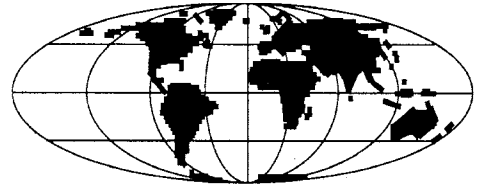


News from the Nations



West Bank to become “a valley of economic harmony”

According to a report in the *Jerusalem Post*, Israel's President Shimon Peres has said that an ambitious plan to launch a series of economic ventures in the West Bank is one step closer to being realised. The initiatives, collectively known as the Peace Valley, have major international financial backing and aim to create 100,000 new jobs for Palestinians, he told the *Jerusalem Post* on 16 January at the president's residence in Jerusalem. “Politics is about borders, while economics shapes relations”, Peres said. Time was running out to find a diplomatic solution vis-à-vis the Palestinian Authority, he said, adding that there was no need for economic initiatives to be put on hold while Israeli and Palestinian negotiators hammer out the thornier issues. “One hundred thousand work places will strengthen the position of Palestinians more than 50,000 guns”, he said. The governments of Japan, Turkey and Germany have earmarked hundreds of millions of dollars of investment money for the projects, the *Jerusalem Post* has learned. According to Mr Peres, the foreign backers were motivated by a desire to see peace in the region, and by their own financial interests. “They are all interested in peace”, he said. “Turkey wants to show that it is contributing to Muslims and that it has come to serve peace. Japan wants to show that it is helping to foster relations and has invested \$100 million for an industrial park in Jericho”.

FOUR INVESTMENT PROJECTS

Four sites across the West Bank have been selected to underpin the initiative. Japan's deputy ambassador to Israel recently told Peres that a location on the outskirts of Jericho had already been chosen for the construction of an agro-industrial park. Japanese planners are holding talks with Israeli security. According to a brief seen by the Jerusalem Post, initial infrastructure construction on the site is scheduled to commence shortly, providing immediate jobs for Palestinians. A collaboration by the Turkish, Israeli and Palestinian private sectors, known as the Ankara Forum, is expected to build an industrial zone for textiles near Tarkumiya, west of Hebron. The project received the blessings of the Israeli, Turkish and Palestinian presidents during a trilateral summit in Ankara last November. Germany is set to head an industrial initiative in Jenin, an idea originally agreed upon by Peres and former Palestinian Authority Chairman Yasser Arafat. A fourth project envisions the establishment of a joint Israeli-Palestinian university campus and medical centre. It is being spearheaded by a Turkish professor, Aloi Dogramaci, and will be located on the Israeli side of the Green Line on the northern tip of Samaria, between Afula and Jenin.

Partners for development

Israel's Transportation Minister Shaul Mofaz plans to meet with his Jordanian counterpart to discuss a long-standing plan for a joint Israeli-Jordanian airport terminal in Aqaba, which is situated close to the Israeli holiday resort of Eilat, at the head of the Gulf of Aqaba. This would give a boost to tourism in the area. President Peres said he also wanted to see Israeli involvement in a future Mediterranean Union, a brainchild of French President Sarkozy: “The idea is to follow the European Union and create a union based on two core issues, immigration and a Mediterranean Bank to invest in vital development”. The Mediterranean Union could also play a part in solving the problem of Palestinian refugees: “The union would bring us three partners—the Turks, the most important Muslim country in the region; the French, representing the power of Europe; and the Jordanians, who are keen for economic progress”, he said. Meanwhile, John Chambers, the CEO of US computer-networks giant Cisco, arrived in Israel to see how \$3 million of his corporation's money is being used to hook up the cities of Nazareth and Upper Nazareth to the Internet. Uri Ben-Porat, an aide to President Peres, said that the Digital Cities Project will train Arab and Jewish residents of the cities to master Internet technology. (Nazareth itself is an Israeli Arab city, whilst upper Nazareth is a Jewish development town founded in 1957.)

US commits to Israel's right to defend itself

The US “will never pressure Israel to take steps that threaten its security”, US Vice President Cheney said in Jerusalem on 22 March, prior to a meeting with Prime Minister Olmert. He said in an interview with the *International Jerusalem Post* that “America’s commitment to Israel’s security is enduring and unshakable, as is our commitment to Israel’s right to defend itself always—against terrorism, rocket attacks and other threats from forces dedicated to Israel’s destruction”. Cheney arrived after Shabbat for a two-day visit that included discussions with both the Israeli and Palestinian leadership. The US House of Representatives passed a resolution on 1 April urging that the issue of Jewish refugees be part of any agreement. Whilst the Palestinian claim of a “right of return” for its refugees has long been an issue and stumbling block in final status talks, the resolution seeks to have the suffering of Jewish refugees taken into account as well.

Irreversible pollution of Israel's key water sources

Israel’s natural water sources will drop so dangerously low by the end of this year that there is a major risk of some of them becoming irretrievably polluted and thus unusable, according to a shocking new forecast from Israel’s Water Authority, which says, “We will definitely fall below the bottom red lines in all three main water sources this year”. Israel’s three main natural water sources are Lake Kinneret (Sea of Galilee) and the mountain and coastal aquifers. There are also two desalination plants currently at full production, with three more being built, but the first of these will not be completed until the end of 2009, according to the *Jerusalem Post*.

Russia set on Mideast parley

After Russian Foreign Minister Sergei Lavrov and his Israeli counterpart Tzipi Livni met in Tel Aviv on 20 March, sources in Israel described Lavrov’s one-day visit as “nasty”, saying Lavrov was agitated throughout his meetings with Livni and President Shimon Peres. “Russia is determined to go ahead with an international Middle East conference in Moscow in June, whether Israel likes it or not”, Israeli government sources told the Jerusalem Post on 25 March, summing up Lavrov’s visit. According to the sources, Russia’s determination to go ahead with the conference, despite a cool reception to the idea from both Israel and the US, stemmed from Moscow’s assessment that it desperately needed to increase its involvement in the Middle East and ‘make its mark’ in the region, their reason being that Moscow felt it was losing ground to Iran. According to the government sources, Moscow viewed Hamas’s takeover of Gaza as benefiting Iran, and Hizbullah’s strong position in Lebanon as strengthening Iran. According to the source, a nuclear cooperation deal Russia signed with Egypt during Egyptian President Hosni Mubarak’s visit to Russia on 25 March was also aimed at gaining influence in the region. Moscow, according to Israeli officials, saw arms sales and nuclear technology as a way to again assert its presence and gain leverage in the Middle East. One Israeli official said, “For the Russians, we are just a small pawn in the greater game—they are to go ahead with the conference no matter what we say, knowing we will have no choice in the end but to go along”.

Israel's ninth satellite lifts off

Israel is scheduled to launch Amos 3—a telecommunications satellite designed and built by Israel Aerospace Industries—from a site in Kazakhstan. It reinforces Israel’s status as a satellite superpower, which can also monitor Iran and its Arab neighbours without relying on other countries’ goodwill. The satellite will stay in stationary orbit at an altitude of 36,000 kilometres, and will offer services to commercial clients throughout the world. Amos 3 joins a stable of eight Israeli communications and reconnaissance satellites currently orbiting the earth. Israel is one of only seven countries that build their own satellites and are capable of launching them.

HIZBULLAH MAY ATTACK NORTHERN ISRAEL

Hizbullah is rearming and getting ready for new violence along the border, a top military intelligence officer warned the Knesset Foreign Affairs and Defence Committee at the beginning of April. The organisation is once again becoming stronger and increasing its medium- and long-range rocket capacity, the officer told the committee. The Israel Defence Force has identified a general “change in preparedness” south of the Litani River, and rockets are part of that changing dynamic. In addition to surface-to-surface missile capacity, Hizbullah has increased operations in south Lebanese villages, with operatives dressed as civilians, the officer warned. During a visit to the northern border, Defence Minister Ehud Barak said that Israel was “on guard”. “Israel is the strongest country in the region and I would not recommend that anyone provoke us”, he said.