



News from the Nations

Palestine goes it alone

Abbas and his prime minister, Salam Fayyad, are serious about a peaceful state, even if negotiations remain stalled. Their reforms have transformed the West Bank into an island of economic growth (7% in 2009, 8% in 2010) and improved security even by Israeli standards (Israel's troop levels in the West Bank are lower than they have been since the early 1990s). At the very least a unilateral move would raise pressure on Israel to propose an alternative. There is likely to be resistance in Washington, but recent polls say roughly half the Palestinians now prefer the one-state model. This is a solution that is unlikely to bring peace, but they argue that, by the time Israel is ready to accept a viable Palestinian state, it could be too late.

Russia recognises 'Palestine'

Russian President Dmitry Medvedev endorsed a Palestinian state while visiting the Biblical town of Jericho. In fact, he said, Russia recognised Palestinian independence in 1988. As recorded in *Israel Today*, he said, "Russia's position remains unchanged . . . Russia made its choice a long time ago . . . we supported and will support the inalienable right of the Palestinian people to an independent state with its capital in East Jerusalem." Chief Palestinian negotiator Saeb Erekat described the statement as "an historic move to make the Palestinians proud for a very long time to come." Medvedev had to postpone a visit to Israel because of a Foreign Ministry strike.

One country after another recognises a Palestinian state

The Palestinians have been trying to convince the world to recognise a Palestinian state unilaterally, without the approval of Jerusalem or Washington. *Israel Today* reports that "The Palestinians have already achieved success in South America. Brazil was the first South American country to recognise an independent Palestinian state on the 1967 borders, and then the 'dominos' started falling: Argentina, Uruguay, Bolivia, Ecuador, Paraguay, Chile and Guyana followed suit. The Palestinian strategy is South America first, then Europe. European countries are already upgrading the diplomatic status of the Palestinian Authority. 'The level of representation will be developed to a diplomatic mission and the head of the mission will be called an ambassador,' said Palestinian Foreign Minister Riyad Al-Maliki. Spain, France, Portugal and Norway have already taken this step and Britain has announced plans to do so as well. At this point the European Union does not plan to recognise a Palestinian state or upgrade Palestinian representation offices to the status of embassies. The Palestinians are considering a resolution to the UN Security Council calling on all United Nations members to recognise a Palestinian state by the end of the year. The Palestinians already have 45% of the Biblical heartland of Judea and Samaria and all of the Gaza Strip. And with South America leading the way and Europe joining the bandwagon, Israel fears the domino effect will continue around the world."

ASIAN SHIP TRACKED BY ISRAEL

According to the International Jerusalem Post (31 Dec.-6 Jan.), "Israel is tracking an Asian ship that has docked in Syria and has declared plans to break the Gazan blockade. The Asia 1 ship carrying around 160 activists is waiting for Egyptian approval to sail to El-Arish and from there to Gaza. The ship is reportedly carrying \$1 million worth of supplies, including a large medical shipment donated by the Iranian Red Crescent. The group met [recently] with Hamas's Damascus-based leader Khaled Mashaal and was told that the Palestinians were 'fighting for a real state without any occupation and with Jerusalem as its capital.' The ship is the first protest vessel to set sail from Asia bound for the Gaza Strip. Among its passengers are people from India, Jordan, Iran, Indonesia, Lebanon, Pakistan, Turkey, Bahrain, Malaysia, Japan and Bangladesh, according to reports. Israel has made clear that it will not allow ships to sail freely to the Gaza Strip but will board and tow them to Ashdod Port, where the cargo will be inspected and, if cleared, allowed to be transferred to Gaza."

Israeli panel on oil and gas revenue

The Knesset Economics Committee in January voted in favour of excluding the Tamar gas find from the final recommendation of the Sheshinski Committee, which seeks to raise sharply the state's take from natural-gas production. According to the Jerusalem Post (7-13 Jan.), "The Knesset State Control Committee is asking the state comptroller to look into the work of the Sheshinski panel and how the various government ministries drafted policy concerning the country's gas reserves. Excluding the Tamar offshore gas discovery and other sites that are currently under exploration from the proposed new tax regime would lower the state's future revenue from natural resources by billions of dollars . . . The Tamar site, which is estimated to be enough to meet Israel's energy needs for the next two decades, is slated to begin commercial gas sales in 2013. The Sheshinski Committee was established to recommend changes to the state's share of the revenue from oil and gas finds. Exploration companies, including Itzhak Tshuva's Delek Group, Noble Energy and Givot Olam, made record gas finds in Israeli waters over the past two years that are estimated to be worth hundreds of billions of dollars . . . [The committee] seeks to levy a maximum tax rate on gas and oil profits of 50% instead of the 60% proposed in November. In addition, tax breaks are offered for reserves that begin gas production no later than January 1, 2013. Meanwhile, analysts believe that the Sheshinski Committee recommendations, which have to be approved by the cabinet, will be softened further, with the state's take falling below 60% and even lower for the Tamar project."

Hamas and the Egyptian border

The recent news of the demise of Egypt's government prompted Hamas to rush dozens of policemen to Gaza's southern border. In the border town of Rafah, tunnel owners said their business had declined since the unrest erupted in Egypt. "Smuggling is still going on, but it is very slow. Most of the goods are stuck on the Egyptian side of Rafah," said Abu al-Baraa, an owner of one of the tunnels. Hamas and Egyptian security forces were manning the border in large numbers to prevent any people, particularly extremists, from crossing over. Abu al-Baraa expressed concern that, if the régime in Egypt changes and the Muslim Brotherhood takes over or joins a government, the situation in the Gaza Strip could deteriorate. "We are concerned that Israel would reoccupy the border, claiming that its forces want to prevent smuggling of weapons. If Israel does so, and keeps its siege, I think the people here will be dead."

Jerusalem construction continues

The Jerusalem District Planning and Building Committee announced recently that they plan to build 625 new housing units in the Pisgat Ze'ev neighbourhood of East Jerusalem. The committee provisionally approved the plan over two years ago, pending changes, which were implemented.

Cooper calls for Israeli settler food labelling

Britain should step up pressure on Israel to stop building illegal settlements in the West Bank by pressing for greater Europe-wide transparency on food exported from the 'Occupied Territories,' British shadow home secretary Yvette Cooper said recently. In an interview with the *Guardian* she called on the Government to persuade the EU to introduce labelling that would identify goods produced by Israeli settlers. Israel claimed the guidelines would encourage a boycott. Mrs Cooper said, "The continued building of settlements in the Occupied Territories is illegal and a serious obstacle to peace. If EU member states can speak with one voice, including guidance to retailers on produce from settlements in the West Bank, it will send a strong signal on how important this is."

ISRAEL FACES NEW BORDER CONFLICT

According to the Jewish Chronicle, Israel was facing possible wars on two fronts as Hizbullah took a step towards armed revolution in Lebanon and Egypt warned Hamas that it could soon provoke a new attack by Israel. Meanwhile, "three experts in peace negotiations have signalled in exclusive briefings for the Jewish Chronicle that time is almost out for Israel to make a deal with the Palestinians. In Lebanon the resignation of 11 Hizbullah members and two of its allies from the coalition government headed by Prime Minister Saad Hariri, has created political deadlock and could be the first step in a coup orchestrated by the Iranian-backed movement. This comes after recent warnings from IDF Chief of Staff Lieutenant General Gabi Ashkenazi that Hizbullah has the power to take control of Lebanon and has infiltrated parts of the Lebanese army."

The Testimony, February 2011