime minister-designate even though it appears that Kadima won the most Knesset seats. He may select whomever he believes would be able to form a stable government. Netanyahu may fit that description more than Livni because of the right’s majority in parliament. With 65 Members of the Knesset, including Avigdor Lieberman, voicing their support for designating Netanyahu as prime minister as of February 19, many observers believe that, over the weekend of February 20-22, President Peres is likely to formally ask the Likud leader to assemble a government.<sup>85</sup>

Both Livni and Netanyahu have said that they want a national unity government,<sup>86</sup> and some analysts suggest that President Peres will try to get them to work together even if their goals are not compatible. Livni reportedly wants to continue negotiations toward the creation of a Palestinian state that would enable Israel to remain a democratic state with a Jewish majority. While Netanyahu said during the campaign that he would continue negotiations, he gives a priority to “economic peace,” i.e. building the Palestinian economy and other institutions to serve as a basis for a later peace. It is unclear how the two can reconcile their positions for the purpose of forming a government, but, in Israeli politics, it is not impossible.

## **Effect on the Arab-Israeli Peace Process<sup>87</sup>**

### **Israeli-Palestinian Negotiations**

The situation for both Israelis and Palestinians does not appear conducive to a revived peace process. Israeli-Palestinian peace talks resumed in 2007 and were officially welcomed at the U.S.-sponsored Annapolis Conference that November. Yet, months of negotiations did not enable the two sides to fulfill the goal of reaching an agreement by the end of 2008. Their ground rules provided that there would be no agreement until all issues were resolved, and they generally refrained from public statements about the status of the talks. The lack of public statements led some analysts to assume that no progress was made. However, anecdotal reports suggested that

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<sup>85</sup> Yuval Azoulay and Mazal Mualem, et al., “Livni to Kadima: We’re Going to the Opposition,” *haaretz.com*, February 19, 2009.

<sup>86</sup> However, Livni said to Kadima colleagues on February 19, “Today the foundation was laid for an extreme right-wing government led by [Likud Chairman Benjamin] Netanyahu. This is not our way, and there is nothing for us in such a government.” Yuval Azoulay and Mazal Mualem, et al., “Livni to Kadima: We’re Going to the Opposition,” *haaretz.com*, February 19, 2009.

<sup>87</sup> This section was prepared by Carol Migdalovitz, Specialist in Middle Eastern Affairs. For related issues, see CRS Report R40092, *Israel and the Palestinians: Prospects for a Two-State Solution*, by Jim Zanotti.

the negotiators had reached compromises on some issues and impasses on others. The negotiations were suspended in late 2008, mainly due to Israeli domestic political considerations, and the Palestinians halted them officially due to the Gaza conflict. Earlier, outgoing Israeli Prime Minister Ehud Olmert had presented his ideas for peace that he said he had shared with PA President Mahmoud Abbas. They included Israel's withdrawal almost to its 1967 borders, with some territorial swaps or adjustments to enable it to retain large West Bank settlement blocs, giving Arab neighborhoods of Jerusalem to the Palestinians, international supervision of holy sites in Jerusalem, and the return of a symbolic number of Palestinian refugees to Israel. Abbas, perhaps seeking to shield himself from charges that he was betraying the Palestinian people, reacted to Olmert's statements by saying that he would not accept anything less than 100% of the amount of pre-1967 territory or a solution that did not provide for the refugees' "right of return."

As a result of the Gaza conflict, the situation of both negotiating parties has changed. In Israel, rightists not amenable to territorial compromise or a two-state solution appear to have won a majority of the seats in the Knesset (parliament) in the February 10 national elections. The ascendance of the right has been attributed to the fact that many Israelis believe that their unilateral withdrawal from southern Lebanon in 2000 brought the Hezbollah threat to their northern border and that their unilateral withdrawal from Gaza in 2005 brought Hamas to power, thereby increasing the threat to residents of southern Israel—underscored by Hamas's rocket barrages after the expiration of the cease-fire on December 19, 2008. Moreover, they view both terrorist groups as surrogates for Iran, a perceived existential threat, now on their doorstep. This sentiment leads the right to question a peace accord with the Palestinians that would require Israeli withdrawals from the West Bank, thereby potentially creating a threat to Israel's heartland comparable to that from Hezbollah or Hamas. Moreover, many Israelis view President Abbas as a weak leader of a bifurcated Palestinian Authority who does not control Gaza, who would be unable to implement an accord, and who might be supplanted by radicals.

The Gaza conflict also may have produced a different political dynamic on the Palestinian side (see also "Intra-Palestinian Politics – Fatah (PA/PLO) and Hamas" above). Heretofore, President Abbas, as Chairman of the PLO, and his designee, former Palestinian Authority Prime Minister Ahmed Qurei, served as the primary negotiators with Israel. Abbas was sidelined during the Gaza conflict as Israel and Hamas were the combatants and focus of attention. Some viewed his relative quiet at the outset as tacit approval of Israel's assault on his main political rival, Hamas. As the civilian death toll mounted, Abbas condemned Israel's actions. The question remains, however, to what extent was Abbas weakened further by being sidelined as well as by the expiration of his term as Palestinian president on January 9, 2009, and would it affect his legitimacy as a negotiator? Others maintain that the ability of the Palestinian Authority and its security forces to successfully maintain quiet in the West Bank during the Gaza conflict may foretell future capabilities and provide some assurance about its ability to implement a peace accord.

Hamas, which maintains that it triumphed simply by surviving the Israeli offensive, has long argued that "resistance" is more effective than negotiations to achieve Palestinian goals. Its avowed goals include the end of the occupation of all of the former British mandate of Palestine, including Israel. Hamas officials have said that they would establish a Palestinian state on any territory from which Israel withdraws, without recognizing Israel as a second state. Hamas had accepted Abbas as a peace negotiator, provided that the product of his negotiations be put to a vote either in the Palestinian Legislative Council—in which Hamas holds a majority—or in a referendum. Hamas has long demanded that the PLO, of which it is not a member, be "reformed." Since the Gaza conflict, Hamas politburo chief Khaled Meshaal has demanded that the PLO be

replaced, most likely because Hamas seeks to gain ideological and operational control over it. Because Abbas's legitimacy as negotiator stemmed from his chairmanship of the PLO, it appears that Hamas now may be rejecting that legitimacy.

### **Israeli-Syrian Talks**

In May 2008, Israel and Syria began what would become four rounds of indirect peace talks via Turkish mediators in Istanbul focused on the Golan Heights. The talks were suspended before the Gaza conflict in anticipation of Israeli elections and a new U.S. administration. Syria said that Israel's December attack on Gaza "closed the door on the indirect talks." However, some observers suggest that the indirect talks had run their course and that the parameters of an accord are well known, but Syria requires an active U.S. role for the transition to direct talks because of its desire for U.S. security and financial guarantees.

Some in Israel are amenable to a peace with Syria that would require Israel to withdraw from the Golan. They note that the Syrian border has been quiet for decades (despite what some view as Syrian surrogate warfare against Israel via Hezbollah in Lebanon) and that Syria (at least former Syrian President Hafez al Asad) has a record of keeping its word. They also believe that peace might wean Syria out of its alliance with Iran and put the Iranian threat to Israel at a greater distance. Others note that the "cold peace" on Israel's northern border has endured thus far without territorial concessions. Israeli right-wing parties oppose ceding the Golan because it would bring Iran via its Syrian ally to yet another border of Israel and because the Golan is a major water source for Israel. It still is uncertain which position in Israel will play a decisive role in the next government. Many U.S. analysts and some in Israel believe, largely because Israeli-Palestinian peace appears unattainable at least for the near or mid-term, that the Israel-Syria track should become the main focus of current diplomatic attention.

## **Possible Options for the 111<sup>th</sup> Congress**

### **Defense Budget Appropriations for U.S.-Israeli Missile Defense Programs<sup>88</sup>**

Although Israel's Operation Cast Lead was designed to thwart Palestinian rocket fire, over the long term, Israel has recognized that it will require new missile defense systems capable of knocking out short-range projectiles. The Israeli government has sought U.S. assistance not only in countering long-range ballistic missile threats, but also in co-developing short-range missile defense systems to thwart rockets fired by non-state groups, such as Hamas and Hezbollah (see "Palestinian Rocket Attacks from Gaza Since 2001: Threat Assessment and Israeli Responses" above).

Congress and successive administrations have shown strong support for joint U.S.-Israeli missile defense projects. U.S.-Israeli missile defense cooperation has perennially been authorized and

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<sup>88</sup> This subsection was prepared by Jeremy M. Sharp, Specialist in Middle Eastern Affairs.

appropriated in the defense authorization and appropriations bills. P.L. 110-329, the FY2009 Consolidated Security, Disaster Assistance, and Continuing Appropriations Act, provides a total of \$177.2 million for U.S.-Israeli missile defense programs, a \$58 million increase over the President's FY2009 request.

## **Iron Dome**

As mentioned earlier, Israel is currently developing a short-range system, dubbed "Iron Dome," to destroy crude, Palestinian-made rockets fired by Palestinian militants in the Gaza Strip.<sup>89</sup> Iron Dome, which is expected to be deployed in 2010 at a development cost of \$215 million, is designed to intercept very short-range threats up to 40 kilometers in all-weather situations. It is being developed by Rafael Advanced Defense Systems.

Reportedly, the Israeli government may be seeking U.S. assistance in financing the Iron Dome system. According to one Israeli defense official, "We're not just looking for funding assistance, although that is extremely important for us. We've offered the Americans to join as full participants and to use the system to defend their troops and assets around the world.... We're hopeful that after careful examination of the data and the system's capabilities, that they'll decide to join the program."<sup>90</sup>

The *Associated Press* has reported that data collected by Israel on the rockets launched by Palestinian militants during the Gaza conflict might assist with the finalization of the Iron Dome system.<sup>91</sup> This report raises the possibility that Israel may have considered its offensive to be an opportunity to gain ground on both sides of its self-defense equation simultaneously—improving its own technological capacity to defend against rocket attacks while also depleting the arsenals of its Palestinian militant adversaries—and thus to decrease its future vulnerability to such attacks (with prospects of tougher anti-smuggling measures and reestablished deterrence as added benefits).

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<sup>89</sup> Within the Israeli defense establishment, there is debate over how effective the Iron Dome system would be in protecting Israeli cities and towns from Qassam and Grad-style Katyusha rocket attacks fired from the Gaza Strip. Some Israeli defense experts assert that Iron Dome kinetic interceptors will take too long to destroy crude rockets fired from close range to Israeli towns such as Sderot. Reuven Pedazur, an Israeli expert in ballistic missiles, claims that each Tamir missile fired from the Iron Dome system will cost \$100,000, while a system based on laser beam interception, would cost between \$1,000 and \$3,000 per strike. Nevertheless, Israeli officials argue that solid laser technology needs more time to develop. See, "Rocket, Missile Shields in Works; Iron Dome, David's Sling eye attacks from Gaza, Lebanon, Iran," *Washington Times*, August 8, 2008. According to one source, "Neither the missile interceptors nor the lasers will provide 100-percent coverage, which is why they will have to both be in use." See, "Defense Officials View Laser as Future of Anti-Missile Technology," *Ha'aretz*, March 24, 2008.

<sup>90</sup> "U.S. Eyes Joint Anti-Rocket Effort With Israel; Mulls \$200M Investment To Speed Iron Dome," *Agence France Presse*, June 9, 2008.

<sup>91</sup> See Matti Friedman, "Israel Used Fighting to Perfect Anti-Rocket System," *Associated Press*, February 16, 2009. The article states, "During the Gaza offensive, which ended on Jan. 18, Israeli teams collected data on how the homemade rockets and the military-grade Katyushas fired by Gaza militants behaved in different weather conditions and how they were picked up by the interception system's radar, which is already operational."

## David's Sling

David's Sling (a.k.a. Magic Wand) is a short/medium-range system designed to counter long-range rockets and cruise missiles, such as those possessed by Hezbollah in Lebanon, fired at ranges from 40 km to 300 km. It is being jointly developed by Israel's Rafael Advanced Defense Systems and Raytheon. The system is expected to be operable by 2010. P.L. 110-329 provides \$72.8 million for a short-range missile defense program.

In August 2008, Israel and the United States officially signed a "project agreement" to co-develop the David's Sling system. According to Lt. Gen. Henry Obering, director of the U.S. Missile Defense Agency, "We wanted a truly co-managed program because the United States will be very interested in this for our own purposes.... The agreement we just signed allows us to work through specific cost-sharing arrangements and other program parameters."<sup>92</sup>

**Table 1. Defense Budget Appropriations for U.S.-Israeli Short-Range Missile Defense: FY2006-FY2009**

\$ in millions

Program	FY2006	FY2007	FY2008	FY2009	Total
David's Sling	\$10.0	\$20.4	\$37.0	\$72.895	\$140.295

## Oversight of U.S. Arms Sales to Israel<sup>93</sup>

Israel may have used weapons platforms and munitions purchased from the United States in its military operations in Gaza, reportedly including, among others, F-15 and F-16 aircraft, Apache helicopters, and, according to Israeli press reports, GBU-39 small diameter guided bombs approved for sale by the 110<sup>th</sup> Congress following notification in September 2008.<sup>94</sup>

The transfer by sale of U.S. defense articles or services to Israel and all other foreign countries is authorized subject to the provisions of the Arms Export Control Act (AECA) and the regulations promulgated to implement it. Sales are made through contracts outlining the terms and conditions of the sale and the use and management of defense articles or services by the recipient country. Section 3 of the AECA stipulates that in order to remain eligible to purchase U.S. defense articles, training, and services, foreign governments must agree not to use purchased items and/or training for purposes other than those permitted by the act without the prior consent of the President. Section 4 of the AECA states that sales are authorized to friendly countries solely for specific

<sup>92</sup> "U.S.-Israel To Develop David's Sling Missile Defense," *DefenseNews.com*, August 7, 2008.

<sup>93</sup> This subsection was prepared by Christopher M. Blanchard, Analyst in Middle Eastern Affairs. For more information about oversight of the use of U.S. defense articles and services by foreign purchasers, see CRS Report RL30982, *U.S. Defense Articles and Services Supplied to Foreign Recipients: Restrictions on Their Use*, by Richard F. Grimmett.

<sup>94</sup> Yaakov Katz, "IAF uses new US-supplied bunker-buster smart bomb," *Jerusalem Post*, December 29, 2008. See U.S. Defense Security Cooperation Agency Transmittal No. 08-82, September 9, 2008, available at: [[http://www.dsca.mil/PressReleases/36-b/2008/Israel\\_08-82.pdf](http://www.dsca.mil/PressReleases/36-b/2008/Israel_08-82.pdf)]. According to a memorandum accompanying the notification of the proposed sale to congressional defense committees, the GBU-39 "is designed to destroy a wide variety of targets from ranges of 40 nautical miles, such as fuel depots and bunkers, and penetrate over 1.2 meters of steel reinforced concrete while inflicting minimum collateral damage."

purposes, including, but not limited to, “internal security” and “legitimate self-defense.” These terms are not defined in the AECA, in its predecessors, or in subsequent amendments. To date, the President and Congress have chosen to interpret the terms on a case-by-case basis.

The AECA requires the President to report to Congress promptly when the President has received information that a “substantial violation” of an agreement made pursuant to the AECA “may have occurred.” Such a report is not required to reach a conclusion as to whether a substantial violation of an agreement has or has not occurred. If the President were to submit a written report to Congress stating that a substantial violation had occurred or in the event that Congress were to pass and have enacted a joint resolution containing such a finding, then the recipient country in question would become ineligible for purchases of U.S. defense articles or services. Such a joint resolution or any other legislation seeking to restrict or condition sales of defense articles and services to specific countries would be subject to presidential veto.

Sales of U.S. defense articles and services to Israel are made subject to the terms of the July 23, 1952 Mutual Defense Assistance Agreement between the United States and Israel (TIAS 2675). The 1952 agreement states:

The Government of Israel assures the United States Government that such equipment, materials, or services as may be acquired from the United States ... are required for and will be used solely to maintain its internal security, its legitimate self-defense ... and that it will not undertake any act of aggression against any other state.

To date, Israeli leaders and officials have publicly described recent Israel Defense Forces (IDF) military operations in Gaza as defensive actions taken in response to rocket attacks on Israeli towns, cities, and civilians by Hamas, which is a U.S.-designated Foreign Terrorist Organization, and other Palestinians in Gaza. Some Palestinian groups and other Arab and international governments have characterized Israel’s military operations in Gaza as acts of aggression. President Bush stated on January 5, 2009 that “the situation now taking place in Gaza was caused by Hamas,” and added that “Israel has obviously decided to protect herself and her people.”<sup>95</sup> As mentioned above (see “Overview of the Conflict”), the Senate and the House overwhelmingly passed resolutions during the week of January 5 in connection with the Gaza conflict that supported Israel’s right to defend itself.<sup>96</sup>

On January 6, 2009, Representative Dennis Kucinich submitted a letter to Secretary of State Condoleezza Rice requesting that the Administration submit a report examining “Israel’s compliance with the provisions of the Arms Export Control Act” in relation to ongoing Israeli military operations in Gaza. The letter expresses support for “Israel’s security and its right to exist

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<sup>95</sup> The White House, Office of the Press Secretary, “Transcript: President Bush Meets with First Vice President of the Government of National Unity of the Republic of Sudan and President of the Government of Southern Sudan Salva Kiir Mayardit,” January 5, 2009.

<sup>96</sup> Two other resolutions, H.Res. 37, which condemned Hamas “for the recent attacks against Israel,” and S.Res. 6, which expressed “solidarity with Israel in Israel’s defense against terrorism in the Gaza Strip,” were introduced and referred to the House Committee on Foreign Affairs and Senate Committee on Foreign Relations, respectively, but not passed.

in peace, without the fear of rocket attacks from Hamas,” while arguing that “Israel’s most recent attacks neither further internal security nor do they constitute ‘legitimate’ acts of self-defense.”<sup>97</sup>

As mentioned above, a report issued by the Administration in response to the question of whether or not a “substantial violation” of a sales agreement with Israel made pursuant to the AECA “may have occurred” may, but need not, definitively determine whether a violation has occurred. Any determination that a violation has occurred must be based on definitive proof that U.S.-sold equipment has been used in specific acts that violate a sales agreement with the United States pursuant to the AECA.

In the past, the Bush Administration and some of its predecessors have transmitted reports to Congress stating that “substantial violations” of agreements between the United States and Israel regarding arms sales “may have occurred.” The most recent report of this type was transmitted in January 2007 in relation to concerns about Israel’s use of U.S.-supplied cluster munitions during military operations in Lebanon during 2006.<sup>98</sup> Other examples include findings issued in 1978, 1979, and 1982 with regard to Israel’s military operations in Lebanon and Israel’s air strike on Iraq’s nuclear reactor complex at Osirak in 1981. The Reagan Administration suspended the delivery of cluster munitions to Israel from 1982 to 1988 based on concerns about Israel’s use of U.S. supplied cluster munitions in Lebanon. The Reagan Administration also briefly delayed a scheduled shipment of F-15 and F-16 aircraft to Israel following Israel’s 1981 strike on Iraq.

While it appears unlikely that the Obama Administration is presently inclined to characterize Israel’s military operations in Gaza as anything but defensive measures, heightened congressional or public concern could lead the Administration to seek renewed assurances from Israel about the nature of its use of defense articles and services purchased from the United States.

## **U.S. Humanitarian Aid (Including to UNRWA) and Other Economic Assistance to Palestinians<sup>99</sup>**

### **U.S. Humanitarian Assistance Related to the Gaza Conflict**

As of February 13, 2009, the United States had contributed a total of just over \$61.5 million in humanitarian assistance with respect to the conflict in Gaza—\$38.5 million to UNRWA, \$15.7 million to the International Committee of the Red Cross (ICRC) (including \$9.7 million for its Middle East Emergency Appeal—nearly two thirds of which is programmed in Gaza), \$800,000 to the U.N. Office for the Coordination of Humanitarian Affairs (UNOCHA), and just over \$6.5 million in bilateral assistance through the U.S. Agency for International Development (USAID).

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<sup>97</sup> Office of Representative Dennis J. Kucinich, “Press Release: Israel May Be in Violation of Arms Export Control Act,” January 6, 2009.

<sup>98</sup> Sean McCormack, U.S. Department of State Spokesman, Daily Press Briefing, Washington, DC, January 29, 2007.

<sup>99</sup> This subsection was prepared by Jim Zanotti, Analyst in Middle Eastern Affairs. For further information on U.S. assistance figures listed in this subsection (including in **Table 2**), see CRS Report RS22967, *U.S. Foreign Aid to the Palestinians*, by Jim Zanotti.



## **U.S. Contributions to UNRWA and Other International Organizations**

The United States is the largest single-state donor to UNRWA, which provides food, shelter, medical care, and education for many of the original refugees from the 1947-1949 Arab-Israeli war and their families—now comprising approximately one million Palestinians in the Gaza Strip (two thirds of the total Gaza population) and 3.6 million other Palestinians in the West Bank, Jordan, Syria, and Lebanon. On December 30, the Bush Administration announced an initial contribution of \$85 million toward UNRWA's 2009 appeals—\$5 million were eventually allocated to a special Gaza Flash Appeal fund first established on December 31 in relation to the conflict (see “Gaza Flash Appeal” below), \$20 million were allocated to the emergency appeal fund for the West Bank and Gaza, and \$60 million (not counted for purposes of calculating the \$61.5 million cited above) were allocated to the general UNRWA fund. The United States contributed \$185 million to UNRWA in 2008.

On January 27, the Obama Administration authorized another U.S. contribution of humanitarian aid for Gaza totaling \$20.3 million.<sup>100</sup> Of this aid, \$13.5 million of this aid went to UNRWA (\$3.5 million to the Gaza Flash Appeal and \$10 million to the emergency appeal fund for the West Bank and Gaza), \$6 million went to the ICRC for its Emergency Appeal for Israel, and \$800,000 went to UNOCHA.

Depending on the continuing humanitarian needs of the refugee-heavy Gaza population, Congress could face additional requests for FY2009 appropriations to the State Department accounts from which contributions to UNRWA and other international organizations are made. A proposal for continued or increased aid to UNRWA could meet with increased scrutiny if there is a perception that resources from UNRWA or other international organizations were used (with or without organizational complicity) to strengthen Hamas or to repel or frustrate Israeli military operations in Gaza.<sup>101</sup> For information on the coordination of international humanitarian efforts in Gaza, see “Humanitarian Situation and Response” above.

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<sup>100</sup> See Presidential Determination 2009-15, available at [http://www.whitehouse.gov/blog\\_post/relief\\_for\\_gaza/](http://www.whitehouse.gov/blog_post/relief_for_gaza/).

<sup>101</sup> See H.R. 557 (United Nations Transparency, Accountability, and Reform Act of 2009), Sec. 309 (“Withholding of United States Contributions to UNRWA”), as an example of legislation that has already been proposed in the 111<sup>th</sup> Congress to limit and place conditions on contributions to UNRWA (Referred to House Committee on Foreign Affairs, January 15, 2009). See also H.Con.Res. 29 “Expressing the sense of Congress that the United Nations should take immediate steps to improve the transparency and accountability of the United Nations Relief and Works Agency for Palestinian Refugees (UNRWA) in the Near East to ensure that it is not providing funding, employment, or other support to terrorists” (Referred to House Committee on Foreign Affairs, January 28, 2009); and (from the 110<sup>th</sup> Congress) H.Res. 939: “Condemning the glorification of terrorism and the continuing anti-Israel and anti-Semitic rhetoric at the United Nations” (Referred to House Committee on Foreign Affairs, January 23, 2008).

## U.S. Bilateral Assistance to the Palestinians (West Bank and Gaza)

Independent from its contributions to UNRWA and other international organizations, the United States provides substantial economic and development assistance to the West Bank and Gaza (approximately \$239.5 million through USAID in FY2008). Authorized under a continuing resolution to provide assistance at FY2008 levels through March 6, 2009, USAID has disbursed over \$6.5 million in aid to meet humanitarian needs in Gaza during the conflict and in its aftermath, and additional allocations may be forthcoming.

According to USAID, \$3.75 million of this \$6.5 million in bilateral U.S. humanitarian assistance for Gaza were in the form of grants to approved U.S. non-governmental organizations that maintain access to Gaza (CARE International, Mercy Corps, American Near East Refugee Aid (ANERA), Cooperative Housing Foundation (CHF International), Relief International, Catholic Relief Services, International Orthodox Christian Charities (IOCC)). In addition, \$1.6 million were in the form of food aid through the World Food Programme (1,666 metric tons of two-month food rations distributed to over 21,000 needy families in Gaza City, Khan Yunis, and North Gaza), and the remainder (approximately \$1.15 million) was in the form of direct deliveries of food items, medical supplies, blankets (40,000 count), and plastic sheeting. Additional grants in the total amount of \$4 million to CHF International, Catholic Relief Services, Save the Children, World Vision, and Agency for Technical Cooperation and Development (ACTED) are expected. The United States might be asked to increase this assistance and to aid post-conflict reconstruction and development in Gaza, which raises questions over which Palestinian groups might be in a position to receive and to utilize aid for reconstruction (see “Concerns Regarding Reconstruction” above). Currently, economic assistance to the West Bank and Gaza is subject to prohibitions on aid to Hamas or Hamas-affiliated organizations.

Additionally, the United States has transferred \$300 million directly to the West Bank-based Palestinian Authority in the past calendar year in order to help the PA meet its budgetary obligations to pay employee salaries—the primary engine for an economy that boasts of little private sector activity or foreign investment. Current law forbids the PA to use U.S. budgetary transfers for the payment of PA salaries in Gaza. There might be calls for Congress to lift this restriction and perhaps to increase direct budgetary aid to the PA to accommodate the increased expenses the PA may incur if it becomes the party primarily responsible for reconstruction in Gaza. The PA has already been compelled to take out a bank loan (using pledges of future

**Table 2. U.S. Appropriated Funds Directed to Palestinians (June 2007-December 2008)**

\$ in millions

Budgetary Aid to Palestinian Authority	\$300.0
Other Economic & Development Assistance	\$267.5
Security Assistance to PA Forces	\$161.3
<b>TOTAL</b>	<b>\$728.8</b>

**Source:** U.S. Department of State.

**Notes:** Amounts used for security assistance were appropriated or reprogrammed to the International Narcotics Control and Law Enforcement account; all other amounts were appropriated to the Economic Support Fund account; contributions to UNRWA and other international organizations (which come from the Migration and Refugee Assistance and Emergency Refugee and Migration Assistance accounts) are not included; all amounts are approximate.

international assistance as collateral) in order to pay its workers' January 2009 salaries after beginning restitution payments to Gazans.<sup>102</sup> Conversely, if a PA unity government is established that includes Hamas (see "Efforts at Unity and the Question of Elections" below), current law may require Congress to cease direct aid to the PA, or there could be calls for cessation or for limits on other economic assistance to the West Bank and Gaza.

## **U.S. Security Assistance to the Palestinian Authority<sup>103</sup>**

Currently, there are U.S.- and internationally-sponsored programs to help recruit, train, equip, house, manage, and reform PA security forces based in the West Bank. These forces have been deployed in major urban areas of the West Bank (including Jenin, Hebron, and Bethlehem) since May 2008, and have won praise from most observers—Israeli, Palestinian, and international—for their effectiveness in keeping public order and in countering the infrastructure of militant groups. During the Gaza conflict, they were tasked with handling demonstrations held to protest the Israeli offensive. By most accounts, the forces "performed exceptionally," in the words of a senior Western official in the region.<sup>104</sup>

Given that the PA forces appear to have acquitted themselves well during the Gaza conflict, support from the Obama Administration for significantly expanded appropriations for the U.S. security assistance program could be forthcoming. U.S. appropriations since mid-2007 total \$161.3 million, but those funds are expected to run out by summer 2009, if not sooner. If the PA gains a role in patrolling Gaza border crossings, it is also possible that the U.S. Security Coordinator (since November 2005, Lt. Gen. Keith Dayton) could have his mandate expanded to help coordinate security arrangements for the crossings, as was contemplated in the 2005 Agreement on Movement and Access that is receiving renewed interest as part of the ongoing discussions regarding a possible long-term cease-fire.

Concerns regarding security assistance may be whether U.S. involvement in Palestinian affairs is enhancing the legitimacy of Abbas and the PA or detracting from it by allowing Hamas and others to gain traction with their long-time argument that the PA is too beholden to the United States, and whether U.S. involvement in strengthening and reforming PA security forces is feeding a perception that the PA forces are more "Israel's cops" than focused on state-building from a Palestinian perspective. This could lead to a discussion of ways to advance the U.S. interest in strengthening Palestinian moderates while at the same time reducing a U.S. "footprint" that some might say is already modest.<sup>105</sup>

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<sup>102</sup> See "Palestinian Authority Borrows Money to Pay Salaries," *Agence France Presse*, February 16, 2009; "Abbas Withholds Salaries to Pay Gazans Hit by War," *Reuters*, February 15, 2009.

<sup>103</sup> This subsection was prepared by Jim Zanotti, Analyst in Middle Eastern Affairs. For further information on U.S. assistance figures listed in this subsection (including in **Table 2**), see CRS Report RS22967, *U.S. Foreign Aid to the Palestinians*, by Jim Zanotti.

<sup>104</sup> CRS correspondence with senior Western official in the region, January 4, 2009.

<sup>105</sup> The U.S. Security Coordinator's team has fewer than 50 people based in Jerusalem and Ramallah and does not conduct the general training of PA forces (it only helps coordinate these training activities, which are conducted by Jordanian trainers at the International Police Training Center near Amman), nor does it directly command or control PA security operations.

Another important factor in determining the PA forces' success could be whether the Israelis remain open to gradually increasing the forces' freedoms of movement and of action that would appear to be pivotal to their continued development and assumption of responsibility over Palestinian-administered areas.<sup>106</sup> Those supporting the loosening of deployment restrictions justify their arguments by referring to the forces' competence and discipline in handling demonstrations during the Gaza conflict. Nevertheless, Israeli distrust of the PA forces (above all, fears that they might turn against Israel<sup>107</sup>) could diminish expectations for what is achievable with the forces.

## **The Conflict's Implications for U.S. Policy<sup>108</sup>**

Thus far, the Obama Administration has voiced the same goals as the Bush Administration and some of the same policies. The new Administration desires a two-state solution in which Israel and Palestine would live together in peace and security. For example, at her January 13, 2009 Senate confirmation hearing to become Secretary of State, Hillary Clinton said that the Gaza situation was a reminder of "the tragic humanitarian costs of conflict in the Middle East.... This must only increase our determination to seek a just and lasting peace agreement that brings real security to Israel—normal and positive relations with its neighbors, independence, economic progress, and security to the Palestinians in their own state. We will exert every effort to support the work of Israelis and Palestinians who seek that result...." As had officials of the Bush Administration, Clinton insisted that the United States would not negotiate with Hamas until it recognizes Israel, renounces violence, and abides by previous agreements: "That is just an absolute for me. That is the United States' position and the president-elect's position."

On his first full day in office, January 21, President Barack Obama telephoned Palestinian Authority President Mahmoud Abbas, Israeli Prime Minister Ehud Olmert, Egyptian President Hosni Mubarak, and Jordanian King Abdullah II reportedly "to communicate his commitment to active engagement in pursuit of Arab-Israeli peace from the beginning of his term." The next day, President Obama and Secretary Clinton jointly announced the appointment of former Senator

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<sup>106</sup> A widespread Palestinian concern is that aspects of the Israeli occupation make it nearly impossible for PA forces to demonstrate their true capacity for dismantling militant organizations. The IDF limits the effectiveness of the PA forces by restricting the scope of PA security operations—through curfews, no-go zones, checkpoints, and limitations on international arms and equipment transfers—and by refusing to make arrests requested by the PA in areas under Israeli control. Reports indicate that militants from Hamas, Palestinian Islamic Jihad, and other groups have been able to "wait out" PA surge operations in some cases by escaping to Israeli-administered and secured areas of the West Bank (so-called Areas B and C). Moreover, the IDF's own effectiveness in apprehending terror suspects (particularly in areas where newly-trained PA security forces are deployed) reinforces a common Israeli belief that handing over control of anti-terror operations to the PA is not worth the risk of having such operations fail. Many Palestinian security personnel feel, however, that IDF operations undermine the Palestinian public's confidence in the PA forces' competence and legitimacy—confidence the security forces believe is important for them to enjoy in order to face down militant networks.

<sup>107</sup> However, Gen. Dayton (the U.S. Security Coordinator) says that the transformation and professionalization of the PA security forces—marked by months of rigorous training for special "gendarmierie-style" battalions and their leaders—have made the PA security forces far less likely to slip into factionally-driven conflict with Israel than their predecessors from the bygone era of Yasser Arafat. See Interview of Lt. Gen. Keith Dayton by David Horovitz, "This Time, It Will Be Different," *Jerusalem Post*, December 11, 2008.

<sup>108</sup> This section was prepared by Carol Migdalovitz, Specialist in Middle Eastern Affairs.

George Mitchell as their Special Envoy for Middle East Peace. The President mainly focused on the aftermath of the Gaza conflict. He asserted, “[T]he outline for a durable cease-fire is clear: Hamas must end its rocket fire; Israel will complete the withdrawal of its forces from Gaza; the United States and our partners will support a credible anti-smuggling and interdiction regime, so Hamas cannot rearm.” He added, “As part of a lasting cease-fire, Gaza’s border crossings should be open to allow the flow of aid and commerce, with an appropriate monitoring regime, with the international [community] and Palestinian Authority participating.”<sup>109</sup> Such a regime would be similar to or the same as the one created in 2005 following Israel’s disengagement from Gaza under the Israel-PA Agreement on Movement and Access. Both Secretary Clinton and Senator Mitchell are planning to attend the donors’ conference for Gaza scheduled to take place on March 2 in Cairo.<sup>110</sup>

Soon after his appointment as Special Envoy for Middle East Peace, Senator Mitchell visited the Middle East on a listening tour, during which he appeared to concentrate more on achieving a durable cease-fire and on issues related to the Gaza conflict than on the peace process per se. For example, he said that “To be successful in preventing the illicit trade of arms into Gaza, there must be a mechanism to allow the flow of legal goods,” and suggested that borders be opened in coordination with the PA.<sup>111</sup> Thus, it is not yet clear how Mitchell intends to engage in the Israeli-Palestinian peace process, which has been mainly a bilateral process since before the Annapolis Conference in 2007.

Mitchell’s tour included Israel, the West Bank, Jordan, Egypt, and Saudi Arabia, but not Syria or the Gaza Strip. Obama Administration officials have not yet spoken about Israeli-Syrian peace talks. In early February, the Commerce Department released export licenses for the repair of two Syrian Airlines Boeing 747s, which had been held up during the Bush Administration. That is a relatively minor development that may or may not be a clue to the future. Perhaps a more tangible sign of U.S. interest in greater engagement with Syria is that four separate congressional delegations, including delegations headed by Senate Foreign Relations Committee Chairman John Kerry and House Foreign Affairs Committee Chairman Howard Berman, have reportedly either already visited Damascus in February or are scheduled to do so. Kerry, who is reportedly expected in Damascus on February 21, reportedly said in Egypt on February 15 that the United States is “eager” to talk to Syria,<sup>112</sup> and, in a February 17 interview with the United Kingdom’s

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<sup>109</sup> Transcript of Remarks by President Barack Obama, State Department, Washington, DC, January 22, 2009, available at <http://www.washingtonpost.com/wp-dyn/content/article/2009/01/22/AR2009012202550.html>.

<sup>110</sup> See U.S. Department of State Press Release, “Secretary Clinton Will Attend the March 2 Gaza Donors’ Conference in Cairo,” February 11, 2009, available at <http://jerusalem.usconsulate.gov/pr110209.html>; Natasha Mozgovaya, “U.S. Mideast Envoy: Settlements Aren’t the Only Issue,” *haaretz.com*, February 19, 2009.

<sup>111</sup> Isabel Kershner, “Israeli Elections and Gaza Violence Complicates New U.S. Envoy’s Peace Mission,” *New York Times*, January 30, 2009.

<sup>112</sup> However, speaking from Israel on February 19, Sen. Kerry said that “Nobody takes words at face value, particularly in this part of the world. We’ve learned that actions are what speak, and it’s going to be important for Syria to show a willingness to do a number of things,” including show respect for Lebanese elections, show a clearer willingness to move toward peace with Israel, and cooperate with U.S. policy in Iraq and Iran. “U.S. Senator Says Syria Must Act to Improve Ties,” *Reuters*, February 19, 2009. Senator Benjamin Cardin, who, in his capacity as Chairman of the U.S. Helsinki Commission (formally known as the Commission on Security and Cooperation in Europe, which monitors human rights) led a delegation to Damascus on February 18, said, after meeting with Assad, “The question we came [to] try to answer here is about whether Syria is ready to make important and significant decisions that will bring us closer together and move forward. Dialogue is important but actions speak louder than words. We will be watching Syria’s (continued...)

*Guardian* newspaper, Syrian President Bashar al Asad said that he expects the United States to send an ambassador to Damascus soon (there has been no ambassador since February 2005).<sup>113</sup> Some believe that the appointment of an ambassador would be a clearer signal that U.S. engagement in an Israeli-Syrian peace process is in the offing.

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actions very carefully over the next weeks and months.” George Baghdadi, “In Syria, Cardin Seeks Reforms Before Renewing Relations,” *CBS News World Watch*, February 18, 2009.

<sup>113</sup> See Ian Black, “Assad Urges US to Rebuild Diplomatic Road to Damascus,” *guardian.co.uk*, February 17, 2009. The article quotes Asad as saying, “There is no substitute for the United States,” but adding, “We are still in the period of gestures and signals. There is nothing real yet.” According to the *Associated Press* and Israeli daily *Ha’aretz*, U.S. Department of State spokesman Gordon Duguid said on February 18, in response to the Asad interview, that “Syria can play a role, and a positive role, in the region by trying to help bring peace and stability to the Middle East, and I think that the Syrians understand that they can do that. That is what the U.S. would like to see all nations in the region do.” Natasha Mozgovaya, “U.S. State Department: Syria Can Play Positive Role in Mideast,” *haaretz.com* (with the *Associated Press*), February 19, 2009.