Review of the Year

OTHER COUNTRIES
Israel and the Middle East

Israel

The violence that began in late 2000 and continued all through 2001—featuring Palestinian suicide bombings aimed at producing a maximum of Israeli casualties, and Israeli reprisals—did not abate in 2002; in fact, it intensified. Tough new measures by the Likud-led coalition, including stepped-up "targeted killings" of terror kingpins and large-scale incursions into Palestinian areas—such as Operation Defensive Shield in the spring—brought only temporary halts to the attacks on Israelis and sharp criticism from around the world.

An exception to the unsympathetic attitude toward Israel in world capitals was that of the American government. Although President George W. Bush became the first president explicitly to call for a Palestinian state, he delivered a speech on June 24 announcing that the Palestinian National Authority would have to undergo democratization, renounce terror, and select new leadership (that is, not Yasir Arafat) first. Toward the end of the year, with a U.S. strike on Iraq looming, the U.S., the UN, the European Union (EU), and the chief European powers promoted a "road map," charting steps that Israel and the Palestinians might take to reach an ultimate settlement.

The security crisis loomed large over Israeli life. The economy, already hard-hit by more than a year of violence, suffered further blows. And while the Labor Party left the coalition and brought down the government on October 30 ostensibly over a budgetary matter, what was really at stake was whether Labor could devise a strategy for stopping the bloodshed that would be both different from Likud's and convincing to the voters.

The Elusive Search for Security

The Karine A

With retired Marine general Anthony Zinni, the U.S. Middle East envoy, returning to the region on January 3, Israel eased its closure of
parts of the West Bank. Troops were withdrawn from Jenin and parts of Ramallah, and the military encirclement of Tul Karm, Qalqilya, and Jenin ended. Yasir Arafat, however, remained confined to his compound in Ramallah, where he had been surrounded by Israeli tanks since mid-December 2001. Jibril Rajoub, head of the Palestinian preventive security forces on the West Bank, denounced what he called Israel's "fake withdrawal," designed, he said, to deceive Zinni.

But all of this was overshadowed the next day, January 4, when Israeli chief of staff Shaul Mofaz announced that Israel's navy, the day before, had boarded and seized a ship, the Karine A, in the Red Sea. It was carrying some 50 tons of arms intended for the Palestinian National Authority (PNA). The vessel was owned by the PNA and captained by a member of its naval police. The weapons found aboard, mostly of Iranian origin, included Katyusha rockets, antitank missiles, mortars, mines, advanced explosive equipment, rifles, and ammunition. Under the terms of the 1993 Oslo accords, the Palestinians were permitted only a limited amount of light arms for their police force.

The PNA denied the Israeli assertions, claiming that they were concocted to undermine Zinni's mission. Indeed, Israel announced its find as Zinni was meeting with Arafat in Ramallah, after a breakfast meeting with Prime Minister Sharon. The announcement had the immediate effect of shifting public focus away from Zinni to what Israel saw as continuing Palestinian preparations for violence. In a radio interview that day, Dalia Rabin-Pelosoff, Israel's deputy defense minister, said that the seizure of the Karine A furnished "further proof that the Palestinian Authority has not changed its intention of achieving its aims through terrorism and violence."

A spokesman for the Israel Defense Force (IDF) provided background information on the ship and its cargo. Apparently, at the start of the intifada in late 2000, Adel Mughrabi, a major buyer for the Palestinian weapons purchasing system, assisted by Juma'a Ghali, commander of the Palestinian naval police, started working with Hezbollah and Iran to smuggle weapons. It took about seven months to arrange the shipment, and it was financed by Fuad Shubeiki, an Arafat confidant and financial advisor. According to the report, Mughrabi purchased the Karine A in Lebanon and had it sailed, with an ordinary crew, to Sudan, where a Palestinian crew headed by Captain Omar Akawi took over, and, in November 2001, sailed the ship to Hodeida, Yemen. The next month Mughrabi ordered the ship to sail to Qeshm Island, Iran, where a ferry brought out its cargo in 80 large wooden crates. The weapons were stored
in special floatable waterproof containers that, the army said, were prepared by Hezbollah. The plan was for the ship to traverse the Suez Canal and then rendezvous in the Mediterranean with three smaller vessels, and these were to transport the arms to their final destination. But Israel, which had been monitoring the ship for some time, was not willing to let it get as far as the canal, and sent a force of naval commandos that took over the ship in a lightning operation about 500 km from the canal.

On January 6, Prime Minister Sharon stood at a wharf in Eilat in front of the Karine A and a display of the arms it had carried, and told reporters: "When Arafat gave the instructions to purchase the arms discovered on this ship, he made a strategic choice to bring about regional deterioration that could lead to war." Making the case even stronger against Arafat was the testimony of Akawi, the captain, in a prison interview filmed in the presence of Israeli interrogators and broadcast by Fox News. Asked who gave him the orders to pick up the shipment, he gave the name of Adel Awadallah, a top Arafat aide, and continued, "I am an officer in the navy. I am an employee of the Palestinian Authority. I take my salary from them." When asked whether it was possible that Awadallah could have been acting on his own, Akawi answered, "I don't know. I don't think so. One time I asked him why you are doing this and he said I am doing it for Palestine."

Over the next few weeks, American officials repeatedly urged Arafat to clarify his role in the affair. On January 25, Secretary of State Colin Powell told a TV interviewer: "It's a pretty big smoking gun. I can't put it right at [Arafat] personally, but it is clear from all of the information available to us that the Palestinian Authority was involved." Powell said he thought Arafat "ought to acknowledge, as the first step toward moving forward, that this has happened and they bear some responsibility for it happening, and give the international community, and especially the Israelis, some assurance that this kind of activity is going to stop. And do it in a way that will be persuasive."

With Sharon due to visit Washington on February 7, Powell made it clear that the U.S. would not renew contacts with Arafat until he complied with demands General Zinni had made of him, including the arrest of the three men who organized the Karine A arms ship and an end to the transfer of PA money to Hamas and Islamic Jihad. Powell told the Senate Foreign Relations Committee on February 5 that Arafat "must act decisively to confront the sources of terror and choose once and for all the option of peace over violence. He cannot have it both ways."

To be sure, the American administration was not about to let Sharon
off the hook. In anticipation of the Bush-Sharon White House meeting, the Americans made it clear that they expected some “creative ideas” from the Israeli side to ease the strain on ordinary Palestinians, including a moratorium on house demolitions, lifting of road closures, and economic aid. Indeed, in late January Sharon met with three high-level Palestinians—Ahmed Qurei (Abu Ala), the PA's number-two man Muhammad Abbas (Abu Mazen), and Muhammad Rashid, Arafat's financial adviser. According to Palestinian sources, the meeting—set up through contacts between Rashid and Sharon’s son Omri, and, on a separate track, through businessman (and former Shin Bet official) Yossi Ginossar—took place with Arafat's blessing. Sharon reportedly came with suggestions for reaching a cease-fire and resuming negotiations as well as proposals for a long-term settlement. Agreement was reached on resuming security cooperation, and the two sides said they would convene again after Sharon returned from a planned trip to Washington. Later, Yasir Abd Rabbo, the PA's information minister, cited this meeting as proof that, despite Sharon's repeated declarations that negotiations would not be conducted under fire, “diplomatic talks are taking place.”

But with the Karine A affair still fresh, Sharon offered no concessions and the Americans did not press him. At the White House meeting, Sharon told Bush that it was essential to encourage the emergence of a different Palestinian leadership. “Arafat is not a partner and will not be a partner,” he said to the president. “For an alternative leadership to emerge, Arafat's irrelevance must be made clear. This is a long process, but it could be shortened if the pressure on Arafat is increased.” The pressure, he explained, would make Palestinians realize that Arafat is “useless, that he is responsible for the suffering of the Palestinian population.” Speaking to the press during the Sharon visit, Bush expressed his displeasure with Arafat, saying: “Obviously, we were, at first, surprised, and then extremely disappointed when the Karine A showed up loaded with weapons, weapons that could have only been intended for one thing, which was to terrorize.”

Powell received a letter from Arafat on February 10 regarding the Karine A affair. Though the text was not released, the secretary of state described it as “somewhat positive”; other reports claimed that in it Arafat accepted “limited responsibility” for the arms ship. Powell said that the administration would remain in contact with Arafat and his top lieutenants in the hope of inducing the Palestinian leadership to do more to stop terror. But the incident, compounded by Arafat's long period of stonewalling before admitting any involvement, seemed to reinforce the
increasingly negative American attitude toward the Palestinian leader. And, according to some reports, the Karine A episode also influenced Bush to include Iran, together with Iraq and North Korea, among the states included in the “Axis of Evil” in his State of the Union Address.

The Continuing Intifada

Violence, which seemed to have subsided at the end of 2001, flared up again on January 9, when Hamas infiltrators penetrated the Israeli side of the southern Gaza Strip border and killed four members of Israel’s Bedouin desert patrol. Hamas called the action retaliation for Israel’s “piracy” of the Karine A, but the PA swiftly condemned the attack as a violation of Arafat’s order of December 16, 2001 to halt Palestinian assaults on Israeli targets. Sharon’s office, however, issued a statement holding Arafat and his “coalition of terror” responsible. Israel moved troops into nearby parts of the Gaza Strip, bulldozing dozens of buildings in the Rafah refugee camp, where the attackers came from. An official from the UN Relief and Works Agency (UNRWA) said that 54 houses had been destroyed and more than 500 people left without shelter. After initially denying that any of the destroyed buildings were inhabited, Israel later conceded that many were.

Israel resumed its policy of targeted strikes against terrorist leaders. On January 14, Ra’ed al-Karmi, described by the Israelis as “the leading extremist of a murderous cell” within the Al-Aqsa Martyrs Brigades, died in a roadside explosion near Tul Karm. The Palestinian group issued a statement warning Israel that by killing him “you have opened hell on yourselves.” Numerous attacks against Israelis followed, including a shooting at a banquet hall in Hadera during a bat mitzvah party on January 17 in which six people were killed and 20 wounded, a toll that would have been much higher had the attacker been able to set off the explosive belt he was wearing. Israel responded by demolishing a PNA security compound near Tul Karm and the headquarters of the Palestinian Broadcasting Corporation in Ramallah, and moving into Tul Karm, which Israel said had been the launching pad for numerous attacks, including the one in Hadera.

But terror attacks continued. Over the span of just a few days, a shooting incident (January 22) and a bomb (January 27) on the same block off Jaffa Road in Jerusalem killed three and wounded some 150. (Responding to the second incident, Jerusalem police chief Mickey Levy suffered chest pains and had to undergo angioplasty). The bomb was placed be-
tween two bus stops and near a popular shoe store by a woman, Wafa Idris, a volunteer with the Palestinian Red Crescent, who was apparently transported to the site, with her bomb, in a PA ambulance. Although some in the media called her the first Palestinian female suicide bomber, it remained unclear from the evidence whether she had meant to kill herself or to leave the bomb and escape. On January 29, Prime Minister Sharon approved a plan for a security cordon around Jerusalem, including construction of a wall along the southern perimeter of the city and the placing of roadblocks on the “seam” between parts of Arab East Jerusalem and the West Jerusalem city center.

In early February, the IDF discovered a cache of homemade, short-range 120-mm. Qassam-2 missile rockets—named after Hamas's military wing, the Izz al-Din al-Qassam Battalions—in a truck on the West Bank, and confirmed earlier reports that Hamas had fired such missiles into Israel from the Gaza Strip. Israel, calling this a “new level of threat,” responded with air attacks on Gaza, searches in Beit Hanun, Beit Lahiya, and Deir al-Balah in Gaza to determine where the missiles had been launched, and an investigation in Nablus to locate the factories where they were made and the warehouses where they were stored.

On February 14, Israelis were shocked to learn that a Merkava-3 tank, thought to be the best-protected armored vehicle in the world, had been destroyed by a 100-kg (220-lb.) mine in an ambush in the Gaza Strip. The next day, Lt.-Col. Eyal Weiss, commander of the elite Duvdevan antiterror unit, was accidently killed when a wall of a house being demolished fell and crushed him during a raid on the village of Saida, in the northern West Bank. On February 19, six soldiers were killed in a well-planned ambush on a military checkpoint in the West Bank, not far from Ramallah. Israel responded with naval and air attacks on Arafat's Gaza headquarters, the first time that building had been targeted. While Arafat, confined by the Israelis to his compound in Ramallah, was not there, four of his presidential guards were killed in the bombardment. Israel also imposed exceptionally severe restrictions on the Palestinian territories, closing virtually all major roads in the northern West Bank.

Diplomatic Maneuvers

Early in the year, differences between Prime Minister Sharon, the leader of the Likud Party, and Foreign Minister Shimon Peres of Labor, its junior partner in the government coalition, gave the appearance of a foreign policy in disarray.
On January 2, Avi Gil, director-general of the Foreign Ministry, complained that the government had issued important pronouncements and made key decisions toward the end of 2001 against the advice of his ministry. Among these he listed the cabinet declaration that Yasir Arafat was "irrelevant"; the arrest of Sari Nusseibeh, the PA official responsible for Jerusalem, for hosting a reception marking the Muslim holy day of Eid El-Fitr on the grounds that the event infringed on Jewish sovereignty over the city; preventing President Moshe Katzav from speaking to the PA legislature in Ramallah as part of a plan to declare a limited cease-fire; Sharon’s insistence, in the face of Peres’s opposition, on "seven days of quiet" before a renewal of talks with the Palestinians; and barring Yasir Arafat, besieged in Ramallah, from going to Bethlehem for Christmas. Soon thereafter, Sharon vetoed plans by Avraham Burg (Labor), speaker of the Knesset, to address the Palestinian Legislative Council in Ramallah in February or March.

Sharon, for his part, resented being kept in the dark about a draft document that Peres negotiated with Ahmed Qurei (Abu Ala), speaker of the Palestinian Authority's Legislative Assembly, that aimed at renewing peace negotiations. In early February, at the same time that his prime minister was taking a hard line against Arafat in Washington, Peres lobbied for the new plan in Israel. It called for a three-stage process. First, stabilization of the security situation would lead to a complete cease-fire and implementation of the Mitchell and Tenet cease-fire plans put together in 2001, including confidence-building measures (see AJYB 2002, pp. 533–35). Second, Israel and a Palestinian state would recognize each other before the definition of borders, with sovereignty based on the territory already under full control of each side. And third, negotiations for a permanent agreement would commence within eight weeks of the cease-fire, with a deadline of one year for completion.

But the plan went nowhere. Overtures to leaders of Shas—the Sephardi Orthodox party whose 17 Knesset seats made it a vital element in the coalition—to Yosef “Tommy” Lapid, head of Shinui, which had six seats, and to members of Peres’s party, Labor, did not produce the desired support. Indeed, his own party leader, Defense Minister Binyamin Ben-Eliezer, angered Peres by saying he did not think the plan was practical. The Prime Minister’s Office delivered the coup de grâce when it announced that formal presentation of the plan to the cabinet for approval would be counterproductive.

On February 21, responding to the recent sharp escalation in violence, Sharon delivered a televised address in which he announced plans to con-
struct a “security fence” that would furnish “buffer zones” separating Israel from parts of the Territories. His aides afterwards stressed that the route of the fence had no implications for the political status of the land enclosed within it or left outside, nor did it entail an acceptance of the “Green Line” border demarcating the lines between pre-1967 Israel and the Territories.

Following a bitter cabinet debate, Israeli tanks began pulling back from around the Muq’ata, Arafat’s compound in Ramallah, on February 24. Instead of welcoming this, the Palestinians greeted the decision—which still left Arafat confined to Ramallah—as yet another step in Israel’s continuing effort to humiliate their leader, and canceled a joint security meeting in protest. At the same time, they continued trying to persuade the Americans to intercede with Israel to let Arafat attend the Arab League summit, due to take place in Beirut in March.

Defense Minister Ben-Eliezer wanted to allow the PA leader freedom of movement. “The continuing imprisonment of Arafat is a mistake that could endanger the moves I am making to calm the Territories,” Ben-Eliezer said at a cabinet meeting, referring to an Israeli promise to cease targeted killing and air attacks to see if the Palestinians would live up to their promise to try and curb violence. Ben-Eliezer was backed by Avi Dichter, head of the Shin Bet security agency, who praised the Palestinians for capturing two of the assassins of Rehavam Ze’evi, the tourism minister, the previous October (see AJYB 2002, p. 555). Dichter, however, said that Israel should still press for the arrest of two other men—Fuad Shubeiki, the key figure in the purchase of the Karine A weapons ship, and Ahmed Sa’adat, secretary of the Popular Front for the Liberation of Palestine (PFLP), which had carried out the Ze’evi assassination.

The easing of the Muq’ata siege was hardly a sign that Israel was going easy on Arafat or the Palestinians. In late February, Sharon, in an off-the-cuff briefing for Israeli journalists, reportedly said that before substantive talks with the Palestinians could begin “they must be hit hard... so that they understand terrorism will achieve nothing. . . Only after they are beaten will they be able to hold talks, and I want a peace deal.” On February 28, Israeli troops moved into the Balata refugee camp near Nablus and another camp near Jenin to root out terror bases. Fighting raged in the camps as Israeli troops carried out house-to-house searches for terror suspects.

Terror continued in the rest of the country as well. Over the first weekend in March, Palestinian attacks killed 22 Israelis, including eight soldiers and five children. One of the attacks, carried out by a 19-year-old
youth from the Deheisheh refugee camp near Bethlehem on March 2—which was Shabbat—killed ten, including four members of one family, in Jerusalem’s ultra-Orthodox Beit Yisrael neighborhood. Most of the victims were coming out of a synagogue after a bar mitzvah celebration. Speaking to the Knesset two days later, Sharon announced: “It’s them or us. Our backs are to the wall but all is not lost. We will win, but this is war, and it will take a long time.”

Colin Powell, however, cast doubt on the effectiveness of Sharon’s policies, as well as those of Arafat. “If you declare war on the Palestinians and think you can solve the problem by seeing how many Palestinians can be killed, I don’t know if that leads anywhere,” the secretary of state told a House subcommittee on March 2. Powell also appealed to Arafat, saying that even though the PA leader was confined to Ramallah, he could still pick up the phone and order an end to attacks. A few days later, on March 7, President Katzav took issue with Secretary Powell’s criticism of Israeli policy. “No one around the world has any right to condemn us if we use our right to defend ourselves,” Katzav told reporters during a visit to Ottawa, the Canadian capital. The Israeli head-of-state denied Powell’s assertion that Israel had “declared war” on the Palestinians, saying that channels of communication remained open, and he placed responsibility for ending the violence directly on the Palestinians. If Palestinian violence does not cease, he said, “there will be an escalation and escalation is very bad . . . for us, and a disaster for the Palestinians.”

Powell’s boss, President Bush, took a different approach, and, like Katzav, placed the onus for the situation on the Palestinians. Speaking to the press after a meeting with Egypt’s president Hosni Mubarak—and immediately following the Egyptian’s statement to the reporters that Israel must ease up on the Palestinians—Bush said only that Palestinian attacks on Israel had to stop before progress could be made. (During his U.S. visit, Mubarak publicly proposed a summit in Sharm al-Sheikh, the resort at the southern end of Egypt’s Sinai peninsula, to be attended by Arafat and Sharon, with Powell as another possible attendee. Powell called the idea “interesting,” though nothing materialized from it.)

**Zinni Returns**

On March 7, President Bush announced that he was sending General Zinni back to the region to promote a new cease-fire initiative under which Israel would drop its demand for a full seven days of quiet in exchange for a U.S. pledge to monitor PA efforts to live up to its promises.
The Americans proposed immediate implementation of the Tenet cease-fire plan even without a drop in violence, so as to begin implementing the Mitchell Plan's blueprint for resumed negotiations. Zinni was to stay on in the region to monitor PA compliance with its obligations, including the collection of illegal weapons and the arrest of terrorists. The American plan also included support for the Saudi peace initiative, which proposed full recognition for Israel in exchange for withdrawal to the 1967 borders and an effort to rebuild the Palestinian economy (see below). For his part, Sharon—whom Bush, in his speech, referred to as "my friend"—expressed a willingness to forego the seven-days-of-quiet requirement and said he would bring the Mitchell and Tenet plans before the cabinet, a clear sign that he wanted Israel to accept them formally.

Pressure on Sharon to lift the siege on Arafat continued. During the second week of March, Powell relayed a message to Sharon stating that he did not believe that Arafat's virtual house arrest had achieved anything. Another voice raised in favor of ending Arafat's confinement came from Ben-Eliezer, who said that the arrest of Majdi al-Rimawi, the fourth suspect in the Ze'evi murder, meant that Israel's conditions for lifting travel restrictions on the PA leader had been met. Sharon agreed, and the government announced that Arafat was now free to move about the Palestinian territories, though he would still need Israeli permission to travel abroad. Arafat was unlikely to apply for such permission, since once he left the country Israel might not let him return. Sharon's concessions alarmed the right-wing elements in his coalition. Avigdor Lieberman, head of the National Union-Yisrael Beitenu bloc, attacked the government for giving in to pressure and releasing Arafat from confinement, and called Sharon's decision to drop the seven-day requirement "bizarre." Lieberman even asked Washington not to send Zinni back to the region since "Israel cannot be the only one giving up all the time on principles that it itself has set." On March 15, National Union-Yisrael Beitenu left the government.

Zinni was due to arrive on March 14. The week before, on March 8, Israeli forces began rounding up Palestinians. According to Palestinian sources, some 2,000 men from Tul Karm, Qalqilya, and the Deheisheh refugee camp were stopped, handcuffed, and detained while soldiers checked their papers against a list of wanted militants. In a broadcast three days later, Arafat singled out the IDF's conduct in Tul Karm, where the detainees had been marked with identifying numbers on their arms, as amounting to "new Nazi racism." Complaints about such markings came from Israelis as well, including Shinui leader "Tommy" Lapid, a Holocaust survivor, and the IDF put a stop to it.
On March 11–12, large numbers of Israeli tanks and combat troops pushed into Ramallah and the adjacent al-Amari and Qadura refugee camps and the Jabalya camp in the Gaza Strip in the biggest Israeli military action since the 1982 invasion of Lebanon. Its official purpose was to protect "the citizens, the cities, and the State of Israel." There were dozens of Palestinian deaths. Another casualty of the operation was Italian photographer Raffaele Ciriello, shot dead by an Israeli tank in Ramallah on March 13. An army spokesman expressed "deep sorrow," adding that Ciriello had exposed himself to grave risk by entering a closed military zone.

International pressure was brought to bear. On March 12, the UN Security Council adopted Resolution 1397, sponsored by the U.S., which for the first time endorsed the idea of a Palestinian state. The resolution affirmed "a vision of a region where two states, Israel and Palestine, lived side by side within secure and recognized borders." It called on both sides to implement the 2001 Mitchell and Tenet proposals aimed at securing a cease-fire and eventual peace talks, and also welcomed the Saudi peace plan. The first U.S.-sponsored resolution on the Middle East in some 25 years, it passed 14-0, with Syria, a nonpermanent member of the council, abstaining. Shimon Peres praised the resolution for endorsing an end to terrorism and incitement, while a spokesman for Arafat called it positive "because the whole world is behind a Palestinian state."

On March 13, the day prior to Zinni's arrival in the Middle East, President Bush said that Israel's military operations in the West Bank were hindering U.S. efforts to attain a cease-fire. "Frankly, it's not helpful what the Israelis have done, in order to create conditions for peace," he told a White House press conference. Sharon replied that he was ready to implement a cease fire when Zinni reached the area, but that meanwhile the continuing operation had a few more missions to complete.

As Zinni arrived on March 14, Israel began to withdraw its tanks from Ramallah. Bloodshed continued, however, some of it between Palestinians: in Bethlehem and Nablus four alleged collaborators with Israel were killed and their bodies dragged through the streets by members of the Al-Aqsa Martyrs Brigades. (This was not the first instance of intra-Palestinian violence in 2002. On February 5, a Palestinian mob, enraged at what they considered lenient sentences handed down by a Palestinian court in Jenin to three young men convicted of murdering a PA security officer—himself accused of killing two Palestinians suspected of collaboration with Israel—stormed the courthouse and killed them.)

Zinni immediately began talks with senior Israeli officials, including Sharon, Peres, Ben-Eliezer, and the heads of the military and intelli-
gence. The following day he held further talks with Peres and Ben-Eliezer before traveling to Ramallah, where he spoke with Arafat. Later, Zinni described his meetings as "extremely positive" and said that both sides were "committed to getting out of this terrible situation."

As Zinni shuttled between Israeli officials in Jerusalem and Tel Aviv and their Palestinian counterparts in Ramallah, hopes of a cease-fire were briefly raised on the evening of March 16 when Sharon's office announced a meeting with the Palestinians. But it was canceled an hour later after it became clear that the Palestinians insisted on a full Israeli withdrawal as a precondition for the talks. The next day, however, in the first sign of progress for the Zinni mission, Israeli and Palestinian military commanders began security talks about the handing over of authority in parts of Area A that Israel was vacating. This was significant, since the Palestinians had demanded a full Israeli withdrawal from PA areas as a condition for declaring a cease-fire and implementing the Tenet plan. The next day, Israel began to withdraw from Bethlehem and Beit Jala.

Zinni was not the only important American official to visit the Middle East at this time. On March 10, Vice President Dick Cheney embarked on a ten-state tour of the region aimed at shoring up support for the American war on terrorism— and more specifically, U.S. plans to remove Iraqi president Saddam Hussein. According to some reports, both President Mubarak of Egypt and Crown Prince Abdullah of Saudi Arabia had made it known to the administration that Cheney's mission would be met with a wall of resistance without parallel progress in curbing Israeli-Palestinian violence. Some analysts believed that the Americans would have to make certain pro-Palestinian gestures in order to secure the tacit compliance—if not the participation—of its Arab allies in an eventual offensive against Iraq. Cheney arrived in Israel on March 18. While denying any linkage between the Israeli-Palestinian crisis and his quest for Arab support in the war against terror, Cheney did recognize that the Israel-PA conflict had become "a preoccupation for everyone" in the region. The vice president's talks in Israel touched on Washington's plans to topple the Iraqi regime of Saddam Hussein, Israel's requests for advance warning of a U.S. attack on Iraq and for additional funding of the Arrow antimissile system, Sharon's idea for a kind of "Marshall Plan" to create 100,000 jobs in the Territories, and the results so far of Zinni's mission.

Several more suicide attacks in the Jerusalem area induced the Israelis to cancel a second round of security talks with the Palestinians that had been scheduled for March 21 (they would resume, with Zinni's partici-
pation, three days later). Also on March 21, the U.S. announced that it was designating the perpetrator organization, Al-Aqsa Martyrs Brigades, a "foreign terrorist organization" to which it was illegal to provide funds or "material support." Arafat condemned the attacks and pledged to "take the appropriate measures."

But his words did not satisfy the Americans. Vice President Cheney had set aside time to meet Arafat at the Arab summit in Beirut a few days later, and this would have placed enormous pressure on Israel to let him leave the country. But in light of the most recent bloodshed Cheney canceled the meeting because Arafat had not taken the actions against violence that the Americans had sought. "Arafat could have done what was needed to guarantee that he would be allowed to depart from the Territories, and have the meeting with Cheney, and then travel to Beirut" (for the Arab summit), unnamed U.S. officials were quoted as saying in the Israeli daily Ha'aretz. "But he did nothing, and now he will have to placate Sharon in order to leave. That will be a lot tougher than satisfying Cheney." The officials suggested that the Palestinians had once again "missed an opportunity"—an obvious reference to former foreign minister Abba Eban's famous dictum that the Palestinians "never miss an opportunity to miss an opportunity." The Palestinians, the officials were quoted as saying, "always want to notch some diplomatic gain, and a meeting with Cheney would have given them such a chance. But they related only to the invitation, and not to the demands that were submitted to them." Sean McCormack, a spokesman for the U.S. National Security Council, characterized the U.S. demands on Arafat as "very specific," and added: "Arafat knows what he has to do to stop the violence. He must take these steps now."

On March 26, the conflict claimed the lives of two apparently unintended victims—Catherine Berruex of Switzerland and Maj. Cengiz Soytunc of Turkey, both members of the Temporary International Presence in Hebron (TIPH), an international observer force. Presumably mistaken for Israelis by Palestinian terrorists, they were shot to death while driving down a road near Hebron. They were the first members of TIPH, established in 1997 to help ease tensions after the partition of Hebron into Israeli and Palestinian zones, to be killed.

The Saudi Initiative

March was also the month of the Saudi Arabian peace initiative, floated by Crown Prince Abdullah in a February interview with New
York Times columnist Thomas Friedman, offering Israel normalization in return for its withdrawal from all territories captured in the 1967 Six-Day War. It came soon after CIA director George Tenet and Assistant Secretary of State for the Near East William Burns both visited Saudi Arabia for talks with Abdullah. The Saudi formula, which basically came down to "land for peace," faced resistance in the Arab world on two fronts. First, hard-line states that objected to any recognition of Israel saw it as a capitulation. In addition, countries hosting Palestinian refugees, eager to be rid of them, insisted on full implementation of the so-called "right of return" of refugees to Israel proper, an element not explicitly spelled out in the Saudi plan; Lebanon in particular, with its large population of unabsorbed Palestinian refugees living in camps in the Beirut area and in the south of the country, expressed concern.

Still, the Saudi initiative was the main topic when the 22 members of the Arab League held their 14th summit in Beirut on March 27–28, preceded by a two-day meeting of foreign ministers. The summit was marred, however, by the absence of Arafat, whom Israel did not permit to attend, as well as Egypt's Mubarak and Jordan's King Abdullah II, the leaders of the two countries that had signed peace treaties with Israel. Palestinian delegates walked out of the conference hall during the opening session, after Lebanese officials refused their request for Arafat to address the delegates live by satellite from his office in Ramallah. Lebanese officials said they feared that Israel would break into the transmission to beam pictures of Sharon into the hall. Arafat eventually delivered his speech over the al-Jazeera satellite TV network instead.

On its final day, the summit adopted a resolution including the following:

Emanating from the conviction of the Arab countries that a military solution to the conflict will not achieve peace or provide security for the parties, the council:

1. Requests Israel to reconsider its policies and declare that a just peace is its strategic option as well.

2. Further calls upon Israel to affirm:
   (i) Full Israeli withdrawal from all the territories occupied since 1967, including the Syrian Golan Heights, to the June 4, 1967, lines as well as the remaining occupied Lebanese territories in the south of Lebanon.

   (ii) Achievement of a just solution to the Palestinian refugee problem to be agreed upon in accordance with UN General Assembly Resolution 194.

   (iii) The acceptance of the establishment of a sovereign independent Palestinian state on the Palestinian territories occupied since
June 4, 1967, in the West Bank and Gaza Strip, with East Jerusalem as its capital.

3. Consequently, the Arab states affirm the following:
   (i) Consider the Arab-Israeli conflict ended, and enter into a peace agreement with Israel, and provide security for all the states of the region.
   (ii) Establish normal relations with Israel in the context of this comprehensive peace.

4. Assures the rejection of all forms of Palestinian patriation which conflict with the special circumstances of the Arab host countries.

5. Calls upon the government of Israel and all Israelis to accept this initiative in order to safeguard the prospects for peace and stop the further shedding of blood, enabling the Arab countries and Israel to live in peace and good neighborliness and provide future generations with security, stability, and prosperity.

Thus the plan became an official pan-Arab program dubbed the Arab Peace Initiative. In its specifics, the proposal demanded full Israeli pullback—including from the Golan Heights and the Shebba Farms area at the foot of Mt. Hermon, an area known as Jebel Roos in Arabic and Har Dov by Israel that Israel had taken from Syria in 1967 but was claimed by Lebanon—and establishment of a Palestinian state in the West Bank and Gaza, with East Jerusalem as its capital. As adopted by the summit, the plan did not use Abdullah’s original formulation of “normalization” with Israel, offering instead to “enter into a peace agreement with Israel and provide security for all states in the region,” at the same time promising “normal relations” with Israel in the context of an overall peace. The resolution’s handling of the issue of Palestinian refugees reflected recognition of the grievances of Lebanon and other Arab countries harboring refugees. The reference to a “just solution to the Palestinian refugee problem” mentioned UN General Assembly Resolution 194, which envisioned either repatriation or compensation as options. But it also flatly rejected “all forms of patriation that conflict with the special circumstances of the Arab host countries.” Those phrases, wrote Israeli journalist Yossi Klein Halevi, was an example of the “doublespeak” that had become routine for many Arab leaders. For Halevi, they made “just solution to the refugee problem” “a code phrase for inundating the Jewish state with Palestinian refugees hostile to Israel’s existence, rather than resettling them in a Palestinian state.”

Israel’s response to the initiative was unenthusiastic. Aides to Sharon said that the term “normal relations” was too vague, objected to the idea that withdrawal from occupied territories had to be complete and total,
and rejected any right of return. A Foreign Ministry spokesman commented that Israel “cannot accept, on the one hand, to have negotiations on the creation of a Palestinian state, an independent Palestinian state, and on the other hand, have all the Palestinians come into Israel. . . . This means the destruction of the State of Israel and obviously we cannot agree.”

But Foreign Minister Peres, speaking to the press on March 28, was more upbeat. He said: “Israel views positively every initiative aimed at arriving at peace and normalization. In this respect, the Saudi step is an important one, but it is liable to founder if terrorism is not stopped. We cannot, of course, ignore the problematic aspects which arose at the Beirut summit and the harsh and rejectionist language used by some of the speakers. It is also clear that the details of every peace plan must be discussed directly between Israel and the Palestinians, and to make this possible, the Palestinian Authority must put an end to terror.

In a related development, the case against Arafat as the key mover in the Palestinian terror campaign seemed to be strengthened on March 24, when an aide to Public Security Minister Uzi Landau, one of the staunchest right-wingers in the Likud, released papers confiscated in mid-2001 from Orient House, the closed PA headquarters in East Jerusalem, showing economic and operational links between Arafat and key terror operatives of the Fatah-Tanzim militia, among them Atef Abayat of the Bethlehem area, who had been assassinated by Israel in October 2001. Among the documents released by Landau’s office was a letter asking Arafat to finance Tanzim operatives, including Abayat, and an order by Arafat to the PA Finance Ministry to pay out the sum of $300 each to Abayat and other Tanzim fighters. Other papers allegedly established a working connection between Faisal al-Husseini, the PA’s chief Jerusalem representative who died of a heart attack in 2001, and Tanzim field commanders.

Seder Massacre and “Defensive Shield”

The deadliest attack since the start of the intifada occurred on the night of March 27, the first night of Passover, the holiday marking Jewish national liberation. A suicide bomber from Tul Karm managed to slip past police cordons guarding the town of Netanya, as well as the private security guard employed by the Park Hotel, and blew himself up in the dining room where guests had gathered for the seder. The toll came to 29 dead and over 100 injured; many of the victims were elderly people.
The next day Arafat made a vain attempt to avert the inevitable Israeli retaliation. He said he was prepared to offer Israel a cease-fire "without conditions." But the wave of terror continued with a string of horrifying attacks: the killing of three Israelis in Eilon Moreh, near Nablus; the stabbing of two more at Netzarim in the Gaza Strip; and, on March 29, a suicide bombing at the Supersol supermarket in Jerusalem's working-class Jewish neighborhood, Kiryat Hayovel. The Supersol bombing was committed by a female member of the Al-Aqsa Martyrs Brigades, 18-year-old Ayat al-Akhras, who came from a refugee camp on the outskirts of Bethlehem. One of the victims was Rachel Levy, 17, who had gone to shop for a few items before the start of Shabbat. (The similarity in age between the two would cause the *New York Times* and some other foreign publications to draw parallels between them—galling the Israeli girl's heartbroken mother, who complained that her daughter, the victim, was being compared to the perpetrator.)

Israel responded to this latest spate of attacks on March 29 by calling up 20,000 reservists and launching Operation Defensive Shield. The declared aim of the operation, as laid out by Sharon and Chief of Staff Mofaz, was to destroy the terrorist infrastructure using a variety of means, including house-to-house searches for key terrorists in towns and refugee camps. But another effect of the Israeli initiative—its main purpose, according to some observers—was to weaken the PA as a viable government body. Palestinian sources estimated the cost of the direct physical destruction of PA infrastructure during the operation at $800 million—$1 billion, and the loss of GNP at billions of dollars. A third facet of the operation was Israel's apparent determination to strike personally at Yasir Arafat. According to *Ha'aretz*, even before the Passover bombing Sharon had been preparing the political basis for the expulsion of Arafat from the Territories—a goal he had come to share with his chief rival for the Likud leadership, former prime minister Benjamin Netanyahu. Netanyahu—still formally in political retirement, though making more and more public appearances—had been pushing for such a move for months.

With the government declaring Arafat to be Israel's "enemy" who had to be "isolated," Israeli troops took control of Arafat's entire Muq'ata complex in Ramallah except for a few rooms occupied by Arafat, his advisers, and a number of men sought for terror offenses who were hiding there. Palestinian casualties reached 30 dead and some 60 wounded; the Palestinians claimed that some of their officers had been executed in cold blood, but Israel denied the charge. Over 700 Palestinian men, aged
14–45, were arrested and held on the outskirts of the city. The IDF destroyed seven buildings in Arafat’s compound, including the PA’s intelligence headquarters. Holed up in a windowless basement, Arafat vowed to die rather than surrender, conveying to the outside world the following message: “Allahu Akhbar [God is great]. Don’t you know me by now? I am a martyr in the making. May Allah honor me with martyrdom.” Pictures of the bearded Palestinian chieftain using a candle for light were flashed around the world. In Bethlehem, Israeli soldiers surrounded a large group of terrorists, who took refuge in the Church of the Nativity.

On March 30, the UN Security Council adopted Resolution 1402 expressing grave concern at the deterioration of the situation. But Israeli public opinion turned even more strongly in favor of aggressive action the next day, March 31, when, despite the heavy IDF presence in the West Bank and tight curfews, suicide attacks continued, killing 16 people in a Haifa restaurant and four more on the outskirts of Efrat, a Jewish city in the West Bank. In all, more than 120 Israelis, most of them civilians, lost their lives in terror attacks during the bloody month of March.

Sharon went on TV to call Arafat an “enemy of the free world.” Foreign Minister Peres announced that Israel had moved into the Territories “in order to do the things that the Palestinian Authority was supposed to do and was committed to do so—namely, to bring an end to violence and terror, to arrest the troublemakers, to collect the illegal arms, to control the traffic of violence in the West Bank and Gaza.” Maj.-Gen. Giora Eiland, coordinator of Israeli activities in the Territories, told a press conference on March 31:

The goal of this operation, as was said, is not to reoccupy the Palestinian areas, but to control a wide part of the Palestinian areas for a significant period of time, as long as is needed, in order to achieve two things:

1. To reduce the possibility of access of Palestinian terrorists to Israel. During the last operation in Ramallah about two weeks ago, no successful Palestinian operation was launched from Ramallah, simply because we were there. And we hope that if we do something like this, not only in Ramallah, but in some other cities, we can reduce the number of terrorist attacks as we experience right now.

2. To arrest as many terrorists as we can. In Ramallah we are quite successful. We managed to capture several hundred people, some of them are not only suspects, they are real important people who have been involved in many activities in the past few weeks. Just one example is the man that sent the suicide bomber to blow himself up on King George Street here in Jerusalem a few days ago, an operation in which an Israeli couple—husband and wife—were killed. Their
two children, aged seven and four are now alone. The man who sent this suicide bomber is in our hands now.

On April 4, the IDF invaded the city of Nablus and the Jenin refugee camp, strongholds of the Palestinian militias, and the UN Security Council passed Resolution 1403 expressing grave concern over the further deterioration of the situation. Over the next five days Israeli tanks, helicopters, and troops destroyed the main PA institutions in Nablus, laid siege to the city's three refugee camps, and stormed the Casbah, where Palestinian fighters had sought refuge among some 30,000 civilians. After ambulances were allowed into Nablus on April 9 to collect the dead and the injured, there were reports that 74 Palestinians had been killed, many of them civilians.

The deadliest combat of the operation took place in the Jenin refugee camp—established in 1953, now home to 13,000 and a stronghold of Islamic Jihad. The army met heavy resistance as soon as it entered the camp. A total of 23 Israeli soldiers were killed during the operation there, 13 of them in an elaborate ambush involving a suicide bomber and a booby-trapped house on April 9. The Palestinian death toll could only be guessed at that point, but it was certainly much higher: civilians were killed by artillery and air attacks, and others died when Israeli bulldozers demolished their houses in order to cut swaths through the densely populated camp. Israeli troops finally took control of the Jenin camp on April 10, as surviving Islamic Jihad fighters, having run out of food and ammunition, gave themselves up.

Three days earlier, on April 7, President Bush publicly called on Israel to stop the offensive. Describing himself as "a committed friend of Israel," he said that "Israel is facing a terrible and serious challenge. For seven days it has acted to root out terrorist nests. America recognizes Israel's right to defend itself from terror. Yet to lay the foundations for future peace, I ask Israel to halt incursions into Palestinian-controlled areas and begin the withdrawal from territory it has recently occupied." The next day, with U.S. pressure mounting, Israel began moving troops out of the West Bank towns of Tul Karm and Qalqilya, where it said operations had been completed. Sharon allowed General Zinni to meet with some of Arafat's advisers—something that the Israelis had not permitted since the start of Defensive Shield—in the hope that Zinni could get Arafat to accept a cease-fire proposal made in late March and accepted by Israel. At the same time, however, Sharon turned down a U.S. request to loosen the siege around Arafat in the Muq'ata.
Colin Powell visited the area once more. Sharon reported on his talks with the secretary of state in a speech to a high-tech conference in Tel Aviv. According to Sharon, he raised the idea of a regional peace conference and Powell was receptive. "I said we are ready to have a regional conference in which a number of countries would participate—Israel, Egypt, the Saudis, Jordan, Morocco, and Palestinian representatives. It doesn't have to be limited to these," Sharon reported. "The conference would be hosted by the United States. This idea is acceptable to the United States and I estimate that within a short period of time the conference will indeed convene." But Sharon made it clear that Arafat would not be on the guest list.

In response, Arafat told Fox News that he welcomed the idea if President Bush did, but only after a complete withdrawal of Israeli forces from Palestinian territories. "I am ready for an immediate conference, but at the same time immediate withdrawal," Arafat said. But senior Palestinian negotiator Sa'eb Erakat called the idea a waste of time, saying it was no substitute for accepting the Saudi plan. He declared: "If Sharon wants to talk about peace, he can accept the Arab peace initiative or agree to end the occupation and withdraw to the June 4, 1967 lines."

Israeli opposition leader Yossi Sarid, head of the dovish Meretz Party, dismissed Sharon's proposal as a "PR trick that has nothing to it." He said Sharon made the suggestion because "he understands that he must present something of a diplomatic nature at the end of the 'rolling military operation' in the West Bank." Sarid continued: "I don't think it will be possible to convene a conference without Arafat, not because I personally miss Arafat especially, but because the lack of his presence is unnatural. It is an Israeli diktat that cannot be accepted, and that everyone will reject."

Even the Americans—who, according to Sharon, found the idea "acceptable"—cast doubt on the efficacy of a peace summit without Arafat. During his visit to the region, Powell met with Arafat at the latter's office in Ramallah and urged Arafat to "think about" the conference idea, at the same time raising other options, including bilateral Palestinian-Israeli talks or tripartite discussions with U.S. involvement. According to Palestinian sources, the American also laid out a three-stage security, economic, and political package to bring an end to the crisis atmosphere around Operation Defensive Shield. The Palestinians, though, said they were less than satisfied with the meeting because it did not bring with it any guarantees of an Israeli withdrawal.

Powell left on April 17 with one substantial accomplishment—he had
obtained a timetable for IDF withdrawal from PA areas, including Nablus and Jenin, to go into effect a few days after his departure. "I came here not knowing how long the operation would go on," the secretary told a press conference in Jerusalem. "We had heard everything from a couple more weeks to a couple more months. I leave here able to say to the president, it wasn't immediate but it is now coming to an end." He added that Arafat's promise to condemn terror was not sufficient: "I have made it clear to him that the world is waiting for him to make a strategic choice and lead his people away from violence. Statements, as we all know, are not enough."

Two days later, Bush praised Israel for keeping its promise to pull out its troops. Bush called Sharon "a man of peace" and lauded Powell's accomplishments on his mission, which had started two weeks earlier, when the region was at a "boiling point." At the same time, the president said he understood why Israel had kept its troops in Bethlehem and particularly in Ramallah, where the men accused of murdering Ze'evi were holed up in Arafat's Muq'ata compound. "These people are accused of killing an official of the government. I can understand why the prime minister wants them brought to justice," Bush said. "They should be brought to justice if a man is killed in cold blood."

What Happened in Jenin?

Even while fighting was still going on at the Jenin refugee camp, Foreign Minister Peres predicted that the Palestinian propaganda machine was likely to depict the events as a massacre. He was right. Palestinians alleged, on the basis of "eyewitness" testimony, that the IDF had massacred as many as 500 civilians and fighters, deliberately destroyed ambulances or fired upon their crews so that they could not reach wounded civilians, and, to cover up the killings, had transported the victims' bodies to mass graves in the Golan Heights and the Jordan Valley. Chief Palestinian negotiator Sa'eb Erakat said on April 12 that "a major war crime" had been committed in Jenin. Peter Hansen, head of UNRWA, said that Israel was compounding the tragedy even after the end of hostilities by not allowing his personnel into the refugee camp. He said that UNRWA's "persistent and unrelenting efforts to gain access to the camp and to start the gruesome task of burying the dead, evacuating the wounded, and bringing urgently needed food and water to the population have so far proved unsuccessful" and that the humanitarian situation in the camp was "fast turning into a catastrophe."
On the other side, the IDF argued that its use of infantry had risked Israeli lives to minimize Palestinian civilian casualties, which would have been considerably higher had the camp been bombarded with armor, artillery or air power. IDF spokesman Ron Kitrey noted that Islamic Jihad had deliberately chosen to fight it out from "the environment of civilian neighborhoods, civilian areas. That is the way guerrilla and terror warfare is carried out around the world, and this made it especially difficult for us, because of the methods that we could use in such a vicinity. We know there are civilians there, that's why we didn't use more efficient means. We understand that we paid . . . a very bitter price because of that reason." Kitrey also cited reports from officers in the field that the Palestinians actually refused Israeli offers to assist them in evacuating the wounded and burying the dead. As for barring UNRWA from the site, the Israelis claimed that security in the camp was still too precarious for civilians to enter. Col. Gal Hirsch, operations officer of the army's Central Command, told reporters on April 12 that Palestinian claims about mass graves were "lies" and insisted that "it was not a massacre but a battle." Later in the month, the IDF estimated that 90 Palestinians had died in the Jenin camp fighting. The International Committee of the Red Cross (ICRC) gave provisional figures of 160–200 dead, 600 injured, and 3,000 made homeless.

On April 12, UN secretary-general Kofi Annan said: "My own view is that the situation is so dangerous and the humanitarian and human rights situation so appalling that I think the proposition that a force should be sent in here to create a secure environment . . . can no longer be deferred." In an April 15 resolution adopted 40-5, the UN Human Rights Commission "strongly condemned the war launched by the Israeli army against Palestinian towns and camps, which has so far resulted in the deaths of hundreds of Palestinian civilians." That same day, officials of the International Red Cross and the UN entered the camp. In a statement, the ICRC said that "part of the camp looks as if it has been hit by an earthquake, with houses partially or completely destroyed, and streets filled with rubble." And UN Middle East envoy Terje Roed-Larson, who visited the Jenin camp on April 18, described the conditions he found there—including people using their hands to search for relatives buried under the rubble of destroyed buildings—as "horrific and shocking beyond belief."

Israel declared its offensive over on April 21. The next day, Annan appointed Martti Ahtisaari, a former president of Finland, to lead a high-level fact-finding team to investigate the events in Jenin. The team also
included Sadako Ogata, the former UN High Commissioner for Refugees (UNHCR), and Corneli Sommaruga, a former president of the ICRC. However, on April 26, Sharon’s office announced that it believed that the team’s declared intentions did not correspond to its mandate from the Security Council, a decision endorsed on April 30 by the cabinet, which issued the following statement: “Israel has raised essential issues before the UN for a fair examination. As long as these terms have not been met, it will not be possible for the clarification process to begin.” Annan disbanded the team on May 1.

It took another three months—until August 1—for Annan to issue an official UN report on Jenin and Operation Defensive Shield. It stated that by April 18, when the IDF finally lifted its curfew and withdrew from the Jenin camp, “at least 52 Palestinians, of whom up to half may have been civilians,” and 23 Israeli soldiers were dead. Palestinian allegations that 500 or more had been killed “were not substantiated by the evidence that subsequently emerged.” In all, the report said, about 500 Palestinians had been killed during Israeli operations in the West Bank between the end of March and May 7, a period that included all of Defensive Shield. In a press statement, the UN said that Annan “expresses his confidence that ‘the picture painted in this report is a fair representation of a complex reality,’ as well as his belief that the events described show how urgent it is that the parties return to the peace process.” Israel’s Foreign Ministry praised the report, which, it said “overwhelmingly negates this Palestinian fabrication and repudiates the malicious lies spread regarding the issue.” In addition, the Foreign Ministry stressed that the report “clearly establishes that the Palestinian Authority did nothing to prevent terrorism and had failed to fulfill its responsibility and commitment to confront terrorism, noting that this failure was due to the PA’s assumption that terrorism would force Israeli acquiescence.”

On October 2, an IDF board of inquiry issued its report on the Jenin camp battle, focusing especially on the circumstances of the deaths of the 13 soldiers killed on April 9. It said that Israeli forces, and particularly reservists, had been properly trained and equipped for the operation. At the same time it criticized the inadequate intelligence preparations for the force that went into the camp, faulty coordination between commanders, underestimation of the number of Palestinians present, mistakes in the deployment of forces so that they were not spread out sufficiently, and lack of proper cover for rescue operations for the Israeli wounded. As for the charges of “massacre,” Maj.-Gen. Yitzhak Eitan, head of the army’s Central Command and responsible for the operation,
was quoted as saying that in destroying an important part of the terror infrastructure, the reservists had adhered to the codes of conduct and values of the IDF.

*The Nativity Siege*

As part of Operation Defensive Shield, Israeli troops had moved into Bethlehem on April 1, and two days later an estimated 200 Palestinians—many of them armed—sought refuge in the Church of the Nativity in Manger Square, which, in Christian tradition, marked the birthplace of Jesus. Already in the compound were about 35 friars, monks, and nuns who lived there. Israel set up a military cordon around the church because the “refuge-takers” included some 35–40 senior members of Hamas, Islamic Jihad, and Tanzim. For more than a month Israeli troops played cat-and-mouse with the Palestinians inside, not entering one of Christianity’s holiest places so as not to defile or damage it, all the while suspecting that the Christian clergy inside were being held hostage. There were, however, intermittent exchanges of small-arms and sniper fire in which several Palestinians were killed and Israeli soldiers wounded. On April 8, the Vatican issued a statement expressing “extreme worry” at the situation in Bethlehem. During the course of the siege sporadic negotiations took place between Israeli and Palestinian officials to lift it—often with the intervention of U.S. or Vatican officials. In mid-April Israel allowed medicine and other supplies to be provided to the people in the complex, and on several occasions permitted wounded Palestinians and church officials to be evacuated from the building. But talks conducted April 23–24 reached an impasse as Israel insisted on the right to arrest any wanted terrorists found inside, and the Palestinians countered that only they had jurisdiction over the people in the church.

The siege was finally lifted on May 10, reportedly through the intervention of the CIA’s Tel Aviv station chief and several European diplomats. Under the terms of the agreement reached between the two sides, 13 wanted men who were inside the compound were to go into exile. They were bused to Ben-Gurion Airport and flown, on a British military transport plane, to Cyprus, which had offered to hold them temporarily until a final destination was determined. Another 26 lower-level Palestinian militants were transferred to the Gaza Strip. Then the 84 people remaining—Palestinian police officers, clerics, and civilians (including ten American and European “peace activists”)—left the building. On May 21, the EU reached agreement on the final destinations for the 13
Palestinians held in Cyprus: Spain and Italy each accepted three, Greece and Ireland two each, and Portugal and Belgium one apiece. They were to be held under conditions roughly equivalent to house arrest.

It took two more weeks for the siege of Arafat’s compound in Ramallah to end, after Israel agreed to allow six men who had holed up in the complex—the four killers of Ze’evi, PFLP head Ahmed Sa’adat (who had ordered the Ze’evi killing in retaliation for Israel’s 2001 assassination of his predecessor, Abu Ali Mustafa), and Fuad Shubeiki, a mastermind of the Karine A affair—to be transferred to a jail in Jericho, where they would be held under British and American supervision. A few days prior to the deal, a hastily set up PA “court” operating in the besieged Muq’ata had convicted the four assassins in the killing. In Israel’s view, the conviction was an attempt to keep Israel from extraditing the four; in addition, Israel feared that without international supervision, the convicted men would be released quickly, in accordance with the PA policy of jailing those wanted by Israel for terror and then rapidly freeing them. In addition, Israel wanted assurances that Sa’adat and Shubeiki, who had not yet been tried, would be tried in the near future by a PA court. (A little more than a month later, the Palestinian High Court of Justice ordered Sa’adat’s release on the grounds that there was not enough evidence against him to support a conviction for a role in Ze’evi’s murder. But on June 3, the Palestinian cabinet said that it would ignore the court’s order, which would have triggered a new crisis on the eve of a visit by CIA director George Tenet for separate talks with Sharon and Arafat to discuss reform of the Palestinian security services.)

The Bloodshed Continues

Operation Defensive Shield appeared to slow down the pace of violent incidents, but did not bring them to an end. In a resumption of Israel’s policy of targeting known terrorist kingpins, Marwan Zaloum, a leader of the Tanzim in Hebron, was killed on April 23 when a missile fired from a helicopter hit his car. Zaloum was responsible for organizing attacks on Israeli targets, including an April 12 suicide bombing in Jerusalem. The next Palestinian strike did not take place until May 7, but it was deadly: a suicide bomber killed 16 and wounded 57 by blowing himself up at a pool hall/gambling club in Rishon Lezion. Though Palestinian security forces sought to head off Israeli retaliation by rounding up 23 low-level Hamas members in Gaza it said it suspected of involvement, Israeli troops massed on the border with the Gaza Strip and seemed
ready to launch a major operation. But no attack ensued. Some observers suggested that with the recent events in Jenin still fresh, Israeli authorities did not want to risk another round of close-quarter fighting and the inevitable heavy casualties on both sides.

On May 22, Israeli tanks firing on the Balata refugee camp on the outskirts of Nablus killed local Al-Aqsa Martyrs Brigades commander Mahmoud Titti. In the following days there were suicide-bomb attacks in Rishon Lezion and Petah Tikvah, both near Tel Aviv, and an attempt—with a remote-control bomb—to blow up a fuel tanker truck at the Pi Glilot fuel depot, in a densely populated area of northern Tel Aviv.

On June 5, Islamic Jihad detonated a car bomb that blew up a bus at the Megiddo junction in the north of the country, killing 17. Four days later Palestinian security forces arrested Sheikh Abdallah Shami, a leader of Islamic Jihad, and 14 other members of the group that carried out the Megiddo attack. But the men were later freed as part of what Israel had long called the PA's "revolving door" practice of briefly jailing terrorists to create the appearance of fighting terror, and then letting them go. On June 11 a bomb killed a 15-year-old girl and wounded more than a dozen other Israelis in Herzliya; on June 18 a Hamas bus bomb killed 19 in Jerusalem; and on June 20, PFLP terrorists managed to get into Itamar, a settlement near Nablus, and killed five Israelis.

Israel began constructing a security fence around the West Bank on June 16 in the hope of preventing further suicide attacks. The electronically monitored fence, with different types of barriers depending on the varying terrains of the country, was expected to take a year to build. The first segment was to stretch for about 115 km along the northwest of the West Bank. But since Jewish settlements were interspersed with Arab communities in the region, demarking the lines would be no easy matter. Palestinians accused Israel of building the fence in such a way as to divide the territory of what they considered the future Palestinian state into separate Jewish and Arab cantons; settler residents of the West Bank (and their right-wing supporters) opposed the fence as the precursor of what would, in effect, be a new border for Israel, with a good number of the settlers on the outside.

After the June 19 Jerusalem bus bombing, Sharon's office said that Israel would henceforth respond to acts of terror "by capturing territory" and holding it for "as long as terror continues. Additional acts of terror will lead to the taking of additional areas." Following the announcement, Israeli forces moved into the towns of Jenin, Qalqilya, and Nablus, arresting about a dozen Palestinians. At least nine Palestinians died on
June 21 as the Israeli army stepped up its military response to the recent attacks. The dead included three Palestinian children and a teacher killed in Jenin in what Israeli military sources described as an error.

As the army continued to sweep through the West Bank and large numbers of reservists were called up, Defense Minister Ben-Eliezer said on June 23 that the recent Palestinian attacks demanded a "deep and thorough" military response. However, he denied reports in the press that the army was planning a permanent reoccupation of large tracts of the West Bank. Israeli forces moved into Ramallah on June 24. The next day soldiers moved into Hebron, completing the takeover of seven of the eight major Palestinian towns on the West Bank (the exception was Jericho, which had remained quiet).

**The Bush Speech**

On May 2, a few days before Sharon was due to arrive in Washington to see President Bush and other top officials — this was the fifth Bush-Sharon meeting during this presidency — Congress strengthened Sharon's hand by passing a resolution expressing solidarity with Israel's war against terror. The resolution was sponsored in the House by Tom Lantos (D., Cal.), a Holocaust survivor, and Republican whip Tom DeLay of Texas, and in the Senate by Joseph Lieberman (D., Conn.) and Gordon Smith (R., Ore.). The resolution passed despite delaying tactics by the White House, which traditionally objected to efforts by Congress to mix in foreign policy.

The day before Sharon's arrival, Bush's two top foreign-policy advisors differed publicly over Jewish settlements in the Territories, one of the key issues on the agenda. "Something has to be done about the problem of the settlements... [which] continue to grow and to expand," Secretary of State Powell told "Meet The Press" on May 5. But National Security Advisor Condoleezza Rice, interviewed on Fox News at about the same time, took a different tack. "Let's take one thing at a time. Settlements will eventually be an issue, but I think we have to get the context right here. We need to end terror," she said.

Sharon arrived on May 6, but had to leave for home the next day after the terror attack in Rishon Lezion. Sharon had came with a report prepared by Minister Without Portfolio Danny Naveh, a Likud politician often considered to be an ally of Sharon's rival Netanyahu, that seemed to prove Arafat's personal involvement in directing terror activities. Among the items in the report was evidence that in January, Marwan...
Barghouti, the head of Fatah-Tanzim who had been captured in Operation Defensive Shield, wrote in his own handwriting to Arafat requesting payment of “a thousand dollars for each of the fighter brethren”—all Fatah operatives from Tul Karm involved in lethal attacks against Israelis. Arafat cut Barghouti’s request to $350 per terrorist, and then put his signature in Arabic on the Barghouti document approving payment. In Naveh’s view, the new information should bar the Palestinian leader from involvement in any future talks.

Following up on a U.S. agreement that no progress could take place without significant changes in the PA, Sharon told the Knesset on May 14 that the Palestinian Authority “must be reformed in every respect” before Israel would enter into negotiations with it. Arafat responded the next day in a speech to the Palestinian Legislative Assembly by promising a “complete revision” of the political system and immediate preparation for fresh elections. A senior Arafat aide followed up by declaring that his boss had decided to hold presidential and legislative elections within six months as part of a broader reform package—though Arafat himself, in another speech on May 17, insisted that elections could not be held until Israeli forces withdrew from the West Bank and Gaza Strip. President Mubarak of Egypt visited Washington June 7–8 to suggest establishment of a Palestinian state perhaps as early as 2003, but Bush said that Washington was “not ready to lay down a specific calendar.”

Sharon returned to the U.S. on June 10, and the president endorsed his demand that the Palestinian leadership be overhauled before meaningful peace talks could restart. Another sign of which way the Washington wind was blowing came from Condoleezza Rice, who was quoted by Britain’s left-leaning Guardian newspaper on June 17 as saying that the PA was a corrupt body “that cavorts with terror.”

The Bush and Rice statements set the stage for the president’s landmark address on the Middle East, delivered in the White House Rose Garden on June 24. In it, Bush declared that the Palestinian people would only achieve a state of their own if they initiated “new leadership, new institutions, and new security arrangements.” He called on the Palestinians to “elect new leaders, leaders not compromised by terror” and implicitly accused Arafat—whom he did not mention by name—of heading an authority that was rife with “official corruption” and was “encouraging, not opposing, terrorism.” If the Palestinians undertook reforms and ensured Israeli security, Bush said that negotiations could begin on borders, refugees, and the future of Jerusalem as part of final-status talks. He also repeated calls for an Israeli military withdrawal to positions held before
the start of the new intifada in September 2000, and an end to settlement activity in the Territories.

Israeli officials hailed the speech as a sign that Bush was lining up behind Sharon. Almost immediately after its delivery, the Prime Minister’s Office in Jerusalem issued a statement that said, in part: “Israel is a country that desires peace. Prime Minister Ariel Sharon has said on numerous occasions that when there is a complete cessation of terror, violence and incitement, and when the Palestinian Authority enacts genuine reforms, including new leadership at the top, such that a different Authority is created, then it will be possible to discuss how to make progress on the political tracks.”

Zalman Shoval, a senior Likud political figure and former ambassador to the U.S., called it a “remarkable” speech and said that Bush was “backing up the Israeli position that the key to progress on the political track must be an end to terror and violence—not just a reform, not just something cosmetic, but a real change in the Palestinian leadership.” David Landau, a left-leaning journalist and English-language editor of Ha’aretz, conceded that the speech was a triumph for Sharon. “Yasir Arafat, the seemingly immortal leader of the Palestinian national movement, was politically assassinated Monday by President George W. Bush. His role as Israel’s prospective partner in any future diplomatic process was effectively snuffed out by a stern-sounding American president, delivering his verdict on two years of violent intifada and his recipe for a turnabout towards peace in this war-torn region,” Landau wrote, adding: “At the end of last year, the Israeli prime minister seemed either naive or perverse, or both, when he pledged to render Arafat ‘irrelevant.’ Now, he can cogently contend, he has won his case convincingly before what for Israel is the highest court of world opinion: the U.S. government.”

Palestinian officials reacted to the speech with dismay. Though Planning Minister Nabil Shaath tried to put on an optimistic face by saying that Bush had made numerous demands on Israel, Sa’eb Erakat, the senior Palestinian negotiator, called Bush’s call for a new leadership unacceptable. Arafat himself, speaking on June 25, dismissed Bush’s call, asserting that only the Palestinian people could decide on their leaders. The next day—with Bush off to the G-8 summit in Canada where his demand to oust Arafat was a major topic of discussion—Erakat was already saying that elections would be held in January 2003. (On December 22, however, the PA would announce that the elections—which had, in the interim, been scheduled for January 20, 2003—were postponed indefinitely.)
Ari Fleischer, the White House spokesman, emphasized that Bush's speech was merely an outline, and that there was still much to be done. Fleischer said: "The president has planted the seeds of peace. Now it's up to the parties to nurture those seeds."

**FULL TEXT OF THE SPEECH**

"For too long, the citizens of the Middle East have lived in the midst of death and fear. The hatred of a few holds the hopes of many hostage. The forces of extremism and terror are attempting to kill progress and peace by killing the innocent. And this casts a dark shadow over an entire region. For the sake of all humanity, things must change in the Middle East. It is untenable for Israeli citizens to live in terror. It is untenable for Palestinians to live in squalor and occupation. And the current situation offers no prospect that life will improve. Israeli citizens will continue to be victimized by terrorists, and so Israel will continue to defend herself.

"In the situation the Palestinian people will grow more and more miserable. My vision is two states, living side by side in peace and security. There is simply no way to achieve that peace until all parties fight terror. Yet, at this critical moment, if all parties will break with the past and set out on a new path, we can overcome the darkness with the light of hope. Peace requires a new and different Palestinian leadership, so that a Palestinian state can be born. I call on the Palestinian people to elect new leaders, leaders not compromised by terror. I call upon them to build a practising democracy, based on tolerance and liberty. If the Palestinian people actively pursue these goals, America and the world will actively support their efforts. If the Palestinian people meet these goals, they will be able to reach agreement with Israel and Egypt and Jordan on security and other arrangements for independence. And when the Palestinian people have new leaders, new institutions, and new security arrangements with their neighbors, the United States of America will support the creation of a Palestinian state whose borders and certain aspects of its sovereignty will be provisional until resolved as part of a final settlement in the Middle East.

"In the work ahead, we all have responsibilities. The Palestinian people are gifted and capable, and I am confident they can achieve a new birth for their nation. A Palestinian state will never be created by terror—it will be built through reform. And reform must be more than cosmetic change, or veiled attempt to preserve the status quo. True reform will re-
quire entirely new political and economic institutions, based on democracy, market economics, and action against terrorism. Today, the elected Palestinian legislature has no authority, and power is concentrated in the hands of an unaccountable few. A Palestinian state can only serve its citizens with a new constitution which separates the powers of government. The Palestinian parliament should have the full authority of a legislative body. Local officials and government ministers need authority of their own and the independence to govern effectively.

"The United States, along with the European Union and Arab states, will work with Palestinian leaders to create a new constitutional framework, and a working democracy for the Palestinian people. And the United States, along with others in the international community, will help the Palestinians organize and monitor fair, multi-party local elections by the end of the year, with national elections to follow. Today, the Palestinian people live in economic stagnation, made worse by official corruption. A Palestinian state will require a vibrant economy, where honest enterprise is encouraged by honest government. The United States, the international donor community and the World Bank stand ready to work with Palestinians on a major project of economic reform and development. The United States, the EU, the World Bank, and the International Monetary Fund are willing to oversee reforms in Palestinian finances, encouraging transparency and independent auditing. And the United States, along with our partners in the developed world, will increase our humanitarian assistance to relieve Palestinian suffering. Today, the Palestinian people lack effective courts of law and have no means to defend and vindicate their rights. A Palestinian state will require a system of reliable justice to punish those who prey on the innocent. The United States and members of the international community stand ready to work with Palestinian leaders to establish, finance, and monitor a truly independent judiciary.

"Today, Palestinian authorities are encouraging, not opposing, terrorism. This is unacceptable. And the United States will not support the establishment of a Palestinian state until its leaders engage in a sustained fight against the terrorists and dismantle their infrastructure. This will require an externally supervised effort to rebuild and reform the Palestinian security services. The security system must have clear lines of authority and accountability and a unified chain of command. America is pursuing this reform along with key regional states. The world is prepared to help, yet ultimately these steps toward statehood depend on the Palestinian people and their leaders. If they energetically take the path of re-
form, the rewards can come quickly. If Palestinians embrace democracy, confront corruption and firmly reject terror, they can count on American support for the creation of a provisional state of Palestine.

"With a dedicated effort, this state could rise rapidly, as it comes to terms with Israel, Egypt, and Jordan on practical issues, such as security. The final borders, the capital, and other aspects of this state's sovereignty will be negotiated between the parties, as part of a final settlement. Arab states have offered their help in this process, and their help is needed. I've said in the past that nations are either with us or against us in the war on terror. To be counted on the side of peace, nations must act. Every leader actually committed to peace will end incitement to violence in official media, and publicly denounce homicide bombings. Every nation actually committed to peace will stop the flow of money, equipment, and recruits to terrorist groups seeking the destruction of Israel—including Hamas, Islamic Jihad, and Hezbollah. Every nation actually committed to peace must block the shipment of Iranian supplies to these groups, and oppose regimes that promote terror, like Iraq. And Syria must choose the right side in the war on terror by closing terrorist camps and expelling terrorist organizations. Leaders who want to be included in the peace process must show by their deeds an undivided support for peace. And as we move toward a peaceful solution, Arab states will be expected to build closer ties of diplomacy and commerce with Israel, leading to full normalization of relations between Israel and the entire Arab world.

"Israel also has a large stake in the success of a democratic Palestine. Permanent occupation threatens Israel's identity and democracy. A stable, peaceful Palestinian state is necessary to achieve the security that Israel longs for. So I challenge Israel to take concrete steps to support the emergence of a viable, credible Palestinian state. As we make progress towards security, Israeli forces need to withdraw fully to positions they held prior to September 28, 2000. And consistent with the recommendations of the Mitchell Committee, Israeli settlement activity in the occupied territories must stop. The Palestinian economy must be allowed to develop. As violence subsides, freedom of movement should be restored, permitting innocent Palestinians to resume work and normal life. Palestinian legislators and officials, humanitarian and international workers, must be allowed to go about the business of building a better future. And Israel should release frozen Palestinian revenues into honest, accountable hands. I've asked Secretary Powell to work intensively with Middle Eastern and international leaders to realize the vision of a Palestinian state, focusing them on a comprehensive plan to support Palestinian reform and institution-building."
“Ultimately, Israelis and Palestinians must address the core issues that divide them if there is to be a real peace, resolving all claims and ending the conflict between them. This means that the Israeli occupation that began in 1967 will be ended through a settlement negotiated between the parties, based on U.N. Resolutions 242 and 338, with Israeli withdrawal to secure and recognized borders. We must also resolve questions concerning Jerusalem, the plight and future of Palestinian refugees, and a final peace between Israel and Lebanon, and Israel and a Syria that supports peace and fights terror. All who are familiar with the history of the Middle East realize that there may be setbacks in this process. Trained and determined killers, as we have seen, want to stop it. Yet the Egyptian and Jordanian peace treaties with Israel remind us that with determined and responsible leadership, progress can come quickly. As new Palestinian institutions and new leaders emerge, demonstrating real performance on security and reform, I expect Israel to respond and work toward a final status agreement. With intensive effort by all, this agreement could be reached within three years from now. And I and my country will actively lead toward that goal.

“I can understand the deep anger and anguish of the Israeli people. You’ve lived too long with fear and funerals, having to avoid markets and public transportation, and forced to put armed guards in kindergarten classrooms. The Palestinian Authority has rejected your offer at hand, and trafficked with terrorists. You have a right to a normal life; you have a right to security; and I deeply believe that you need a reformed, responsible Palestinian partner to achieve that security. I can understand the deep anger and despair of the Palestinian people. For decades you’ve been treated as pawns in the Middle East conflict. Your interests have been held hostage to a comprehensive peace agreement that never seems to come, as your lives get worse year by year. You deserve democracy and the rule of law. You deserve an open society and a thriving economy. You deserve a life of hope for your children. An end to occupation and a peaceful democratic Palestinian state may seem distant, but America and our partners throughout the world stand ready to help, help you make them possible as soon as possible. If liberty can blossom in the rocky soil of the West Bank and Gaza, it will inspire millions of men and women around the globe who are equally weary of poverty and oppression, equally entitled to the benefits of democratic government.

“I have a hope for the people of Muslim countries. Your commitments to morality, and learning, and tolerance led to great historical achievements. And those values are alive in the Islamic world today. You have a rich culture, and you share the aspirations of men and women in every
culture. Prosperity and freedom and dignity are not just American hopes, or Western hopes. They are universal, human hopes. And even in the violence and turmoil of the Middle East, America believes those hopes have the power to transform lives and nations. This moment is both an opportunity and a test for all parties in the Middle East: an opportunity to lay the foundations for future peace; a test to show who is serious about peace and who is not. The choice here is stark and simple. The Bible says, 'I have set before you life and death; therefore, choose life.' The time has arrived for everyone in this conflict to choose peace, and hope, and life.

"Thank you very much."

The Fallout

In meetings he held in early July with top French and Italian security officials, Shin Bet security service head Avi Dichter passed on the impression that despite Bush’s statement, Arafat had not accepted the idea that he was going to be pushed out. In fact, according to a report in Ha’aretz on July 14, Arafat believed he could "leave the head intact and attach a new body underneath it, rather than the other way around," wrote Amir Oren, a commentator on defense and security affairs. Dichter told Nicholas Sarkozy, the French interior minister, that Arafat’s mental function had deteriorated and that his behavior was increasingly marked by faulty judgement. Still, there were signs that Arafat was moving—perhaps only for appearance’s sake—in the direction of reform. In early July, he dismissed four of his most senior security chiefs and put the various Palestinian forces under one command. Reportedly assisting the Palestinians in carrying out this reform were the CIA and officials from Egypt, Jordan, and Saudi Arabia.

The most prominent of those dismissed was Col. Jibril Rajoub, formerly head of the Fatah-controlled Preventive Security Force (PSF). Rajoub had not only established sound relations with Israeli, U.S., and European intelligence services, but had also headed one of the few Palestinian security agencies not actively engaged in fighting the Israelis in some way or other. One theory was that Rajoub had gained Arafat’s disfavor during Operation Defensive Shield when he allowed Israel to enter his headquarters in Beitouna, near Ramallah. In a statement issued July 5, the Palestinian National Authority said that Arafat had decided to "relieve" Rajoub of his responsibilities as commander of the PSF and to replace him with Zuheir Manasra, a former governor of Jenin. Rajoub initially described his dismissal as "disrespectful" and accepted it only
after a 48-hour stand-off. On July 6 he told reporters that senior officers within the PSF would not accept Manasra as their commander, and demanded that someone from "inside the PSF" be appointed to replace him. Amid calls throughout the West Bank for Rajoub's reinstatement, Arafat met with him on July 7 and offered him a number of high-ranking posts, including deputy interior minister, minister without portfolio, and presidential security adviser.

Also dismissed as part of the reform process was Gen. Ghazi Jabali, the chief of the Palestinian police, and Mahmoud Abu Mazouq, the head of civil defense. Both were hated by local Palestinians for their corruption and for their tough way of dealing with political opponents. Jabali was replaced by his deputy, Col. Salim Bardini. It was also reported that Tawfiq Tirawi, who had recently been placed on Israel's "most wanted" list, had been dismissed as the West Bank's intelligence chief.

A fresh international diplomatic initiative was launched in New York in mid-July at a meeting of the Quartet — EU representative for foreign and security affairs Javier Solana, Russian foreign minister Igor Ivanov, UN secretary-general Kofi Annan, and Powell. The Quartet reportedly considered a number of new proposals, including the appointment of a prime minister to take on the day-to-day responsibilities of running the PA, leaving Arafat as a figurehead; the appointment of a Security Council envoy to oversee implementation of PA political reforms and establish security cooperation with Israel; and increased "burden-sharing" between the U.S. and the EU in resolving the conflict, a proposal put forward by German foreign minister Joschka Fischer. The Quartet, and later Bush, also met with the foreign ministers of Jordan, Egypt, and Saudi Arabia. Bush took the opportunity to reiterate the call he made in his June speech for a new Palestinian leadership. The issue, he said, "was much bigger than one person."

In early August, Secretary of Defense Donald Rumsfeld seriously upset the Palestinians. At a meeting with Department of Defense workers at the Pentagon, Rumsfeld questioned the idea of Israel handing over territory to the PA if the latter "cannot or will not" enforce security measures. And he added: "My feelings about the so-called occupied territories are that there was a war, Israel urged neighboring countries not to get involved in it once it started, they all jumped in, and they lost a lot of real estate to Israel because Israel prevailed in that conflict."

Powell and Rice held talks on civil reform efforts and security cooperation with a delegation of Palestinian cabinet ministers — including Erakat, Interior Minister Abd al-Razaq al-Yahya, and Trade and Indus-
try Minister Maher al-Masri—in Washington on August 8–9. It was the highest-level U.S.-Palestinian Authority meeting since Bush's speech in June. According to the Palestinians, Powell reaffirmed U.S. support for the creation of a Palestinian state within three years, but sidestepped the issue of Arafat's leadership.

A Violent Summer

Israel maintained its tight military siege on Palestinian towns, villages, and refugee camps through the summer, justifying the policy as necessary to deter would-be terrorists from crossing over into Israel. The curfews and disruption of travel had a devastating impact on the Palestinian economy, and there were reports of hunger and malnutrition.

Israel continued its policy of targeted assassinations. On June 30, Muhamad Taher, of Nablus, was killed by a tank shell. He was reportedly the mastermind of the June 18 suicide bomb attack on a Jerusalem bus as well as the attack on the Tel Aviv Dolphinarium on June 1, 2001 that killed 20 young Israelis. Sharon called the liquidation of Taher "a very important operation" of self-defense, but Hamas leader Abd al-Aziz Rantisi considered it "a dirty crime" and warned of retaliation. On July 23, Salah Shehadeh, the leader in Gaza of the Izz al-Din al-Qassam Battalions—the military wing of Hamas—was killed when his home was bombed from an airplane. Twelve others were also killed, including Shehadeh's wife and three of his children, and an estimated 140 were injured, 16 critically. Rantisi this time threatened that "retaliation will come very soon. Nor will there be only one retaliation. After this even Israelis in their homes will be targeted." Others criticized the attack for its apparent indifference to the fate of innocent civilians. Arafat called it a "massacre," the U.S. described it as a "heavy-handed action" that did not "contribute to peace," and Kofi Annan charged that Israel was legally and morally culpable for the heavy civilian toll. Some questioned the timing of Israel's action since it appeared to undermine tentative diplomatic developments under way since early July—talks between Foreign Minister Peres and a number of Palestinian ministers, and others between various Palestinian factions over reaching a cease-fire.

Two days later, July 25, Israeli troops were back on one of a series of increasingly frequent incursions into PA areas of Gaza, reacting to Hamas missile and mortar attacks by hitting at buildings where the ammunition had been manufactured. On the West Bank, a number of drive-by shootings killed five Israelis over two days, including three members
of one family near Hebron. Settlers in Hebron’s small Jewish enclave retaliated by going on a rampage through adjacent Arab areas; Palestinians said that one girl was killed and nine other people wounded by the settlers, who had the reputation of being some of the most radical living in the Territories. On July 30, two Israelis were shot dead by Palestinian gunmen when they entered the West Bank village of Ja’main, apparently to sell fuel to the villagers.

Seven people were killed when a bomb exploded in the Frank Sinatra cafeteria at the Hebrew University’s Mt. Scopus campus in Jerusalem on July 31. About 80 others were wounded in the attack, which took place during the busy lunchtime hour. The person responsible was Hamas operative Muhammad Oudeh, 29, of the village of Silwan, east of the Temple Mount, who worked at the university: he tossed the bomb over a fence onto the grounds of the university the day before, and, the next day, picked it up and placed it in the cafeteria. Oudeh was part of a five-man East Jerusalem Hamas cell—it became known as the Silwan gang—which security forces arrested on August 17. The cell was responsible as well for a number of other incidents that had killed 37 Israelis and injured hundreds—including the May attack in Rishon Lezion and the March bombing of the Moment Café in Jerusalem. Four of its members, as residents of East Jerusalem, held blue Israeli identity cards, allowing them free movement not only in Jerusalem but throughout Israel. (On December 15, the Jerusalem District Court would sentence them to terms ranging from 60 years to life.)

Nine Israelis, including six soldiers, were killed, and over 50 others injured on August 4 in a suicide-bomb attack on a bus near Safed in northern Israel, close to the border with Lebanon. A Sharon aide said the incident proved, again, that “Palestinian terrorists view terrorism against innocent Israeli civilians as a feeding frenzy and their appetite for murder is never quite satisfied.” In the U.S., President Bush said he was “distressed” by the attack and called upon “all nations to do everything they can to stop these terrorist killers.” Israel ratcheted up restrictions on the Territories, imposing a total closure on the West Bank, and continued its policy of targeted elimination of key figures in the infrastructure of terror, killing the Al-Aqsa Martyrs Brigades Tul Karm commander Ziad Daas; Hussein Nimr, the son of senior Gaza Hamas figure Ahmed Nimr; and Nasr Jarra, a leader of Izz al-Din al-Qassam, in Tubas, near Jenin.

August was also the month of “Gaza first,” the suggestion of Defense Minister Ben-Eliezer that a withdrawal from parts of Area A occupied by Israel over the previous month should begin in Gaza and in the West
Bank town of Bethlehem. This, he said, would be a pilot scheme to test whether Palestinian security forces alone could control the militants. The proposal appeared to catch the Palestinian leadership off guard, and there were conflicting initial comments from ministers. Palestinian and Israeli security officials met on August 8 to discuss Ben-Eliezer's proposal in greater detail. At the end of the meeting, the Palestinian side accused the Israelis of reneging on an offer to extend the trial to Bethlehem, and the plan appeared in danger. However, the Defense Ministry announced on August 18 that agreement had been reached to implement the plan on condition that "the Palestinian side takes responsibility to calm the security situation and reduce violence." The deal was sealed at a meeting between Ben-Eliezer, Palestinian interior minister Yehiye, and top PA security official Muhammad Dahlan.

Accordingly, Israeli forces withdrew from Bethlehem on August 19 and were reported to be poised to withdraw from parts of the Gaza Strip as well. But tensions rose on August 20, when Israeli commandos from the elite Duvdevan antiterror unit, which sometimes carried out operations in traditional Arab dress, shot dead Mohammed Sa'adat at his home in Ramallah. Sa'adat was the younger brother of Ahmed Sa'adat, secretary general of the Popular Front for the Liberation of Palestine (PFLP), who had been held in a Palestinian prison in Jericho since May as part of the agreement that had led to the end of an Israeli siege of Arafat's headquarters in Ramallah. According to Israeli reports, the intention had been to arrest Sa'adat, but he attempted to flee, pulled a weapon and began firing at the Israelis, who were dressed in civilian clothes. The soldiers fired back, killing him. The PFLP vowed revenge.

On August 23, additional attacks by Palestinians forced Israeli officials to announce that implementation of "Gaza first" had been "frozen." Speaking on August 26, Defense Minister Ben-Eliezer said that there would be no further withdrawals at least until the end of the Jewish High Holy Days in September. Two days later, Ben-Eliezer called off a fresh round of scheduled security talks after Palestinians shelled a settlement in Gaza with mortars.

On August 27, Israel announced that seven Israeli Arabs, all from one clan in the northern village of Ba'na, had been arrested on charges of assisting the Hamas suicide bomber who had carried out the bus attack in Safed on August 4. In particular, two young men — Ibrahim Bakri and his cousin Yassin Bakri — helped the suicide bomber choose a target and location for the attack, hid him in their village before the attack, and even bought the batteries used to detonate the bomb. Earlier, police had ar-
rested Yasra Bakri, who, with her friend Samiya Assedi, had gotten off the bus after the suicide bomber, when he got on, warned her that something bad was about to happen. The two women, students at a college in Safed, left the bus 20 minutes before the blast took place without warning anyone else. Yasra Bakri was charged with failure to prevent a crime.

Two weeks later, on September 9, Israel for the first time revoked the citizenship of an Israeli Arab, Nahad Abu Kishaq, accusing him of helping Hamas attackers enter Israel to carry out suicide attacks. Abu Kishaq’s Israeli identity card had enabled him to move around Israel legally, it said.

Revelations that some Israeli Arabs were tied to terrorism sent shock waves through the Israeli public, raising the possibility that the message of the militant Palestinian organizations had made deep inroads into the Arab population dwelling inside the pre-1967 borders (as opposed to the Arabs of East Jerusalem, who were Israeli residents only post-1967 and therefore never trusted as loyal Israelis). Right-of-center Israeli politicians reacted strongly. National Religious Party MK Zevulun Orlev blamed his Arab colleagues in the Knesset, whose expressions of support for terrorism, he charged, encouraged Israeli Arabs to get involved in such activities. “These leaders cannot absolve themselves of responsibility,” he said. Herut MK Michael Kleiner went further, claiming that most Israeli Arabs were loyal not to the state, but to the Palestinian struggle. “The Palestinian problem does not stop at the Green Line,” he said. Kleiner suggested the adoption of the death penalty for citizens involved in terrorism, and called for encouraging “hostile citizens” to emigrate.

At the same time that the involvement of some Israeli Arabs in terror angered Israeli Jews, rumors of Palestinians helping Israel set off similar feelings among Palestinian militants, though the results were bloodier—members of the Al-Aqsa Martyrs Brigades killed two “collaborators,” both women, in Tul Karm. On August 24, they dragged Ikhlas Khouli, 35, a mother of seven, from her home and shot her dead in a public square. She was reported to be the first Arab woman to be executed during the intifada for collaboration. The second woman, Rajah Ibrahim, 18, was killed on August 30. Palestinian sources said that Ibrahim had provided information to Israeli security services that allowed troops to track down and kill Ra’ed al-Karmi in mid-January.

Eleven Palestinians were killed in several violent incidents over the August 31–September 1 weekend. These included two small children playing outside their home when they were struck by an errant missile aimed at a terrorist leader in Tubas, near Nablus, and four men shot near
Hebron who, Palestinians said, were unarmed workers returning from a night shift in a nearby quarry. Defense Minister Ben-Eliezer ordered the army to investigate these incidents.

Though the number of successful attacks on Israeli targets was lower than the levels reached during the blood-filled spring, efforts to mount such attacks continued. What could easily have been the bloodiest attack ever was averted on September 5, when two border policemen and four border police volunteers intercepted two vehicles in the Wadi Ara area in northern Israel. One of them was packed with about 600 kg (1,300 lbs.) of high explosives, two containers of fuel, metal objects designed to maximize casualties, a cell phone—apparently to detonate the bomb—and a video camera to record the event—as Hezbollah terrorists used to do against Israeli troops in Lebanon, before the May 2001 withdrawal. Police sappers detonated the bomb, which was too dangerous to move. The blast was huge, but there were no injuries. Foreign Minister Peres said that had it reached its probable target in a major population center, the bomb could have caused "such a loss of life that it would have changed almost the entire political situation in one moment."

A Deteriorating Situation

On September 9, Arafat, who had not left his Muq'ata compound in Ramallah in months, condemned "every act of terror against Israeli civilians" in a speech to the Palestinian Legislative Council. "We have to reiterate our condemnation of attacks against Israeli civilians and at the same time of any attacks against Palestinian civilians," he said. At the same time, Arafat, transparently attempting to divert the pressure on his leadership created by the Bush speech of June 24, called on the council to hold a special session to review the reforms that the Palestinian cabinet had adopted, as well as his cabinet shake-up, which had drawn criticism for not going far enough. He affirmed a January date for presidential and legislative elections. Dore Gold, the American-born former Israeli ambassador to the UN now serving as a Sharon policy adviser and spokesperson, said he saw little new in Arafat's remarks. "A partner who is responsible will not have security services manned by operatives of terror organizations," Gold said. "We expect transparency in the use of international funds. None of that was heard in this speech. It was very little new in what was said."

A few days later, Arafat suffered a major humiliation when his cabinet was forced to resign to avoid losing a vote of no-confidence in the Pales-
tinian Legislative Council. "President Arafat has accepted the resignation of the cabinet, so there is no need to bring the cabinet to a vote," Tayeb Abdel Rahim, secretary of the Palestinian presidency, told legislators. "In the next 14 days, President Arafat will appoint a new cabinet." This challenge to Arafat's autocratic leadership came on the third day of the first meeting of the Palestinian Legislative Council to be held in more than 18 months, and was directed against the 21-member cabinet Arafat had only appointed on June 9. One of the leaders of the no-confidence initiative, Abdel Jawad Saleh, who had resigned from the cabinet two years earlier, said: "Arafat is trying to buy the Fatah people. I hope they vote against the government." The rebels wanted Arafat to sack ministers seen as inefficient and corrupt, or face rejection of the entire cabinet. (Arafat would finally appoint a new cabinet on October 29, and get the PA legislators to approve by telling them that a vote against it would be a vote for Israel and the Americans. The most noteworthy change in the cabinet was the replacement of Abd al-Razaq al-Yahya, who supported reform and was well-liked by the Americans, with long-time PLO apparatchik Hani al-Hassan at the Interior Ministry.)

In mid-September, the lull in suicide-bomb attacks, which had lasted more than a month since the Safed bus bombing, resumed. A police officer was killed by a bomb near the northern Arab town of Umm al-Fahm on September 18, and the next day five Israelis and a British student were killed and 50 others hurt by a bus bomb in central Tel Aviv. Israel responded by sending tanks and troops into Arafat's compound in Ramallah. Using amplifiers, Israeli soldiers called for the surrender of 20 wanted men who had taken refuge in the compound, including Tawfiq Tirawi, commander of West Bank intelligence. Arafat, now isolated from the outside world and confined to the only building left standing in the Muq'ata, called for international intervention. The siege was criticized by several foreign leaders including President Bush, who said it was "not helpful." In Israel, some critics called the action counterproductive since it only enhanced Arafat's prestige.

UN Security Council Resolution 1435, sponsored by Bulgaria, France, Norway, Ireland, and the United Kingdom, was approved on September 24. It called for an immediate end to the Israeli measures "in and around Ramallah including the destruction of Palestinian civilian and security infrastructure" and the "expeditious withdrawal of the Israeli occupying forces from Palestinian cities towards the return to the positions held prior to September 2000," while also urging the PA to fulfill its earlier commitment to bring terrorists to justice. The U.S., which abstained on
the resolution, also called on Israel to pull back. Israel lifted the siege of Arafat's compound on September 29. Moments after emerging, Arafat criticized the Israeli withdrawal as merely "cosmetic." An Israeli cabinet statement said that the decision had been made because of "the deep friendship between Israel and the United States" and Israel's desire to do all it could "to enhance . . . strategic cooperation and relations" with the Americans.

Jewish settlers killed a Palestinian farmer and wounded another while the Palestinians were picking olives in a village near the West Bank town of Nablus and the Jewish settlement of Akraba on October 6. In a separate clash the same day, Israeli police arrested a settler near the West Bank village of Luban al-Sharkiyeh on charges of shooting and wounding a Palestinian. Three other Israelis were also arrested.

As many as 15 people were killed on October 7, when an Israeli helicopter fired a rocket into a crowd of Palestinians in Khan Yunis in the Gaza Strip. Palestinians said that the helicopter had, without provocation, fired a rocket into a crowd of people who had emerged from their houses thinking that an earlier Israeli raid had ended. But the Israelis claimed that Palestinian gunmen had shot at them as they retreated, and that they were returning fire. The Palestinians said that the dead were all civilians; the Israeli army said all but one were militants. As the wounded were arriving in hospital, Palestinians charged, Israeli troops opened fire, killing one man and injuring three others.

Shortly afterwards, four more Palestinians died during an outbreak of fighting between Hamas members and Palestinian security forces loyal to Arafat. What set off the Hamas-PA battle was the kidnapping and killing of a senior Palestinian police commander, Col. Rajeh Abu Lehiya, by Hamas gunmen. Hamas leaders said that the killing was part of a private blood feud and denied any involvement.

On October 9, Israeli troops shot dead two youths and wounded 18 other people in the Rafah refugee camp in southern Gaza. An Israeli woman was killed and 16 people injured the next day when a Hamas suicide bomber blew himself up near a bus outside Tel Aviv after the driver and a passenger foiled his attempt to board. Two Palestinians, one a boy aged three, were killed and more than 30 wounded in the Gaza Strip on October 13, when Israeli troops demolished houses in the Rafah camp.

Israeli security forces reportedly used a booby-trapped public telephone outside a hospital in Bethlehem to blow up and kill Mohammed Abayat, a member of the Al-Aqsa Martyrs Brigades, which had links with Arafat's mainstream Fatah faction, on October 14. Palestinian officials
claimed that the intended target had actually been Nasser Abayat, the commander of Tanzim, the military wing of Fatah, in Bethlehem. Israeli tank shells killed at least six Palestinians and wounded 50 others in the Rafah camp in the Gaza Strip on October 17, after gunmen reportedly fired at army bulldozers.

Israeli troops withdrew from the West Bank town of Jenin on October 18 after digging a trench around part of the town to stop would-be suicide bombers from leaving in cars. The move meant that Israeli forces, which had invaded seven West Bank cities and towns in June, had now pulled back from two—Jenin and Bethlehem—while continuing to occupy the others.

At least 14 people were killed and more than 50 injured on October 21 when Palestinian bombers detonated explosives in a car next to a bus near the northern Israeli city of Hadera. The attack was claimed by Islamic Jihad, which had carried out a similar car bombing in June at Megiddo junction, which killed 17 people (see above, p. 208). Many of those killed in the latest attack were soldiers traveling from northern Israel near the Lebanese border to Tel Aviv. Israel reacted by canceling a planned partial withdrawal from Hebron. It also imposed a ban on Palestinians drilling for water—insisting that the PNA was conducting a “water intifada”—and barred olive picking at the height of the harvest. However, amid reports of U.S. concerns that escalating violence could disrupt plans for possible military action against Iraq, Israel refrained from immediate military retaliation. But on October 25, Israeli soldiers, backed by tanks and armored vehicles, moved back into Jenin, tightening their grip on the West Bank city from which they had withdrawn a week earlier. The army said it was pursuing terrorists. At the same time, the army withdrew from parts of Hebron, retaining control only of the divided city’s strategic heights.

A suicide bombing at Ariel in the West Bank on October 27 killed three Israeli reserve soldiers and wounded at least 18 others. The bomber, Mohammed Ishkair from Nablus, who had been on Israel’s most-wanted list and was an Al-Aqsa member, blew himself up outside a gas station. Further north, Israeli troops shot dead two Al-Aqsa activists driving through Nablus. An IDF spokesman said that the soldiers had told the two to stop, but they opened fire and were killed in the exchange.

A lone gunman infiltrated Kibbutz Metzer, south of Haifa, on the night of November 10, killing five Israelis and escaping. This attack came as a particular shock because of the kibbutz’s good relations with surrounding Arab villages. In response, Israel sent troops back into Tul
Karm and Nablus, accompanied by tanks and helicopters, where they arrested dozens of terror suspects.

Twelve Israelis—all soldiers or security guards—were killed and 20 others injured in a November 14 ambush on a procession of settlers walking back to Kiryat Arba from Friday night prayers at the Machpelah Cave, the Tomb of the Patriarchs, in Hebron, along a route known locally as Worshipers' Lane. The dead included Col. Dror Weinberg, the army's Hebron commander and the highest-ranking Israeli officer to be killed in the current intifada. Weinberg and the other Israelis died during a 90-minute gun battle after being ambushed by three Islamic Jihad men. Israeli forces imposed a curfew on Hebron, a divided city with 450 Jewish settlers and 130,000 Palestinians. On the following Saturday night, about 1,500 settlers demonstrated in Hebron demanding that the three civilians who died in the attack be given a military burial. The men "fought like soldiers and should be buried like soldiers," said Kiryat Arba local council head Zvi Katzover. Meanwhile, Prime Minister Sharon said he favored taking control of land along the Worshipers' Lane so as to establish territorial contiguity between Hebron and the outlying Kiryat Arba.

A 13-year-old girl on her way to school and an eight-year-old boy and his grandmother were among the 11 victims of a suicide bombing in Jerusalem's Ir Ganim-Kiryat Menachem neighborhood, not far from the Hadassah Medical Center in Ein Karem, on November 21. The next day, Israeli troops moved back into Bethlehem and imposed a curfew. That was the same day that British aid worker Iain Hook, 54, was killed by an Israeli sniper during a clash with terrorists holed up in the UNRWA compound in the Jenin refugee camp. Israel admitted that Hook had been killed by mistake.

Terror, Foreign and Domestic

Three Israelis, two of them children, and ten Kenyans were killed and dozens wounded in a two-pronged Al Qaeda terror attack on Israeli vacationers in Mombasa, Kenya, on November 28. An SUV filled with explosives drove into the Paradise Beach, an Israeli-owned hotel on the Indian Ocean coast just outside Mombasa, and blew it up just as a group of Israelis was arriving. At about the same time, two surface-to-air anti-aircraft missiles were fired at an Arkia Airlines chartered Boeing 767 carrying 261 other Israelis back from a week's beach vacation at the Paradise and nearby hotels. The crew of the Israeli airliner said that they spotted the deadly missiles only after they had passed the plane, but some pub-
lished reports suggested that they may have used some kind of antimissile protective device, such as metal chaff or flares, to divert the missiles from their course. The plane arrived home on schedule.

A few days later, Kenyan officials—who had called in Israel to help investigate and to protect the Paradise Beach survivors before they were evacuated to Israel—found two more unfired missiles at another end of the airport runway. Serial numbers on the missiles and other evidence pointed to the involvement of Al Qaeda. Indeed, in a statement a week later, Osama bin Laden's terror group claimed credit for the attack and threatened to target more Israelis and Jews in the future. Sharon vowed that Israel would not let the attack go without a response. "We will not give in to terror," the prime minister said. "Israel will go after those who spilled the blood of its citizens." The Israeli survivors of the Paradise Beach outrage were airlifted out by Israel Air Force Hercules transport planes.

It had long been feared that terrorists would try to fire shoulder-held missiles at commercial airliners, and immediately after the incident, demands were heard—particularly in the United States—for a system that would protect civilian airliners. In late November, Transport Minister Ephraim Sneh told a press conference that such a system was in the final stages of development and would be deployed on Israeli airliners in the near future. Later, both Israel Aircraft Industries and Israel Military Industries were reported to be working on various missile-defense systems for airliners. Briefing foreign ambassadors on November 29, newly appointed Foreign Minister Benjamin Netanyahu, calling the Mombasa attack a wake-up call akin to September 11, 2001, noted that this was not only an Israeli problem, but a global one. "What we see from these attacks is that terror has no boundaries. It has no physical boundaries—it can attack anywhere. It has no boundaries on the nationalities of its victims—we have had Africans killed, Israelis, Russians, Americans, Australians, anyone. And now we see, once again, that terror has no moral boundaries, because indeed yesterday was the crossing of a threshold," he said.

November 28 was also the day of the Likud primary, when party members elected a prime ministerial candidate for the general elections to be held January 28, 2003 (see below, p. 257). That afternoon two Al-Aqsa Martyrs Brigades gunmen attacked the Likud headquarters in Beit She'an, south of Lake Kinneret, and the nearby central bus station, as voters were casting their ballots. Six Israelis—and the two attackers—were killed. The next day, Israeli troops demolished the homes of the at-
tackers in the West Bank village of Jalbun, near Jenin. The incident was described to Army Radio by Galit Cohen, an eyewitness who lived near the Likud office. She said one of the gunmen laughed as he sprayed people with automatic fire. "I opened the window and I simply saw the terrorist standing, smiling, laughing, and shooting in all directions. He simply didn't stop and shot and shot and shot." Local residents noted that the two killers were able to get to Beit She'an very easily because there was no fence on the nearby "Green Line" border between the West Bank and Israel proper. Beit She'an's mayor, Pini Kaballo, demanded that a fence be built along that stretch.

Fatima Hassan Abeida, 95, was killed on December 3 when Israeli troops opened fire on a minibus traveling on a road near Ramallah that was off-limits to Palestinian vehicles. Palestinian sources said they thought the woman was the oldest person killed in the 27 months since the onset of the intifada.

Israel's targeted elimination of terror masterminds continued on December 4, when helicopters hit a Gaza building and killed Mustafa Sabah, said to be the developer of the powerful bombs used several times against Israeli tanks in the Gaza Strip. On December 6, though, Ayman Shishtnieh, a leader of the Gaza-based Palestinian Popular Resistance Committee, escaped an Israeli sweep into the al-Burej refugee camp, in an operation where ten Palestinians, five of them identified by Israel as wanted terrorists, were killed. Palestinians, on the other hand, claimed that seven of the men and the one woman killed were innocent civilians. Palestinians also complained that the attack came on the Muslim holiday of Eid El-Fitr. An IDF spokeswoman responded that Palestinians seemed to respect neither Jewish holidays, attacking on Passover in Netanya, nor Muslim ones, since several attacks were launched during Ramadan, the Muslim holy month.

Israel announced in early December that the Shin Bet security force and the army had recently arrested Muhammad Mahmoud Amrou, the Palestinian sniper suspected of killing ten-month-old Shalhevet Pas in Hebron in March 2001 (see AJYB 2002, p. 549). Amrou, 26, a Tanzim activist, reportedly confessed that on the day of the murder Marwan Zaloum, the Tanzim head in Hebron until his death (at the hands of Israel) in April 2002, came to his house and ordered him to carry out a terrorist attack as soon as possible. The fatal shots were fired from the Abu Sneina hill in Hebron, under PA control, into the small Jewish settler colony in the center of the city; Shalhevet was in her father's arms where she was shot. A short time after the murder, the PA had arrested Amrou for several
hours, but subsequently released him. But soon after Amrou’s capture there was more bad news from Hebron: on December 12, two members of a border police unit guarding Worshipers’ Lane, scene of the November ambush that killed 12 Israelis, were killed by a Palestinian who worked his way close to their guard post.

Three Islamic Jihad members from Sur Bahr, in southeastern Jerusalem, were charged on December 15 with planning to fire a missile at a helicopter at the Knesset helipad, ambush a car driving to the prime minister’s residence, and set off large bombs at bus stops near a shopping center in Jerusalem.

Israeli troops who moved into Bethlehem in November after a Jerusalem suicide bombing pulled back from the town for a brief Christmas respite on December 24. When they moved back in two days later, heavy fighting broke out and eight Palestinians were reported killed. On December 27, two Islamic Jihad terrorists slipped into Otniel, a settlement in the Hebron hills, and killed four yeshivah students.

The “Road Map”

Despite the seemingly endless violence, negotiations aimed at resumption of a peace process continued. Sharon visited the U.S. again in mid-October for talks with Bush and other senior U.S. leaders. On October 16, Bush and Sharon agreed to back “the gradual return and scheduled transfer” of Palestinian taxes to the PNA, so long as the funds were not used for terrorist activities. U.S. officials also reportedly asked Sharon to curb Israeli military responses to Palestinian violence as Washington was attempting to enlist the support of Arab countries for a possible strike against Iraq.

William Burns, assistant secretary of state for the Near East, visited the region in late October for talks with Israeli and Palestinian officials on the proposed three-phase “road map” to negotiations and a final peace settlement developed by the Quartet in mid-September. Sharon told the Knesset Foreign Affairs and Security Committee in early November that Israel accepted the road map’s principles, but that a total freeze on settlement activity was unacceptable. Sharon said that when he would meet with American officials in early 2003 to discuss the road map, he would cite several major points that, in his view, required clarification. These, according to a report in Ha’aretz, included the need for PA compliance with Israeli security demands as a precondition to progress; an understanding that Israel would not move forward on the
road map unless the PA met all its obligations; and agreement that final-status issues would not be discussed in the early stages of negotiations.

In early December, Sharon reiterated his willingness to accept a Palestinian state, though he did not define exactly what that meant. In a speech to a national security conference in Herzliya, north of Tel Aviv, the prime minister also outlined his support for the staged process outlined by Bush in the president's June 24 speech and refined by the Quartet. Sharon placed particular emphasis on the sequential nature of the plan's implementation, saying that transition from one phase to the next "is determined on the basis of performance. Only once a specific phase had been implemented will progress into the next phase be possible."

The beginning of that sequence, Sharon reiterated, involved reform of the PA and replacement of its leader. He said that "the U.S. administration, with the world following in its footsteps, has already accepted our unequivocal position that no progress will be possible with Arafat as the chairman of the Palestinian Authority. This man is not—and never will be—a partner to peace. He does not want peace." Sharon said that security reform would include dismantling the current multiple apparatuses, many of which were involved in terror, and their replacement with no more than two or three security organizations under a single command; the outlawing of terror organizations; and the collection and destruction of illegal weapons in Palestinian hands.

The Quartet was due formally to adopt the road map at a meeting in Washington on December 20. But on December 12, the United States announced that in deference to a request from Sharon, the initiative would be placed on hold until after the Israeli elections, scheduled for January 28, 2003, and the formation of a new Israeli government. An understanding to that effect had been reached a few days earlier at a Washington meeting between National Security Adviser Rice and Dov Weisglass, Sharon's bureau chief.

Also on December 12, Secretary of State Powell unveiled the Middle East Partnership Initiative, aimed at promoting regional economic and political reform. Powell said that the U.S. would provide $29 million towards funding the program, aimed at integrating Middle Eastern countries more closely into the global economy by offering aspiring World Trade Organization (WTO) members, such as Saudi Arabia, Lebanon, and Yemen, technical assistance; beginning negotiations on a free-trade agreement with Morocco; and working with Egypt and Bahrain to build on bilateral trade relationships.
The Northern Border

The September 1982 massacres by Christian Phalangist militia of about 800 Muslims in the Lebanese refugee camps of Sabra and Shatilla—a black mark on the record of Israel, which controlled the area at the time, and of Ariel Sharon, the then-defense minister—returned to the front pages on January 24, 2002. On that day, Elie Hobeika, the Phalangist officer who sent the troops into the camp, was assassinated. He was on his way to go skin-diving when a booby-trapped vehicle exploded next to his car, killing him and his three bodyguards. The blast also ignited three oxygen tanks in Hobeika's car, intensifying the blast and damaging several nearby buildings in the East Beirut neighborhood where he lived.

Lebanese officials immediately blamed Israel for the blast, suggesting that Hobeika could have been a key witness in the pending war crimes case against Prime Minister Sharon in Belgium (see below, p. 409). The Israeli government indignantly denied the charge. Hobeika had been saying that he had "revelations" to make that would clear his name and "tell a very different story" than that of Israel's Kahan Commission, which had probed the massacre and found that Sharon had only indirect responsibility for the heinous crime. An anti-Syrian group in Lebanon claimed credit for the killing, saying Hobeika was a Syrian agent who had betrayed his country. In refugee camps south of Beirut, news of Hobeika's death prompted spontaneous celebrations from Palestinian residents, who had nursed deep hatred for him for over two decades.

Tensions remained high along the Lebanese border throughout the year. There was an upsurge of fighting between Israel and Hezbollah in southern Lebanon in early April, particularly around the Shebba Farms area, on the slopes of Mt. Hermon. Israeli officials suggested that Hezbollah was planning to open a second front to put military pressure on the Israeli army in the north, while forces to the south were aiding Palestinian terror groups in the West Bank and Gaza.

The two sides exchanged fire on a daily basis for a while, but Israel exercised restraint out of concern that tougher action might ignite wider hostilities in the area. Secretary of State Powell canceled a scheduled visit to the border region, but called on "all states that can influence Hezbollah, especially Syria, to do what is in their power to restrain the group and stop these actions, before the conflict expands, and has destructive consequences for the region." After a Lebanese announcement that Syria would redeploy its estimated 20,000 troops in Lebanon to areas near the Syrian border—in line with provisions of the 1989 Taif accord ending
the Lebanese civil war—Prime Minister Sharon warned that Syria was “not immune” from Israeli military action in the region.

Lt.-Col. Omar al-Hayb, from a well-known Bedouin family whose members had a long record of service in the Israeli army, went on trial for treason, aiding the enemy, grave espionage, and drug dealing. He had served as chief tracking officer for the Northern Command until he left the army in mid-2002, well after his alleged espionage activities began, and also had been in charge of enlisting Bedouin soldiers into the IDF. Al-Hayb, who protested his innocence and declared his loyalty to the state, lost an eye while pursuing terrorists in southern Lebanon in the mid-1990s, but was allowed to stay in the army at his own request. Nine other Bedouin soldiers from the same extended family in the northern village of Zarzir were also arrested in the case. The ten were accused of providing Hezballah with classified maps of the northern border, details of troop movements and tank deployments, and information regarding the location of senior military commanders, in exchange for drugs.

Nissim Nasser, 35, a native of Lebanon who moved to Israel ten years before, was sentenced to six years in jail as a Hezballah spy in a plea-bargain deal on December 11. Nasser, whose mother was Jewish and father Lebanese, said he acted to “protect his family” in Lebanon.

**Palestinian Toll**

According to the B’Tselem human rights organization, 953 Palestinians were killed by Israeli action during 2002. Of those, 135 were minors—a number slightly larger than the total of minors killed during the first 15 months of the intifada (the last three months of 2000 and all of 2001). B’Tselem also listed 65 Palestinians killed as a result of Israeli “targeted eliminations” or assassinations. Conceding that most of the 65 fit the Israeli definition of terrorists, the human rights group noted that a number of small children and other innocent victim also lost their lives.

The targeted killings were controversial among Israelis. Critics argued that such actions—particularly spectacular hits on charismatic leaders—made matters worse by inflaming the terrorists’ desire for revenge, pointing to the upsurge in attacks that followed the assassination of Hamas bomb-maker Yehiye Ayyash, better known as “the Engineer,” in 1996, and those, in 2002, of Ra’ed al-Karmi of Tul Karm in January and of Salah Shehadeh in July. But the government and its supporters countered that the terror groups were so filled with hate that they needed no new reason for murder, and that removing key men in the Palestinian infrastructure of terror was necessary to preempt attacks.
Victims of Terror Attacks, 2002

About 450 people were killed by Palestinian attacks during the year:

January 9 — Four members of Israel’s Bedouin desert patrol — Maj. Ashraf Hawash, 28, Sgts. Ibrahim Hamadieh, 23, Hana (Eli) Abu-Ghanem, 25, and Mofid Sawaid, 25, are killed and two other members of the unit wounded when two armed Hamas terrorists from the southern Gaza Strip, carrying explosive belts, assault rifles, and grenades, and dressed in Palestinian Authority police uniforms, infiltrate Israeli territory near Keren Shalom.

January 14 — Sgt. Elad Abu-Gani, 19, is killed and an officer wounded by gunfire in a terrorist ambush between Nablus and Tul Karm. Fatah claims responsibility.

January 15 — The bullet-riddled body of Avraham (Avi) Boaz, 71, of Ma’ale Adumim, kidnapped at a PA security checkpoint in Beit Jala, near southern Jerusalem and Bethlehem, is found in a car in Beit Sahur, in the Bethlehem area. The Fatah’s Al-Aqsa Martyrs Brigades claims responsibility. Boaz, a U.S. citizen, had done business with Palestinians for years, and, despite the danger, continued to visit Palestinian friends in the Bethlehem area during the course of the intifada.

January 15 — Yoela Chen, 45, of Givat Ze’ev, is shot and killed by Palestinian terrorists near the gas station at the entrance to the town, a Jerusalem suburb just northwest of the capital in Israel-controlled Area A, shortly before 8 P.M. Her aunt, with her in the car, is injured. Fatah’s Al-Aqsa Martyrs Brigades claims responsibility; the assassins escape, apparently to the nearby Ramallah area.

January 16 — Shahada Dadis, 30, an Arab resident of Beit Hanina in East Jerusalem, is found dead in a car bearing Israeli license plates south of Jenin in the West Bank. He was apparently mistaken for an Israeli and killed in a drive-by shooting.

January 17 — Edward Bakshayev, 48, Anatoly Bakshayev, 63, Aharon Ben Yisrael-Ellis, 32, Dina Binayev, 48, Boris Melikhov, 56, and security guard Avi Yazdi, 25, are killed and 35 other guests hurt when a terrorist bursts into a bat mitzvah reception in a banquet hall in Hadera shortly before 11 P.M., opening fire with an M-16 assault rifle. The Fatah Al-Aqsa Martyrs Brigades claims responsibility. The family celebrating the bat mitzvah had immigrated from the Caucasus region.

January 22 — Sarah Hamburger, 79, and Svetlana Sandler, 56, are killed and 40 people injured when a Palestinian terrorist opens fire with an M-16 assault rifle near a bus stop on Jaffa Road in the center of Jerusalem. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.
January 27—Pinhas Tokatli, 81, is killed and over 150 people wounded, four seriously, in a suicide bombing outside a shoe store on Jaffa Road, in the center of Jerusalem, a few meters from the site of the January 22 attack. The bomb, consisting of over 10 kg. of explosives, was carried by a woman, who is dubbed the first female suicide bomber. Doubts surface, however, as to whether the woman, Wafa Idris, actually intended to blow herself up, or whether she intended to place the bomb and then flee before it detonated.

February 6—Miri Ohana, 45, and her handicapped daughter, Yael, 11, are shot and killed by a terrorist wearing an IDF uniform who infiltrates into Moshav Hamra, in the portion of the Jordan Valley that is in the West Bank, and breaks into the Ohana home. Responsibility is claimed by both Fatah and Hamas. Army reserve Sgt. Moshe Majos Meconen, 33, of Beit She'an, stationed on the moshav to do guard duty, is also killed in the attack.

February 8—Moran Amit, 25, of Kibbutz Kfar Hanasi, is stabbed to death by four teenage Palestinians, aged 14 to 16, while strolling with her boyfriend on the Sherover Promenade in Jerusalem’s Armon Hanatziv neighborhood on Friday afternoon. Bystanders, including members of the security forces, give chase, and one of the assailants collapses and dies from what an autopsy disclosed to be a gunshot wound. The other killers, from the nearby mixed Arab and Jewish Abu Tor neighborhood, are later apprehended.

February 9—Atalla Lipobsky, 78, of the town of Ma’ale Ephraim on the edge of the Jordan Valley in the West Bank, is shot dead driving home after Shabbat on the Trans-Samaria Highway with her son. Palestinian gunmen open fire on the car, apparently from ambush, as it passes between Ariel and the Tapuah Junction.

February 10—Lt. Keren Rothstein, 20, and Cpl. Aya Malachi, 18, are killed in a shooting attack on a snack bar-bakery just outside the entrance to the IDF Southern Command headquarters in Beersheba. Four others are wounded, one critically. One of the terrorists is killed at the scene; the second, wearing an explosives belt, flees in the direction of a nearby school but is shot and killed by a soldier and a police officer. Hamas claims responsibility.

February 14—Sgts. Ron Lavie, 20, Moshe Peled, 20, and Asher Zaguri, 21, are killed and four soldiers injured when a powerful mine explodes under a Merkava tank near Netzarim, an isolated settlement at the edge of Gaza City. The tank is lured into the area by shots fired on Israeli vehicles; it is later disclosed that the tankers had removed heavy protective plating on the underside of their vehicle to improve its maneuverability.

February 15—Sgt. Lee Nahman Akunis, 20, is shot and killed by gunmen on Friday night at a roadblock north of Ramallah. The Fatah’s Al-Aqsa Martyrs Brigades claims responsibility.
February 16—Nehemia Amar and Keren Shatsky, both 15, are killed and about 30 people wounded, six seriously, when a suicide bomber blows himself up on Saturday night at a pizzeria in the shopping mall in the settlement of Karnei Shomron in Samaria, the area of the West Bank north of Jerusalem. Rachel Thaler, 16, of Ginot Shomron dies of her wounds on February 27. The Popular Front for the Liberation of Palestine (PFLP) claims responsibility.

February 18—Police officer Ahmed Mazarib, 32, of the Bedouin village Beit Zarzir in the Galilee, is killed by a suicide bomber he had stopped for questioning on the Ma’ale Adumim-Jerusalem road. The terrorist succeeds in detonating the bomb in his car. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

February 18—Ahuva Amergi, 30, of Moshav Ganei Tal, is killed and a 60-year-old man injured when a Palestinian terrorist opens fire on her car in the Gush Katif settlement area of the southern Gaza Strip. Maj. Mor Elraz, 25, and Sgt. Amir Mansouri, 21, are killed while pursuing the attacker, who is killed by other security forces. Fatah Al-Aqsa Martyrs Brigades claims responsibility.

February 19—Lt. Moshe Eini, 21, St.-Sgt. Benny Kikis, 20, Sgt. Mark Podolsky, 20, Sgt. Erez Turgeman, 20, Sgt. Tamir Atsmi, 21, and St.-Sgt. Michael Oxsman, 21, are killed and one other wounded in an attack near a roadblock west of Ramallah. Several terrorists open fire at soldiers at the roadblock, including three off-duty soldiers who are inside a structure at the roadblock, killing them at point-blank range. Fatah Al-Aqsa Martyrs Brigades claims responsibility.

February 22—Valery Ahmir, 59, of Beit Shemesh, is killed by terrorists in a drive-by shooting on the Atarot-Givat Ze’ev road north of Jerusalem as he returns home from work in the North Jerusalem Atarot industrial area. Fatah claims responsibility.

February 25—Avraham Fish, 65, and Aharon Gorov, 46, are killed in a terrorist shooting attack between Tekoa and Nokdim in the West Bank south of Bethlehem. Fish’s daughter, nine-months pregnant, is seriously injured, but delivers a baby girl. Fatah al-Aqsa Brigades claims responsibility.

February 25—Police officer Galit Arbiv, 21, dies after being shot at a bus stop in northern Jerusalem. Eight others are injured, two seriously. The Fatah Al-Aqsa Brigades claims responsibility.

February 27—Gad Rejwan, 34, is shot and killed early in the morning by one of his Palestinian employees in a factory in the Atarot industrial area, north of Jerusalem. Two Fatah groups issue a joint statement taking responsibility.

February 28—Sgt. Haim Bachar, 20, is killed during clashes with Palestinians in the Balata refugee camp near Nablus, when Israeli forces enter the camp to search for wanted terrorists.
March 1—Sgt. Ya'acov Avni, 20, is killed by Palestinian sniper fire in the Jenin refugee camp.

March 2—The bullet-ridden body of Jerusalem police detective Moshe Dayan, 46, is discovered next to his motorcycle near the Mar Saba Monastery in the Judean Desert. Fatah Tanzim claims responsibility.

March 2—A total of 11 people die and over 50 are injured, four critically, as a result of a suicide bombing at 7:15 P.M. on Saturday evening near a yeshivah in the ultra-Orthodox Beit Yisrael neighborhood in the center of Jerusalem, where people were gathered for a bar-mitzvah celebration. The terrorist detonates the bomb next to a group of women waiting with their baby carriages for their husbands to leave the nearby synagogue. The victims: Shlomo Nehmad, 40, his wife Gafnit 32, and their daughters Shiraz, 7, and Liran, 3; Shaul Nehmad, 15; Lidor Ilan, 12, and his sister Oriah, 18 months; Tzofia Ya'arit Eliyahu, 23, and her son Ya'akov Avraham, 7 months; later dying of their injuries are Avi Hazan, 37, on March 4, and Avraham Eliahu Nehmad, 7, on June 20. Fatah Al-Aqsa Martyrs Brigades claims responsibility.

March 3—Ten Israelis—seven soldiers and three civilians—are killed and six others injured when a lone terrorist, using a World-War-II-vintage Lee-Enfield bolt-action rifle, opens fire at an army roadblock near Ofra, in the northern West Bank. The victims are Capt. Ariel Hovav, 25; Lt. David Damelin, 29; Sgt. Rafael Levy, 42; Sgt. Avraham Ezra, 38; Sgt. Eran Gad, 24; Sgt. Yochai Porat, 26; Sgt. Kfir Weiss, 24; and civilians Sergei Butarov, 33, Vadim Balagula, 32, and Didi Yitzhak, 66. Fatah Al-Aqsa Martyrs Brigades claims responsibility.

March 3—Sgt. Steven Kenigsberg, 19, is killed and four other soldiers hurt when a Palestinian gunman opens fire near the Kissufim crossing in the Gaza Strip. Islamic Jihad and Tanzim claim responsibility.

March 5—Police officer Salim Barakat, 33, of Yarka; Yosef Habi, 52, of Herzliya; and Eli Dahan, 53, of Lod are killed and over 30 people wounded when a Palestinian terrorist opens fire with an assault rifle and throws grenades at the Seafood Market restaurant on Tel Aviv's busy Dereh Petah Tikva, not far from the Ma'ariv newspaper building, shortly after 2 A.M. The Fatah Al-Aqsa Martyrs Brigades claims responsibility. The assailant is killed, and security forces, apprehending other members of the gang later, learn that the perpetrators had originally planned to stage an attack in Jerusalem, but, finding nothing open, moved on to Tel Aviv, spotted the lights in the busy eatery where an engagement party was going on, and opened fire.
March 5—Deborah Friedman, 45, is killed and her husband injured in a shooting attack on the Bethlehem bypass “tunnel road” south of Jerusalem. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

March 5—Maharatu Tagana, 85, an Ethiopian immigrant from Upper Nazareth, is killed and a large number of people injured, most of them lightly, when a suicide bomber explodes in an Egged bus no. 823 as it enters the central bus station at Afula, in the Jezreel Valley of northern Israel. Islamic Jihad claims responsibility.

March 6—Lt. Pinhas Cohen, 23, is killed near the southern Gaza town of Khan Yunis in the course of antiterrorist activity. In a separate incident, reservist Alexander Nastarenko, 37, is killed when Palestinian gunmen cross the border fence and ambush an army jeep on the patrol road near Kibbutz Nir Oz, on the border of the Gaza Strip.

March 7—Five students—Arik Krogiak, Tal Kurtzweil, Asher Marcus, Eran Picard, and Ariel Zana, all 18—are killed and 23 others injured, four seriously, when a Hamas gunman penetrates the pre-military training academy in the Gush Katif settlement of Atzmona, in the Gaza Strip.

March 8—Sgt. Edward Korol, 20, is killed by a Palestinian sniper in Tul Karm.

March 9—Avia Malka, 9 months, of South Africa, and Israel Yihye, 27, are killed and about 50 people injured, several seriously, when two Palestinians open fire and throw grenades at cars and pedestrians in the coastal city of Netanya, close to the city’s boardwalk and hotels, after the end of Shabbat. The terrorists are killed by border police. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

March 9—Eleven Israelis—Limor Ben-Shoham, 27, Nir Borochov, 22, Danit Dagan, 25, Livnat Dvash, 28, Tali Eliyahu, 26, Uri Felix, 25, Dan Imani, 23, Natanel Kochavi, 31, Baruch Lerner, 29, Orit Ozerov, 28, and Avraham Haim Rahamim, 28—are killed and 54 injured, ten of them seriously, when a suicide bomber explodes at 10:30 on Saturday night in the crowded Moment Café at the corner of Aza and Ben-Maimon streets in the Rehavia neighborhood of central Jerusalem, less than two blocks from the prime minister’s residence.

March 10—Sgt. Kobi Eichelboim, 21, dies of wounds suffered when a Palestinian gunman disguised as a worker opens fire at the entrance to Netzarim, an isolated settlement in the Gaza Strip.

March 12—Security officer Eyal Lieberman, 42, is killed and another person wounded in a shooting attack near Kiryat Sefer east of Modi’in, about halfway between Tel Aviv and Jerusalem.
March 12—Yehudit Cohen, 33, Ofer Kanarick, 44, Alexei Kotman, 29, Lynne Livne, 49, and her daughter Atara, 15, and Lt. German Rozhkov, 25, are killed when two terrorists wearing IDF uniforms open fire from an ambush on Israeli vehicles traveling between Shlomi and Kibbutz Metzuba near the northern border with Lebanon. Seven others are injured. Israeli forces kill the two gunmen and carry out wide-scale searches for more terrorists.

Mar 13—Lt. Gil Badihi, 21, dies of his injuries after being shot in the head by Palestinian gunmen while standing outside his tank in Ramallah.

March 14—Three soldiers—Sgts. Matan Biderman, 21, Ala Hubeishi, 21, and Rotem Shani, 19—are killed and two soldiers injured early in the morning when a tank escorting a civilian convoy on the Karni-Netzarim road in the Gaza Strip drives over a land mine and terrorists hiding in a nearby mosque detonate the remote-controlled explosive charge. The Democratic Front for the Liberation of Palestine and the Fatah’s Al-Aqsa Martyrs Brigades both claim responsibility.

March 17—Noa Auerbach, 18, is killed and 16 people injured when a terrorist opens fire on passersby in the center of Kfar Saba, northeast of Tel Aviv. The gunman is shot and killed by police.

March 19—Lt. Tal Zemach, 20, is killed and three soldiers injured when Palestinian terrorists open fire on them in the Jordan Valley. Hamas claims responsibility.

March 20—Seven Israelis—Sgt. Michael Altfiro, 19, Sgt. Shimon Edri, 20, Senior Warrant Officer Meir Fahima, 40, Cpl. Aharon Revivo, 19, Alon Goldenberg, 28, Mogus Mahento, 75, and Bella Schneider, 53—are killed and about 30 people wounded, several seriously, in a suicide bombing of an Egged bus no. 823 traveling from Tel Aviv to Nazareth at the Musmus junction on Highway 65 (Wadi Ara) near Afula. Islamic Jihad claims responsibility.

March 21—Gadi (34) and Tzipi (29) Shemesh, of Jerusalem, and Yitzhak Cohen, 48, of Modi’in, are killed and 86 people injured, three of them seriously, in a suicide bombing on King George Street in the center of Jerusalem. The terrorist detonates the bomb, packed with metal spikes and nails, in the center of a crowd of shoppers. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

March 24—Esther Kleiman, 23, of Neve Tzuf, is killed in a shooting attack northwest of Ramallah, while traveling to work in a reinforced Egged bus.

March 24—Avi Sabag, 24, of Otniel, is killed in a terrorist shooting south of Hebron.
March 27—29 people are killed and 140 injured—20 seriously—in a suicide bombing in the Park Hotel in the coastal city of Netanya, in the midst of a Passover seder attended by 250 guests. Hamas claims responsibility. The victims: Shula Abramovitch, 63, of Holon; David Anichovitch, 70, of Netanya; Sgt.-Maj. Avraham Beckerman, 25, of Ashdod; Shimon Ben-Aroya, 42, of Netanya; Andre Fried, 47, of Netanya; Idit Fried, 47, of Netanya; Miriam Gutenzgan, 82, of Ramat Gan; Ami Hamami, 44, of Netanya; Perla Hermele, 79, of Sweden; Dvora Karim, 73, of Netanya; Michael Karim, 78, of Netanya; Yehudit Korman, 70, of Ramat Hasharon; Marianne Myriam Lehmann Zaoui, 77, of Netanya; Lola Levkovitch, 85, of Jerusalem; Furuk Na’imi, 62, of Netanya; Eliahu Nakash, 85, of Tel Aviv; Irit Rashel, 45, of Moshav Herev La’et; Yulia Talmi, 87, of Tel Aviv; St.-Sgt. Sivan Vider, 20, of Bekaot; Ernest Weiss, 79, of Petah Tikva; Eva Weiss, 75, of Petah Tikva; Meir (George) Yakobovitch, 76, of Holon. Later dying of their injuries: Hanah Rogan, 92, of Netanya; Zeev Vider, 50, of Moshav Bekaot; Alter Britvich, 88, and his wife Frieda, 86, of Netanya, on April 2–3; Sarah Levy-Hoffman, 89, of Tel-Aviv, on April 7; Anna Yakobovitch, 78, of Holon, on April 11; Eliezer Korman, 74, of Ramat Hasharon, on May 5.

March 28—Rachel and David Gavish, both 50, their son Avraham Gavish, 20, and Rachel’s father Yitzhak Kanner, 83, are killed when a terrorist infiltrates the community of Elon Moreh in Samaria, enters their home, and opens fire. Hamas claims responsibility.

March 29—Tuvia Wisner, 79, of Petah Tikva, and Michael Orlansky, 70, of Tel Aviv, are killed when a Palestinian terrorist infiltrates the Netzarim settlement in the Gaza Strip.

March 29—Lt. Boaz Pomerantz, 22, of Kiryat Shmona and St.-Sgt. Roman Shliapstein, 22, of Ma’ale Efriam, are killed in the course of the IDF antiterrorist action in Ramallah (Operation Defensive Shield).

March 29—Rachel Levy, 17, and Haim Smadar, 55, a security guard, both of Jerusalem, are killed and 28 people injured, two seriously, when a female suicide bomber blows herself up in the Kiryat Yovel supermarket in a western Jerusalem neighborhood. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

March 30—Sgt.-Maj. Constantine Danilov of the border police, 23, of Or Akiva, is shot and killed in Baka al-Garbiyeh during an exchange of fire with two Palestinians trying to cross into Israel to carry out a suicide attack. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

March 30—Rachel Charhi, 36, of Bat Yam, is seriously injured in a suicide bombing in a café on the corner of Allenby and Bialik
streets in Tel Aviv, and, on April 4, dies of her wounds. Some 30 others are also injured in the attack. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

March 31 — 15 people are killed and over 40 injured in a suicide bombing in Haifa, in the Matza restaurant near the Grand Canyon shopping mall. Hamas claims responsibility. The victims: Haifa residents Dov Chernobroda, 67; Shimon Koren, 55, and his sons Ran, 18, and Gal, 15; Moshe Levin, 52; Danielle Manchell, 22; Orly Ofir, 16; Aviel Ron, 54, his son Ofer, 18, and daughter Anat, 21; Ya’akov Shani, 53; Adi Shiran, 17; and Daniel Carlos Wegman, 50. Suheil Adawi, 32, of Turan, and Carlos Yerushalmi, 52, of Karkur, die on April 1 of wounds sustained in the attack.

April 1 — Sgt.-Maj. Ofir Roth, 22, of Gan Yoshiya, an IDF reserve soldier, is killed at a roadblock near Jerusalem’s Har Homa neighborhood by a Palestinian sniper firing from Beit Sahur, near Bethlehem.

April 1 — Tomer Mordechai, 19, of Tel Aviv, a policeman, is killed in Jerusalem when a Palestinian suicide bomber driving toward the city center blows himself up after being stopped at a roadblock. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

April 3 — IDF reservist Maj. Moshe Gerstner, 29, of Rishon Lezion is killed in Jenin during antiterrorist action (Operation Defensive Shield).

April 4 — Border police Supt. Patrick Pereg, 30, of Rosh Ha’ayin, head of operations in an undercover unit, is killed while attempting to arrest a wanted member of Fatah’s Al-Aqsa Martyrs Brigades.

April 4 — Sgt.-Maj.(res.) Einan Sharabi, 32, of Rehovot; Lt. Nissim Ben-David, 22, of Ashdod; and St.-Sgt. Gad Ezra, 23, of Bat Yam are killed during the IDF antiterrorist action in Jenin (Operation Defensive Shield).

April 5 — Sgt. Marom Moshe Fisher, 19, of Moshav Avigdor; Sgt. Ro’i Tal, 21, of Ma’alot; and Sgt. Oded Kornfein, 20, of Kibbutz Ha’on are killed in exchanges of fire between IDF troops and Palestinian gunmen in Jenin (Operation Defensive Shield).

April 6 — Sgt. Nisan Avraham, 26, of Lod, is killed and five other soldiers lightly injured when two Palestinian gunmen open fire and throw grenades at the entrance to Rafiah Yam in the Gaza Strip. The Palestinians, members of Islamic Jihad, are killed.

April 8 — Sgt. Matanya Robinson, 21, of Kibbutz Tirat Zvi, and Sgt. Shmuel Weiss, 19, of Kiryat Arba, are ambushed and killed by Palestinian gunfire in the Jenin refugee camp (Operation Defensive Shield).
April 9—Palestinians terrorists, detonating explosive devices and shooting from the rooftops of buildings, ambush an IDF patrol of reserve soldiers in the Jenin refugee camp; 13 soldiers are killed and seven injured. Those killed: Maj. (res.) Oded Golomb, 22, of Kibbutz Nir David; Capt. (res.) Ya'akov Azoulai, 30, of Migdal Ha'emek; Lt. (res.) Dror Bar, 28, of Kibbutz Einat; Lt. (res.) Eyal Yoel, 28, of Kibbutz Ramat Rachel; 1st Sgt. (res.) Tiran Arazi, 33, of Hadera; 1st Sgt. (res.) Yoram Levy, 33, of Elad; 1st Sgt. (res.) Avner Yaskov, 34, of Beersheba; Sgt. 1st Class (res.) Ronen Alshochat, 27, of Ramle; Sgt. 1st Class (res.) Eyal Eliyahu Azouri, 27, of Ramat Gan; Sgt. 1st Class (res.) Amit Busidan, 22, of Bat Yam; Sgt. 1st Class (res.) Menashe Hava, 23, of Kfar Sava; Sgt. 1st Class (res.) Shmuel Dani Mayzlish, 27, of Moshav Hemed; Sgt. 1st Class (res.) Eyal Zimerman, 22, of Ra'anana.

April 9—Maj. Assaf Assoulin, 30, of Tel Aviv, is killed in an exchange of fire in Nablus.

April 9—St.-Sgt. Gedalyahu Malik, 21, of Jerusalem is killed and 12 soldiers injured in Jenin when an explosive charge is thrown at a patrol.

April 10—Avinoam Alfia, 26, of Kiryat Ata; Sgt.-Maj. (res.) Shlomi Ben Haim, 27, of Kiryat Yam; Sgt.-Maj. (res.) Nir Danieli, 24, of Kiryat Ata; border police Lance Cpl. Keren Franco, 18, of Kiryat Yam; Sgt.-Maj. (res.) Ze'ev Hanik, 24, of Karmiel; border police Lance Cpl. Noa Shlomo, 18, of Nahariya; Prison Warrant Officer Shimshon Stelkol, 33, of Kiryat Yam; and Sgt. Michael Weissman, 21, of Kiryat Yam are killed and 22 people injured in a suicide bombing on Egged bus no. 960, en route from Haifa to Jerusalem, which explodes near Kibbutz Yagur, east of Haifa. Hamas claims responsibility.

April 12—Lt. Dotan Nahtomi, 22, of Kibbutz Tzuba, died of wounds sustained earlier in the week during IDF operations in Dura (Operation Defensive Shield).

April 12—Border policeman St.-Sgt. David Smirnoff, 22, of Ashdod, is killed and another four Israelis wounded when a Palestinian gunman opens fire near the Erez crossing, in the Gaza Strip. One Palestinian worker is killed and three wounded in the same shooting spree. Islamic Jihad claims responsibility.

April 12—Nissan Cohen, 57; Rivka Fink, 75; Suheila Hushi, 48; and Yelena Konrab, 43, all of Jerusalem; and Ling Chang Mai, 34, and Chai Siang Yang, 32, both foreign workers from China, are killed and 104 wounded when a female suicide bomber detonates a powerful charge at a bus stop on Jaffa Road at the entrance to Jerusalem's Mahane Yehuda open-air market. The Al-Aqsa Martyrs Brigades claims responsibility.
April 20—Border policeman St.-Sgt. Uriel Bar-Maimon, 21, of Ashkelon, is killed in an exchange of fire near the Erez industrial park in the northern Gaza Strip. Israeli forces pursue the Palestinian gunman and kill him, and find an explosive belt on his body. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

April 22—Sgt. Maj. Nir Krichman, 22, of Hadera, is killed in an exchange of gunfire, when IDF forces entered the village of Asira a-Shamaliya, north of Nablus, to arrest known Hamas terrorists.

April 27—Danielle Shefi, 5; Arik Becker, 22; Katrina (Katya) Greenberg, 45; and Ya'acov Katz, 51, all of Adora, a settlement west of Hebron, are killed when terrorists dressed in IDF uniforms and combat gear cut through the settlement's defensive perimeter fence, enter several homes, and fire upon people in their bedrooms. Seven other people are injured, one seriously. Hamas and the PFLP claim responsibility.

May 3—IDF officer Major Avihu Ya'akov, 24, of Kfar Hasidim, is killed and two other soldiers injured in Nablus in a raid against a terror cell that was planning a suicide attack in Israel.

May 7—15 people are killed and 55 wounded in a crowded club in Rishon Lezion, southeast of Tel Aviv, when a suicide bomber detonates a powerful charge, causing part of the building to collapse. Hamas claims responsibility. The victims: Esther Bablar, 54, of Bat Yam; Yitzhak Bablar, 57, of Bat Yam; Avi Bayaz, 26, of Nes Ziona; Regina Malka Boslan, 62, of Jaffa; Edna Cohen, 61, of Holon; Rafael Haim, 64, of Tel Aviv; Pnina Hikri, 60, of Tel Aviv; Nawa Hinawi, 51, of Tel Aviv; Rahamim Kimhi, 58, of Rishon Lezion; Nir Lovatin, 31, of Rishon Lezion; Shoshana Magmari, 51, of Tel Aviv; Dalia Masa, 56, of Nahalat Yehuda; Rassan Sharouk, 60, of Holon; Israel Shikar, 49, of Rishon Lezion; Anat Teremforush, 36, of Ashdod.

May 12—Nisan Dolinger, 43, of Pe'at Sadeh in the southern Gaza Strip, is shot and killed by a Palestinian laborer, who is apprehended.

May 19—Yosef Haviv, 70, Victor Tatrinov, 63, and Arkady Vieselman, 40, all of Netanya, are killed and 59 people injured—ten seriously—when a suicide bomber disguised as a soldier blows himself up in the market in Netanya. Both Hamas and the PFLP claim responsibility.

May 22—Elmar Dezhabrielov, 16, and Gary Tauzniaski, 65, both of Rishon Lezion, are killed and about 40 people wounded when a suicide bomber detonates himself in the Rothschild Street downtown pedestrian mall of Rishon Lezion.

May 24—Reserve Sgt. Oren Tzelnik, 23, of Bat Yam is killed and two soldiers wounded when terrorists open fire on their vehicle during a counterterrorist operation in Tul Karm.
May 27—Ruth Peled, 56, of Herzliya and her infant granddaughter Sinai Keinan, aged 14 months, of Petah Tikva, are killed and 37 people injured, some seriously, when a suicide bomber detonates himself near an ice-cream parlor outside a shopping mall in Petah Tikva. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

May 28—Albert Maloul, 50, of Jerusalem, is killed and his cousin wounded when shots are fired at the car in which they are traveling south on the Ramallah bypass road, returning home to Jerusalem from Eli, where they operate the swimming pool. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

May 28—Netanel Riachi, 17, of Kochav Ya'akov; Gilad Stiglitz, 14, of Yakir; and Avraham Siton, 17, of Shilo—three yeshivah high-school students—are killed and two others wounded in Itamar, southeast of Nablus, when a Palestinian gunman infiltrates the community and opens fire on the teenagers playing basketball. The killer is shot dead by a security guard. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

June 5—17 people are killed and 38 injured when a car packed with a large quantity of explosives strikes Egged bus no. 830, traveling from Tel Aviv to Tiberias, at the Megiddo junction near Afula. The bus bursts into flames and is completely destroyed and the terrorist, driving the car, is killed in the blast. Islamic Jihad claims responsibility. The victims: From Hadera—Zion Agmon, 50; Cpl. Liron Avitan, 19; Cpl. Dennis Blumin, 20; St.-Sgt. Eliran Buskila, 21; St.-Sgt. Zvi Gelberd, 20; Sgt. Violetta Hizgayev, 20; St.-Sgt. Ganadi Issakov, 21; Cpl. Vladimir Morari, 19; Sgt. Dotan Reisel, 22; and Cpl. Avraham Barzilai, 19. From Netanya—Sgt. Sariel Katz, 19; Sgt. Yigal Nedipur, 21; and St.-Sgt. David Stanislavksy, 23. Also, Sgt. Sivan Wiener, 19, of Holon; Adi Dahan, 17, of Afula; and Shimon Timsit, 35, of Tel Aviv. The body of the 17th victim, Eliyahu Timsit, 32, of Sderot, is not identified until December.

June 6—Erez Rund, 18, of Ofra, north of Ramallah, dies of gunshot wounds to the chest sustained in a shooting attack near his hometown, when Palestinian terrorists open fire from ambush.

June 8—St.-Sgt. Eyal Sorek, 23, of Carmei Tzur, in the Gush Etzion region, his nine-months-pregnant wife Yael, 24, and St.-Sgt.-Maj.(res.) Shalom Mordechai, 35, of Nahariya, are killed and five others injured when terrorists infiltrate Carmei Tzur and open fire at 2:30 A.M. on Shabbat morning. Hamas claims responsibility.

June 11—Hadar Hershkowitz, 14, of Herzliya, is killed and 15 others wounded when a Palestinian suicide bomber sets off a relatively small pipe bomb at a shawarma restaurant in Herzliya.
June 15—St.-Sgt. Haim Yehezkel (Hezki) Gutman, 22, of Beit El, and St.-Sgt. Alexei Gladkov, 20, of Beersheba, are killed and four soldiers wounded by terrorists near Alei Sinai and Dugit in the northern Gaza Strip. Hamas claims responsibility. Lt. Anatoly Krasik, 22, of Petah Tikva, dies of his wounds on June 22.

June 18—A total of 19 people are killed and 74 injured—six seriously—in a suicide bombing at the Patt junction in Egged bus no. 32A, traveling from Gilo to the center of Jerusalem with many students on their way to school. The bus is completely destroyed. Hamas claims responsibility. The victims: Jerusalemites Boaz Aluf, 54; Shani Avi-Zedek, 15; Leah Baruch, 59; Mendel Bereson, 72; Rafael Berger, 28; Michal Biazi, 24; Tatiana Braslavsky, 41; Galila Bugala, 11; Raisa Dikstein, 67; Dr. Moshe Gottlieb, 70; Baruch Gruani, 60; Orit Hayla, 21; Helena Ivan, 63; Shiri Negari, 21; Gila Nakav, 55; Yelena Plagov, 42; Liat Yagen, 24; Rahamim Zidkiyahu, 51; and Iman Kabha, 26, of Barta.

June 19—Noa Alon, 60, of Ofra; Gal Eisenman, 5, of Ma'ale Adumim; Michal Franklin, 22, of Jerusalem; Tatiana Igelski, 43, of Moldova; Hadassah Jungreis, 20, of Migdal Haemek; Gila Sara Kessler, 19, of Eli; and Shmuel Yerushalmi, 17, of Shilo, are killed and 50 people injured—three of them in critical condition—when a suicide bomber blows himself up at a crowded bus stop and hitch-hiking post at the French Hill intersection in northern Jerusalem shortly after 7:00 P.M., as people are returning home from work. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

June 19—Maj. Shlomi Cohen, 26, of Rehovot, and St.-Sgt. Yosef Talbi, 20, of Yehud, are killed and four soldiers wounded in Kalkilya when Palestinian gunmen open fire while the soldiers are pursuing two terrorists inside a building.

June 20—A terrorist enters the home of Rachel Shabo, 40, in Itamar, south of Nablus, shooting and killing her and three of her sons—Neria, 16, Zvika, 12, and Avishai, 5—as well as a neighbor, Yosef Twito, 31, who comes to their aid. Two other children are injured, as well as two soldiers. IDF forces kill the terrorist. The PFLP and the Fatah Al-Aqsa Brigades both claim responsibility.

July 10—IDF officer Capt. Hagai Lev, 24, of Jerusalem, deputy commander of a Givati reconnaissance unit, is killed by Palestinian sniper fire while conducting a search for tunnels used for weapons smuggling in Rafah, in the southern Gaza Strip. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

July 16—Nine people are killed and 20 injured in a terrorist attack on Dan bus no. 189 traveling from Bnei Brak to Emmanuel in
Samaria. The perpetrators, waiting in ambush and reportedly wearing IDF uniforms, detonate an explosive charge next to the bullet-resistant bus, and then open fire. Four terror organizations claim responsibility, but the attack is so similar to the one carried out on the same bus route on December 12, 2001, that the responsible party is apparently the same Hamas cell. The victims: Emmanuel residents Galila Ades, 42; Yonatan Gamliel, 16; Keren Kashani, 29; Sarah Tiferet Shilon, eight months; Gal Shilon (her father), 32; Ilana Siton, 35; and Zilpa Kashi (her grandmother), 65, of Givatayim. The premature infant delivered after its mother, Yehudit Weinberg, is seriously injured dies overnight. Yocheved Ben-Hanan, 21, of Emmanuel, critically wounded, dies July 18.

July 17—Lt. Elad Grenadier, 21, of Haifa, is killed and three soldiers wounded in an early-morning exchange of gunfire with the terrorists responsible for the attack in Emmanuel the day before.

July 17—Adrian Andres, 30, of Romania; Boris Shamis, 25, of Tel Aviv; and Xu Hengyong, 39, of China, are killed and 40 injured in a double suicide bombing on Neve Shaanan Street near the old central bus station in Tel Aviv. Two of those critically wounded subsequently die of their injuries: Li Bin, 33, of China (July 24), and Dmitri Pundikov, 33, of Bat Yam (July 25). Islamic Jihad claims responsibility.

July 25—Rabbi Elimelech Shapira, 43, of Peduel, is killed and another civilian injured in a shooting attack near the West Bank community of Alei Zahav, west of Ariel. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

July 26—St.-Sgt. Elazar Lebovitch, 21, of Hebron; Rabbi Yosef Dikstein, 45, of Psagot, his wife Hannah, 42, and their nine-year-old son Shuv‘el Zion were killed in a shooting attack south of Hebron. Two other of their children were injured. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

July 30—Shlomo Odesser, 60, and his brother Mordechai, 52, both of Tapuach in Samaria, are shot and killed when their truck comes under fire in the West Bank village of Jama‘in, near Ariel. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

July 31—Nine people—four Israelis and five foreign nationals—are killed and 85 injured, 14 of them seriously, when a bomb explodes in the Frank Sinatra student center cafeteria on the Hebrew University’s Mt. Scopus campus. The explosive device, planted inside the cafeteria, demolishes it. Hamas claims responsibility. The victims: David Diego Ladowski, 29, of Jerusalem; Levina Shapira, 53, of Jerusalem; Marla Bennett, 24, of California; Benjamin Blutstein, 25, of Pennsylvania; Dina Carter, 37, of Jerusalem (a U.S. immigrant);
Janis Ruth Coulter, 36, of Massachusetts; and David Gritz, 24, of Jerusalem (dual U.S.-French citizenship). Later dying of their wounds are Daphna Spruch, 61 (August 10) and Revital Barashi, 30 (August 13), both of Jerusalem.

August 1 — The body of Shani Ladani, 27, of Moshav Olash, is found bound and shot west of Tul Karm near the Green Line, in the industrial zone where he worked.

August 4 — Nine people are killed and some 50 wounded in a suicide bombing of Egged bus no. 361 traveling from Haifa to Safed, at the Meron junction in northern Israel. Hamas claims responsibility. The victims: Mordechai Yehuda Friedman, 24, of Ramat Beit Shemesh; Sari Goldstein, 21, of Karmiel; Maysoun Amin Hassan, 19, of Sajur; Marlene Menahem, 22, of Moshav Safsufa; Sgt.-Maj. Roni Ghanem, 28, of Maghar; Sgt. Yifat Gavrieli, 19, of Mitzpe Adi; Sgt. Omri Goldin, 20, of Mitzpe Aviv; Adelina Kononen, 37, of the Philippines; and Rebecca Roga, 40, of the Philippines.

August 4 — Yekutiel Amitai, 34, of Jerusalem, a security guard, and Nizal Awassat, 52, of the Jabel Mukaber neighborhood in East Jerusalem, are killed and 17 wounded when a Palestinian terrorist opens fire with a pistol near the Damascus Gate of Jerusalem’s Old City. Border police exchange fire with the gunman, killing him. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

August 5 — Avi Wolanski, 29, and his wife Avital, 27, of Eli, in the northern West Bank, are killed, and their three-year-old child injured when terrorists open fire on their car as they are traveling on the Ramallah-Nablus road. The Martyrs of the Palestinian Popular Army, a splinter group associated with Arafat’s Fatah movement, claims responsibility.

August 10 — Yafit Herenstein, 31, of Moshav Mechora in the Jordan Valley, is killed, and her husband, Arno, seriously wounded when a Palestinian terrorist infiltrates the moshav and opens fire outside their home. The terrorist is killed by soldiers.

August 20 — Sgt. Kevin Cohen, 19, of Petah Tikva, is killed by a sniper near Khan Yunis in the Gaza Strip.

September 5 — Lt. Malik Grifat, 24, of the Bedouin town of Zarzir, is killed and another soldier wounded when a Palestinian terrorist opens fire from a crowded school towards a patrol near Nitzanit in the northern Gaza Strip. The terrorist is killed.

September 5 — Sgt. Aviad Dotan, 21, of Moshav Nir Galim near Haifa, is killed and three soldiers wounded when a bomb weighing over 100 kgs. explodes under a Merkava tank near the Kissufim crossing in central Gaza Strip. An umbrella group representing several Palestinian factions claims responsibility.
September 18—The charred body of David Buhbut, 67, of Ma’ale Adumim, shot in the head, is found near el-Azzariya, a Palestinian village near his hometown, east of Jerusalem.

September 18—Yosef Ajami, 36, of Jerusalem, is killed when terrorists open fire on his car near Mevo Dotan, north of Jenin in the West Bank. The other occupant of the car, a foreign worker, is lightly injured. The Fatah Al-Aqsa Martyrs Brigades claims responsibility.

September 18—Police Sgt. Moshe Hezkiyah, 21, is killed and three people wounded in a suicide bombing at a bus stop at the Umm al-Fahm junction, not far from Haifa. The bomber, apparently planning to detonate the bomb after boarding a bus, sets the charge off early when approached by police for questioning. Islamic Jihad claims responsibility.

September 19—Six people—Solomon Hoenig, 79, of Tel Aviv; Yossi Mamistavlov, 39, of Or Yehuda; Yaffa Shemtov, 49, of Tel Aviv; Rosanna Siso, 63, of Gan Yavneh; Ofer Zinger, 29, of Moshav Petzael in the Jordan Valley; and Jonathan (Yoni) Jesner, 19, of Glasgow, Scotland, are killed and about 70 people wounded when a terrorist detonates a bomb in Dan bus no. 4 on Allenby Street, opposite the Great Synagogue in Tel Aviv. Hamas claims responsibility.

September 23—Shlomo Yitzhak Shapira, 48, of Jerusalem, is killed and three of his children wounded, one seriously, in a shooting attack near the Cave of the Patriarchs in Hebron. The family, from Jerusalem, had come to Hebron to celebrate Sukkot.

September 26—Naval Commando Capt. Harel Marmelstein, 23, of Mevasseret Zion, is killed while leading a search for wanted terrorists in the West Bank village of Labed near Tul Karm. Israeli soldiers kill senior Hamas terrorist Nisa’at Jaber in the action.

September 30—Sgt. Ari Weiss, 21, of Ra’anana, north of Tel Aviv, is killed and another soldier from the engineering battalion of the Nahal Brigade wounded when Palestinian gunmen open fire on an army position in the Nablus casbah. Islamic Jihad claims responsibility.

October 8—Oded Wolk, 51, of Modi’in, about halfway between Jerusalem and Tel Aviv, is critically wounded in an ambush shooting south of Hebron. He dies of his wounds the following day. Three other Israelis are injured in the attack when Hamas gunmen open fire on their car.

October 10—Sa’ada Aharon, 71, of Ramat Gan, is killed and about 30 people wounded when a suicide bomber blows himself up while trying to board Dan bus no. 87 across from Bar-Ilan University on the Geha highway east of Tel Aviv. Hamas claims responsibility.
October 21—Fourteen people are killed and some 50 wounded when a car bomb containing about 100 kgs. of explosives is detonated next to an Egged no. 841 bus from Kiryat Shmona to Tel Aviv traveling along Wadi Ara on Route 65 toward Hadera. The bus had pulled over at a bus stop when the Islamic Jihad bomber, from Jenin, driving a jeep, approaches from behind and explodes. The victims: Osnat Abramov, 16, of Holon; Indelou Ashati, 54, of Hadera; St.-Sgt. Liat Ben-Ami, 20, of Haifa; Ofra Burger, 56, of Hod Hasharon; Cpl. Ilona Hanukayev, 20, of Hadera; Suad Jaber, 23, of Taibe; Iris Lavi, 68, of Netanya; Sgt.-Maj.(res.) Eliezer Moskovitch, 40, of Petah Tikva; St.-Sgt. Nir Nahum, 20, of Carmiel; Sgt. Esther Pescachov, 19, of Givat Olga; St.-Sgt. Aiman Sharuf, 20, of Ussfiyeh; Sergei Shavchuk, 35, of Afula; Anat Shimshon, 33, of Ra’anana; and Cpl. Sharon Tubol, 19, of Arad.

October 27—Maj. (res.) Tamir Masad, 41, of Ben Shemen; Lt. Matan Zagron, 22, of Itamar; and Sgt.-Maj. Amihud Hasid, 32, of Tapuah, are killed and about 20 people wounded in a suicide bombing at the Sonol gas station at the entrance to Ariel in the northern West Bank. The three are killed while trying to prevent the Hamas terrorist from detonating the bomb.

October 29—Three residents of the West Bank settlement of Hermesh—Orna Eshel, 53, and Linoy Saroussi and Hadas Turgeman, both 14— are killed and two others wounded when a terrorist armed with a Kalashnikov assault rifle and wearing an explosives belt opens fire after infiltrating the settlement. The Al-Aqsa Brigades terrorist is shot dead.

November 4—Security guard Julio Pedro Magram, 51, of Kfar Sava, and Gastón Perpínal, 15, of Ra’anana, both recent immigrants from Argentina, are killed and about 70 people wounded in a suicide bombing at a shopping mall in Kfar Sava. Islamic Jihad claims responsibility.

November 6—Assaf Tzfira, 18, of B’dolah, and Amos Sa’ada, 52, of Rafiah Yam, in the Gaza Strip, are killed by a terrorist who opens fire in a hothouse and textile factory at Pe’at Sadeh in the southern Gaza Strip. A security officer kills the Hamas terrorist.

November 9—Sgt.-Maj. Madin Grifat, 23, of Beit Zarzir, is killed when a mine explodes during a routine patrol northeast of Netzarim in the Gaza Strip. The Givati Brigade company commander is wounded. Islamic Jihad claims responsibility.

November 10—Revital Ohayon, 34, and her two sons, Matan, 5, and Noam, 4, as well as Yitzhak Dori, 44—all of Kibbutz Metzer—and Tirza Damari, 42, of Elyachin, are killed when a terrorist infiltrates the kibbutz, located east of Hadera near the Green Line, and opens fire. This kibbutz is known for its good relations with its neighbors.
on both sides of the Green Line frontier. Fatah Al-Aqsa Martyrs Brigades claims responsibility.

November 15—Twelve people—nine soldiers and three civilians from the Kiryat Arba emergency response team—are killed and 15 others wounded in Hebron when Palestinian terrorists open fire and throw grenades at a group of Jewish worshipers and their guards as they are walking home from Sabbath prayers at the Cave of the Patriarchs. Three terrorists are killed in the attack, which is claimed by Islamic Jihad. The victims: Col. Dror Weinberg, 38, of Jerusalem; border police officer Samih Sweidan, 31, of Arab al-Aramsha; Sgt. Tomer Nov, 19, of Ashdod; Sgt. Gad Rahamim, 19, of Kiryat Malachi; St.-Sgt. Netanel Machluf, 19, of Hadera; St.-Sgt. Yeshayahu Davidov, 20, of Netanya; Sgt. Igor Drobitsky, 20, of Nahariya; Cpl. David Marcus, 20, of Ma’aleh Adumim; and Lt. Dan Cohen, 22, of Jerusalem. The three local civilians killed are Yitzhak Buanish, 46; Alexander Zwitman, 26; and Alexander Dohan, 33.

November 18—Esther Galia, 48, of Kochav Hashahar, is killed in a shooting attack near Rimonim, on the Allon Road that runs along the eastern edge of the West Bank hills, some 15 kilometers northeast of Ramallah.

November 21—Eleven people are killed and some 50 wounded by a suicide bomber on Mexico Street in the Kiryat Menahem neighborhood of Jerusalem while riding on an Egged no. 20 bus filled with passengers, including schoolchildren, traveling toward the center of the city during rush hour. Hamas claims responsibility. The dead: Jerusalemites Hodaya Asraf, 13; Marina Bazarski, 46; Hadassah (Yelena) Ben-David, 32; Sima Novak, 56; Kira Perlman, 67; her grandson, Ilan Perlman, 8; Yafit Revivo, 14; Ella Sharshevsky, 44; her son Michael Sharshevsky, 16; and Dikla Zino, 22; and Mircea Varga, 25, a tourist from Romania.

November 22—Army tracker Sgt.-Maj. Shigdaf (Shai) Garmai, 30, of Lod, is killed when an IDF Givati Brigade patrol near Tel Qateifa, in the Gaza Strip, comes under fire. Hamas claims responsibility.

November 28—Noy and Dvir Anter, aged 12 and 14, of Ariel, and Albert (Avraham) de Havila, 60, of Ra’anana, are killed along with ten Kenyans when a car bomb explodes in the lobby of the Israeli-owned beachfront Paradise Hotel, frequented almost exclusively by Israeli tourists, near Mombasa, Kenya; 21 Israelis are among the 80 wounded. Al Qaeda claims responsibility for the attack as well as for the unsuccessful attempt, at nearby Mombasa Airport, to shoot down a Boeing airplane chartered by Arkia, the Israeli airline, with more than 250 people aboard, by firing Soviet-made surface-to-air missiles.

November 28—Haim Amar, 56; Ehud (Yehuda) Avitan, 54; Mordechai Avraham, 44; Ya’acov Lary, 35; and David Peretz, 48—
all of Beit She'an; and Shaul Zilberstein, 36, of Upper Nazareth, are killed and about 40 wounded when two Al-Aqsa Martyrs Brigades terrorists open fire and throw grenades at the Likud polling station in Beit She'an, near the central bus station, where party members are voting in the Likud primary election.

December 12—Cpl. Keren Ya’akobi, 19, of Hadera, and Sgt. Maor Halfon, 19, of Kiryat Yam, are killed while on guard near the Tomb of the Patriarchs in Hebron. The killing takes place on Worshipers Way, near the spot where 12 Israelis were killed in an ambush on November 15.

December 20—Rabbi Yitzhak Arama, 40, of Netzer Hazani in Gush Katif, in the Gaza Strip, is shot and killed on the Kissufim corridor road while driving with his wife and six children to attend a pre-wedding Sabbath celebration. Islamic Jihad claims responsibility.

December 27—Four yeshivah students—Sgt. Noam Apter, 23, of Shilo; Pvt. Yehuda Bamberger, 20, of Karnei Shomron; Gavriel Hoter, 17, of Alonei Habashan; and Zvi Zieman, 18, of Re’ut—are killed in Otniel, south of Hebron, while working in the yeshivah kitchen serving Shabbat meals to some 100 students in the adjacent dining room. The two terrorists from Islamic Jihad, which claims responsibility, are killed by Israeli forces. Ten other Israelis, including six soldiers, are wounded in the attack.

Other Security Matters

Phalcon Sale Settled

In March, Israel and China signed a deal settling a two-year-old dispute over the cancellation of the $500 million sale of the Phalcon airborne command post to Beijing. The original agreement—which included no American components or technology, and so gave Washington no automatic veto right over it—was canceled by then-prime minister Ehud Barak in 2000 under American pressure (see AJYB 2001, pp. 505–06). In June, however, the U.S. warned Israel against future arms sales to China, particularly if the weapons sold might affect American military operations in the Far East.

Anti-Extradition

In early August, Israel and the U.S. signed an agreement limiting the extradition of their citizens to the International Criminal Court (ICC)
in The Hague. The agreement banned automatic extradition to the court, which came into being in July. Although both countries signed the international court charter at the end of 2000, neither ratified it. Israel feared that the ICC might be used to bring cases against the Israeli army for operations in the Territories, and against settlement activities. In June, Foreign Ministry legal adviser Alan Baker explained that Israel was “fully supportive” of the idea of such a court, but worried about implementation. “A major concern,” he said, “is that the court will be subjected to political pressures and its impartiality will be compromised. Israel has recently witnessed many international bodies, established for the highest goals such as protecting human rights and fighting racism, cynically abused and turned into political tools.” He added that Israel would watch closely to see if the court met the test of impartiality.

**Spy Satellite**

Ofek 5, an Israeli intelligence-gathering satellite, was launched into earth orbit on May 28 from the Palmahim military base on the seacoast south of Rishon Lezion. The satellite—which gave Israel the observation capacity lost when Ofek 3 “died” in 2000 and Ofek 4 failed to enter orbit—was built by the government-owned Israel Aircraft Industries and set aloft by a launch vehicle manufactured by the Rafael Arms Development Authority.

**Hijack Attempt?**

Tawfik Foukra, 23, an Israeli Arab, was taken into custody in Istanbul on November 17 after he had reportedly attempted to hijack an Israeli El Al airliner just before landing at Atatürk International Airport. Foukra was overpowered by guards after allegedly attacking a flight attendant with a pocket knife and trying to enter the cockpit. According to some reports, Foukra told his Turkish interrogators that he intended to force the pilot to return to Israel and crash the plane into one of Tel Aviv’s skyscrapers, September 11-style. During the flight, Foukra raised suspicion by his frequent trips to the bathroom.

Foukra’s relatives—and the suspect himself—subsequently denied the charges. According to some reports, Foukra was not even holding the knife when two armed El Al security guards tackled him in the plane’s business section. Though Israel asked for the man’s extradition, Turkish officials held Foukra and he was due to stand trial there in January 2003.
TERROR AND THE LAW

Police said on May 26 that the soldier who shot a handicapped man thinking he was a terrorist was acting properly. The man, with a heavy beard and wearing a thick coat, tried to board a bus traveling from Kfar Saba to Tel Aviv, paid his fare with a new 50-shekel banknote, refused to respond when spoken to, and failed to sit down when there were empty seats on the bus. As the man was getting off the bus and lifting his shirt to show he had no explosive belt, the commotion wakened a sleeping soldier, who shot the man in the thigh.

On September 4, Israel expelled Intisar and Kifah Ajouri from their homes in the Assacre refugee camp near Nablus and transferred them to Gaza, one day after the Supreme Court approved the action. The two sisters were accused of hiding and acting as look-outs for their brother, Ali Ajouri—a man who had planned several suicide bombings, including one in Tel Aviv that claimed five lives, and had been killed in an Israeli military operation on August 6. Attorney General Elyakim Rubinstein argued for the expulsion on the grounds that the women had a direct connection with the terror acts. The Supreme Court ruled that the move did not come under the category of “collective punishment” barred by the Fourth Geneva Convention on the treatment of civilians under military occupation, but rather represented an “assigned residence” permissible under the convention. Although, the judges said, every person has a basic right to remain in his or her place of residence, the convention recognizes circumstances where this right may be overridden for “imperative reasons of security.”

Nevertheless, the court did not allow the expulsion of a third Palestinian, Abd al-Nasser Assida, who, it ruled, had not aided in the perpetration of a terrorist crime, but had merely given his brother, Nassar al-Din Assida, food and clean clothes in his home. In its judgement, the court said: “Our role as judges is not easy. We are doing all we can to balance properly between human rights and the security of the area. In this balance, human rights cannot receive complete protection, as if there were no terror, and state security cannot receive full protection, as if there were no human rights. A delicate and sensitive balance is required. This is the price of democracy.”

This explanation did not prevent Yasir Arafat from calling the expulsions a “crime against humanity that violates all human and international laws,” or Fred Eckhard, a spokesman for UN secretary-general Kofi Annan, from proclaiming that “such transfers are strictly prohibited by
international humanitarian law and could have very serious political and security implications.”

The army’s use of what it called the “neighbor practice,” in which local people were forced to go to the door of suspected terror hideouts in the West Bank and Gaza, attracted a good deal of criticism during Operation Defensive Shield in the spring. A number of human-rights groups, including the Association for Civil Rights in Israel and the B’Tselem group, which monitored the situation in the Territories, argued that the practice was, in effect, the employment of human shields. In August, the IDF said it had suspended the practice, but the human-rightst groups, citing evidence to the contrary, petitioned the Supreme Court. In December, the court issued an injunction forbidding it.

**A Master Terrorist Dies**

Palestinian master terrorist Sabri al-Bana, better known by his nom de guerre, Abu Nidal, committed suicide in Baghdad, Iraq, on August 16. Abu Nidal had been leader of the Revolutionary Council of Fatah (also known as the Abu Nidal Group), a radical Palestinian organization responsible for attacks on Israelis, Westerners, and rival Palestinians. The head of Iraqi intelligence, Taher Jaleel al-Haboush, said that Abu Nidal shot himself after Iraqi security officers attempted to arrest him for illegally entering the country, and that coded messages had been found at Abu Nidal’s apartment showing that he had been on the payroll of a country that al-Haboush would not identify. According to some Western news reports, Abu Nidal had been plotting with Kuwait to overthrow the government of President Saddam Hussein. A statement issued by the Revolutionary Council of Fatah said that Abu Nidal had been assassinated by “an intelligence apparatus.”

**Political Developments**

*Reshuffling the Coalition*

The Likud-led coalition government entered the year with the backing of 81 of the 120 members of Knesset. The first defections came on March 15, when the seven MKs from the right-wing National Union-Yisrael Beitenu withdrew and its two men in the cabinet—Infrastructure Minister Avigdor Lieberman and Tourism Minister Benny Elon—resigned.
The faction said it was leaving because Sharon had caved in on the principle of not negotiating under fire, going back on the demand for seven days of quiet as a prior condition for political negotiations.

But Sharon reinforced his government the next month, on April 9, when he took in two parties that had been in opposition—the National Religious Party (NRP), with five seats, and Gesher, a breakaway from what had been Ehud Barak’s One Israel in the 2001 election, with three. Three new ministers-without-portfolio were named: Efi Eitam, the newly chosen leader of the NRP, a former army officer who had become religious rather recently; former NRP leader Yitzhak Levy; and Gesher’s David Levy, the former Likud foreign minister who had left the party in the late 1990s. Eitam was by far the most controversial of the three, having taken some extreme positions on security and territorial issues. Referring to Eitam, Meretz leader Yossi Sarid went so far as to say that he was “ashamed as a Jew” to live in a country where a “racist” sat in the government.

On May 20, two ultra-Orthodox parties that were members of the government—Shas, the 17-MK Sephardi party, and the five-MK United Torah Judaism (UTJ)—violated coalition discipline as enough of their MKs voted with the opposition or abstained to defeat Sharon’s emergency economic program, the so-called Economic Defensive Shield. Both parties opposed provisions to cut by 24 percent government child allowances for families in which neither of the parents had served in the army, a proposal that hit directly at the ultra-Orthodox—and at Arab Israelis. Sharon retaliated by dismissing the four Shas cabinet ministers—Eli Yishai, Interior; Asher Ohana, Religious Affairs; Nissim Dahan, Health; and Shlomo Benizri, Labor and Social Affairs (as a matter of principle, UTJ held no cabinet positions). The two parties left the government, bringing the strength of Sharon’s coalition down from 82 seats to 60, one less than a majority.

Ironically, the move actually strengthened the government. Sharon’s tough stand, especially vis-à-vis Shas—widely disliked by the secular public for squeezing financial concessions from many Israeli governments for its own pet programs and organizations—won him public and parliamentary support. The identical budget proposal that was defeated 47-44 on May 20, passed 65-26 in a new first reading on May 22. Even many parliamentarians who said they opposed the cuts in social welfare programs praised Sharon for standing up to Shas’s pressure.

But it did not take long before Shas and its ministers were back inside the coalition. On June 3, the party agreed to support the economic aus-
terity program the next time it came up in the Knesset, though Sharon granted it the right to raise its objections in Knesset committees before the final vote.

The Road to New Elections

Labor's decision to enter Sharon's unity government in March 2001 had been controversial within the party, with some fearing that it would prevent Labor from articulating a political vision distinct from that of Likud (see AJYB 2002, p. 530). Although the party leadership insisted that remaining inside the government provided some leverage over policy decisions, Labor uneasiness with the coalition situation continued on into 2002. Its most dramatic display came in June, when Labor MK Yossi Beilin, one of Labor's leading doves and an architect of the Oslo peace process with the Palestinians, formed a new political movement, Shahar (Dawn), which some observers saw as the potential beginning of a new social democratic party.

The decision to pull out of the government—and bring it down—was finally made by the man most instrumental in forging the coalition in the first place, Labor leader and Defense Minister Binyamin Ben-Eliezer, who led his party out of Ariel Sharon's 17-month-old national unity government on October 30. The withdrawal of the 26 Labor members denied the ruling coalition the necessary majority of 61 seats in the 120-member Knesset. Sharon, eager to preserve his national unity coalition, was unable to convince Ben-Eliezer to stay.

The ostensible reason for Labor's exit was its objection to the 2003 budget, which was up for Knesset approval: Labor voiced opposition to severe cuts in social programs, including payments from the National Insurance Institute, the Israeli equivalent of social security. But the real reason, observers said, was Ben-Eliezer's standing in the battle for the leadership of Labor. The party primary was to be held three weeks later, and Ben-Eliezer was trailing far behind challenger Amram Mitzna, the mayor of Haifa, and he needed a dramatic gesture to turn the race around.

After the Labor resignations took effect, Sharon set about rebuilding his government, naming former prime minister Netanyahu—who would be his own rival in the Likud leadership election at the end of November—as foreign minister in place of Shimon Peres, and tapping Shaul Mofaz, a hard-line general who had left the army as chief of staff in July, to replace Ben-Eliezer as defense minister.
Though he survived three no-confidence votes in the Knesset on November 4, only because the right-wing National Union-Yisrael Beitenu abstained so as not to automatically trigger new elections, Sharon saw that he could not cobble together anything more than a razor-thin majority for any coalition he might form, and that the survival of any such government would constantly be at the mercy of small parties inside the cabinet. So on November 5, Sharon gave up plans to form a new coalition and informed President Katzav that he wished to dissolve the Knesset and hold fresh elections within 90 days. Sharon explained that he was unwilling to accede to the demands of National Union-Yisrael Beitenu that, as a condition for its entering the government, he reject the “road map” advanced by the U.S. and the other members of the Quartet, and the future establishment of a Palestinian state.

On November 11, the Knesset reached agreement on January 28, 2003, as the date for elections to the 16th Knesset. The 15th Knesset, now coming to an end, had been elected in May 1999; Sharon became prime minister in February 2001, in a special election for the prime minister only, under a law for the direct election of the prime minister, which had subsequently been repealed. Thus in the 2003 elections, Israel’s voters would cast a single ballot for a party list, with the leader of the largest party, or the party able to put together a coalition, as prime minister. That system had been in effect for the first 13 Knesset elections; a dual-ballot system, including direct election of the prime minister and a separate vote for the Knesset, was in effect only for the 1996 election, won by Netanyahu, and the 1999 victory of Ehud Barak over Netanyahu.

The Primaries

Amram Mitzna, a newcomer to Israeli national politics, won the Labor leadership in the party’s primary election on November 19, with 57 percent of the ballots cast. Ben-Eliezer, the incumbent leader, was second with 35 percent, and veteran Labor politician and former minister Haim Ramon came in third with 8 percent. In the party’s Knesset primaries, MKs Yossi Beilin and Yael Dayan—outspoken opponents of the recent coalition with Likud—failed to win “safe” places on the Labor Knesset list, and joined the left-wing party Meretz in December.

Mitzna, Haifa’s mayor for a decade, had been a high-ranking military officer and headed the Central Command. He had publicly and emphatically differed with Sharon before and during the Lebanon war. Although public-opinion polls showed him doing better against Sharon than any
other potential Labor candidate, he was given little chance of leading Labor to victory in the general election. It was expected that Labor would win around 20 seats in the 120-member Knesset, trailing far behind Likud, which anticipated well over 30 and perhaps as many as 40 seats. Mitzna’s platform included a pledge to make a strong effort to reach agreement with the Palestinians within a year, and, if that did not happen, to withdraw from the West Bank and Gaza and dismantle many, though not all, of the Israeli settlements in the Territories.

Former prime minister and current foreign minister Benjamin Netanyahu challenged Sharon in the Likud primaries. Less than two years previously, Netanyahu probably could have won the contest for leadership of the Likud, and then faced the free-falling Ehud Barak in the February 2001 special election for prime minister. But Netanyahu backed out of the race at that time, saying he would run only if there were also a general election for the Knesset; becoming prime minister with the parliamentary constellation that then existed in the Knesset would be an exercise in futility, Netanyahu reasoned, leaving the field open to Ariel Sharon.

During 2001, Netanyahu led Sharon in the opinion polls, and even as late as the middle of 2002, Netanyahu and his supporters were confident that they could unseat Sharon in the November 29 Likud leadership primary, where about 300,000 registered Likud members would make the decision, and then lead the party in the next national elections, then scheduled for the fall of 2003. On May 12, 2002, in an impressive display of their clout within the Likud leadership, the Netanyahu forces got the 2,500-strong Likud Central Committee to adopt a resolution stating that the party would never accept the creation of a Palestinian state. This was considered a major blow to Sharon, who had often publicly said he did not oppose the creation of such a state—though his view of the nature of a Palestinian state differed significantly from that of the Palestinians and that of the Labor Party.

But by the week of the primary contest, the once-confident Netanyahu backers, citing the media and pollsters, recognized the foregone conclusion of a drubbing at the ballot box. Sharon cruised to a landslide triumph, capturing over 60 percent of the vote. This decisive win, observers said, was due largely to the many new rank-and-file party members recruited by the Sharon camp in recent months. Widespread expectations that the prime minister would score a decisive victory over Netanyahu served to mute responses to the Sharon victory, as did public concern over the terror attacks at Beit She’an and Mombasa.
The Likud held its internal primary, to choose its list of Knesset candidates, on December 8. The election of the slate, by 2,940 members of the party's Central Committee, was billed as a "celebration of democracy"; instead, it turned into an ugly spectacle of corruption and malfeasance that, at least briefly, cut into the party's strong lead in the public-opinion polls and seemed to endanger its chances in the 2003 elections. Almost inexplicably, relative unknowns came in ahead of national figures in the voting, strongly suggesting foul play. (Relative placement on the party list is important, sometimes vital, in Israel's unique electoral system, where if, say, a party wins 15 Knesset seats, candidates numbered 1-15 are elected, while number 16 is out in the cold.) For example, Inbal Gavrieli, 27, whose previous experience was as a waitress but whose family owned casinos, placed 28th on the party's list, and Ruhama Avraham, former office manager to Benjamin Netanyahu, was 18th, while Ehud Olmert, the mayor of Jerusalem mooted as a leading candidate for a senior ministerial post in the next Sharon government, came in 32nd. There were charges of cash payments by candidates or their supporters to "vote contractors" in exchange for large blocs of votes, and suggestions that candidates had treated prospective voters to long weekends at hotels and other illegal favors.

The first to go public with a complaint was Nehama Ronen, who had joined the Likud after serving as director general of the Environment Ministry in the mid-1990s, was an MK from the now-defunct Center Party in the outgoing Knesset, and had not won a spot in the primaries. She said that several Central Committee members told her that if she paid them money they would not only vote for her but also make sure that other members loyal to them would do so as well. Another losing candidate, Haim Cohen, reportedly told authorities that a committee member demanded a $70,000 bribe—the man allegedly approached him and "made a sign with his fingers that he wanted cash"—to guarantee a "safe" spot.

On December 14, Attorney General Elyakim Rubinstein instructed National Police Chief Shlomo Aharonishky to start a criminal investigation into the accusations. Shortly thereafter, police arrested and held two Likud members for interrogation. The two—Gil Haddad and Haim Naim—were named by former MK Akiva Nof as demanding bribes for some 45 votes they claimed to control. Police sources said one of the key elements of corruption in Likud was the entrenched system of collecting...
money from candidates to pay for campaign expenses, and that it would not be easy to translate such practices into criminal counts. Police also reported "enormous" pressure by senior Likud officials against anyone from the party giving evidence.

Investigators summoned Deputy Infrastructure Minister Naomi Blumenthal, a serving Likud MK, to talk about reports that she had paid for several rooms at the posh City Tower Hotel in Ramat Gan for Central Committee members on the night before the primaries. Blumenthal, who had finished ninth on the Likud list, refused to testify, invoking her right to remain silent.

The scandal also swirled around alleged mob figures who had gained posts in the Likud party infrastructure, though not the Knesset list, including convicted racketeer Moussa Alperon, a new member of the Likud election committee, and Shlomi Oz, who had served 32 months in prison for extortion and conspiracy. Commentators called the Likud vote "crimaries" and warned of the danger to the entire society. Menachem Amir, professor of criminology at the Hebrew University of Jerusalem, said this was the first time "that criminal elements so bluntly promoted people to enter into the Knesset. There is a threat to democracy if your legislators represent crime groups. The very symbol of democracy is the legislator." Amir Oren, writing in Ha'aretz, argued: "The problem is not the means of procuring seats in Knesset, but its purpose. Organized crime has spawned a political wing, and is penetrating the government echelons. It is literally taking the law into its own hands. Its influence will be felt in legislation, votes (for the Judicial Selection Committee, the president—the vital partner in the pardoning process—and the state comptroller) and the immunity granted from surveillance of home, office, car and telephones registered in the name of an MK."

There were also reports that Sharon's son, Omri, who placed 26th on the Likud list, had links with Oz and other crime figures. The prime minister strongly denied the charges against his son. "My son Omri had nothing to do with criminal elements who managed to get into the central committee," Sharon told the government-owned Channel One, as polls showed Likud voters drifting away. Analysts who had originally seen a large Likud victory as a foregone conclusion began hedging their bets. "The question is how many solid seats the Likud has, how low the party can go, and how high up in the party ranks the police investigation will reach," said Ma'ariv political analyst Hemi Shalev.

In mid-December, the Central Elections Committee (CEC) had to deal with petitions brought to remove several Knesset candidates from the
contest, under provisions of a section of the law that allowed the disqualification of parties or candidates that denied the legitimacy of the State of Israel as a Jewish and democratic state, incited to racism, or supported the armed struggle of an enemy state or a terrorist organization against the State of Israel. One petition, brought by Attorney General Rubinstein, sought to disqualify controversial Arab MK Azmi Bishara and his Balad (National Democratic Assembly) list; others, brought by members of right-wing parties in the Knesset, requested the disqualification of MKs Abdulmalk Dehamshe of the United Arab List and Ahmad Tibi of Ta‘al, and of both the United Arab List and the joint list presented by Ta‘al and the (mostly Arab) Democratic Front for Peace and Equality. Another request sought to eliminate the candidacy of Baruch Marzel, who was second on the Herut list of MK Michael Kleiner (Kleiner’s faction had taken the historical name of the party founded by the legendary Likud leader, Menachem Begin) because of Marzel’s association with the banned Kach movement.

The CEC, chaired by Supreme Court Justice Mishael Cheshin, was made up of 41 representatives of all the parties in the outgoing Knesset—8 Labor, 6 Likud, 5 Shas, 3 Meretz, 2 Shinui, 2 Center, 2 National Union, 2 United Torah Judaism, and one each for all the other parties, including five representatives of the Arab parties. This was to be the first time the CEC would decide on the eligibility of individual candidates, under an amendment to the Basic Law passed in May 2002.

**ECONOMIC DEVELOPMENTS**

Economy in the Doldrums

At the end of 2002, the Central Bureau of Statistics (CBS) reported that in terms of the key economic indicator of growth, the past year had been the worst in Israel’s economic history since 1953. The Gross Domestic Product, the total value of goods and services created by the economy over the year, fell by 1 percent, following a decline of 0.9 percent in 2001. The last time the economy had suffered two consecutive years of negative GDP growth had been 1952–53, during the difficult period after the creation of the state in 1948. The decline continued in 2002 despite the passage of two emergency plans during the course of the year—Operation Economic Defensive Shield in May, and a second budgetary revision in July.
The Labor Party was quick to jump on the figures and use them to criticize Likud. The Laborites blamed “the worst year in half a century” on the failure of the Likud finance minister, Silvan Shalom, to manage the economy. In response, Prime Minister Sharon called in the head of the CBS, which subsequently issued a “clarification” noting the difference between the primitive economic conditions that existed in 1953, when Israel was an infant state, and the developed, sophisticated economy of 2002. The CBS now also noted that GDP growth was just one of many statistics that ought to be considered when judging the performance of the Israeli economy.

Political nuances aside (the debate took place less than a month before the Knesset elections) no one doubted that the performance of the economy was dismal, and that actual economic growth was, in fact, much lower than the official figure of -1 percent, which did not account for a population growth of about 2 percent in 2002. The really significant figure was not GDP, but per capita GDP. That fell by 3 percent in 2002. Standing at $15,600 for the year, it was far behind the $17,000 of the late 1990s, though still an improvement over the $12,000 recorded at the start of that decade. Other key figures followed a similar downward trend. Business GDP was down 3.1 percent, and private consumption declined 0.6 percent due to the continuing recession, while unemployment remained at over 10 percent.

One key factor in this dismal picture was the continuing violence of the Palestinian intifada, which had started in October 2000 and continued unabated through all of 2001 and 2002. Particularly hard-hit was the tourism industry, which in the good days of the mid-to-late 1990s had produced income in excess of $1.5 billion, and created tens of thousands of jobs. But there were two other elements as well—the worldwide recessionary trend, particularly in the aftermath of the September 11 terror attacks, and the growing crisis in high-tech industries, which had previously been an engine of rapid growth in exports. Taken together, these three factors undermined many of the economic accomplishments of the previous decade. The erosion in financial and political stability, naturally, was not lost on international rating agencies and investors, who became more cautious about placing their money in Israel.

Inflation and Deficits

But there were major differences between 2002 and other recession years, largely because of the inflation rate. The Consumer Price Index,
as calculated by the CBS, rose by 6.5 percent for all of 2002—more than double the government’s planned rate of 3 percent as envisioned in the annual budget. This was the highest rate since 1998, and it would have been even higher had the CPI not dropped by 0.8 percent in November and 0.3 percent in December. Inflation is particularly worrisome in a recession, when low demand usually keeps prices—and a rise in the cost of living—down.

The main reason for the high inflation was the shekel’s decline against major foreign currencies—by 25 percent against the euro, 21 percent against the British pound sterling and 10 percent against the dollar. There were other factors as well. One was a 1-percent increase in the Value Added Tax (sales tax) as part of the July austerity program, and increases in the cost of energy (24.5 percent for electricity, 18.6 percent for household gas, 51 percent for kerosene). The shekel’s decline was also influenced by a natural weakening of the currency in the faltering economy. But the interest-rate policy of the governor of the Bank of Israel, David Klein, also played a role. Klein had drastically lowered basic interest rates in late 2001 as part of a deal he struck with Finance Minister Silvan Shalom and Prime Minister Sharon, who had promised that the reduction would be accompanied by major cuts in government spending. Klein made the mistake of acting first. His lowering of interest (without a compensatory budget cut) in January and February 2002 tempted local and foreign investors, who had been putting their money into shekels to take advantage of relatively high interest, to switch to dollars and other foreign currencies. Those moves away from the shekel caused the Israeli currency to lose value, and Klein had to act to shore it up with several sharp increases in interest. Between the end of December 2001 and mid-July 2002, interest rose from 3.8 percent to 9.1 percent.

At the end of 2002, the government announced that its deficit for all of the year amounted to 3.9 percent of GDP, due largely to a continuing decline in tax revenues (itself a product of slowing economic activity), which dropped by 5 percent during the year. The government’s original deficit target, 2.4 percent of GDP, was revised to 3.9 percent over the course of 2002. Accountant General Nir Gilad said that the latter target, amounting to $4.085 billion, was reached despite a delay in the arrival of U.S. aid, a $1.9 billion shortfall in tax collection, and delays in certain legislative steps that the government had approved during 2002. In 2001, the government had missed its 1.75-percent target and ended up with an annual deficit worth 4.6 percent of GDP, attributed to a delay in American aid that arrived during 2002.
When the 2002 deficit data were released, some economists and political figures expressed doubts at the size of the deficit, suggesting that it was only as low as the published figure because some expenses from 2002 had been deferred to the following year. Such a maneuver, they said, made the economic situation look better than it actually was, in advance of the upcoming elections. These suspicions were to some extent confirmed by the January and February 2003 deficit figures, which, in addition to low tax revenues, showed higher than anticipated government expenditures, a situation suggesting the deferment of some 2002 payments to 2003.

Business and Investment

Israel's foreign trade performance reflected the long recession. Exports of goods and services fell by 5.4 percent in real terms—that is, taking into account the fluctuation in shekel exchange rates. Even worse, exports to the European Union and the United States, Israel's main trading partners, fell by $1.2 billion, or 5.7 percent, and exports to Japan (whose economy shrank by 0.5 percent during the year) fell by $129 million, or 23 percent. Nevertheless, a recession-caused decline in the import of goods and services meant that the trade deficit declined by $642 million for the year.

The United States led all export destinations, with $6 billion in goods and services during 2002 (31 percent of total exports), ahead of the $5.6 billion (30 percent) to the European Union. Exports to Asia totaled $5.1 billion (14 percent), and to the European Free Trade Association (EFTA—Iceland, Norway, and Switzerland) $433.9 million (1 percent). As usual in recent years, the trade balance with the U.S. was about equal ($6.1 billion in imports, $6 billion in exports), while Europe sold Israel much more than it bought ($13.5 billion as compared to $5.6 billion).

Exports to Arab countries dropped by 6 percent to $106 million in 2002, predominantly due to the ongoing violence. These figures, however, did not include some $10 million in exports to these places via third countries. The largest declines were to Egypt, Lebanon, and Morocco. Exports to Arab countries consisted mostly of textiles, wood, furniture, paper, rubber and plastic goods, chemicals, and machinery. Imports from Arab countries increased by 10 percent in 2002 to $69 million, the Israel Export Institute said.

Total foreign investment in Israel fell by some 38 percent to 2.6 billion in 2002, from $4.2 billion in 2001 and a record $11.1 billion in 2000, according to the Bank of Israel. Since its height in 2000, foreign investment
plummeted 76.5 percent, led primarily by a fall in direct investments—the kind that give the investor voting rights on the firm’s board of directors. In 2002, direct investments totaled some $1.2 billion, as compared to $3.1 billion in 2001 and $4.5 billion in 2000. On the Tel Aviv Stock Exchange (TASE), foreign investment rose from 2001’s $268 million to some $900 million in 2002, still far below 2000’s record $5 billion. Israeli companies listed on foreign stock exchanges—primarily the NASDAQ—saw issues totaling only $200 million in 2002, compared with $1.6 billion in 2001 and $4.9 billion in 2000.

According to the CBS, industrial output fell by 10 percent since the start of Palestinian violence in late September 2002. Following a 5.4-percent drop in 2001, it declined by 3.5 percent in 2002. The Bank of Israel’s “S,” or State of the Economy, Index fell by 4 percent during 2002; the 2001 decline had been 2.4 percent. The components of this index were manufacturing production; imports, excluding capital goods; trade and services revenue; and the number of business-sector employee positions. The index stood at 106.8 points in December—a seven-year low.

Venture capital investment in Israeli and Israeli-related high-tech companies declined by 43 percent, from $2 billion in 2001 to $1.14 billion in 2002. A report by the Israel Venture Capital Association’s research unit said that 352 companies raised capital during the year, down by a third from 2001. The survey was based on reports from 159 venture investors, including 91 Israeli venture-capital funds and 68 other, mostly foreign, investment entities. At the same time, the shortage of new money was reflected in the figure of $481 million invested by Israeli venture-capital firms, down 40 percent from the $812 million invested in 2001. Quarterly investments became progressively smaller throughout the year, as they had in 2001.

The number of new dwellings sold on the private market (not including government-built housing) for the year amounted to 14,210, a drop of 2 percent from 2001 sales figures. The number of unsold homes on the private market at the end of 2002 stood at 11,900, a drop of 24 percent from the “stock” of available homes at the end of 2001. Both figures graphically portrayed the continued recession: prior to the start of the slump in 2000, demand for new houses amounted to about 40,000 a year. The slowdown in the housing market seemed likely to continue. Housing starts for 2002 amounted to only 31,480 units, the lowest number since 1989 (in 2001, work was started on 31,640 new dwellings). Of the 2002 housing starts, 24,710 were by private contractors, and 6,760 were units of public housing built by the government.
Some 54,000 businesses closed down in 2002 and only 47,000 opened, according to the CBS. The net drop of 7,000 businesses followed increases of new enterprises in 2001, when business starts exceeded closings by 3,000, and 2000, when the net increase in the number of new businesses stood at 6,500. The great majority of the businesses that closed—about 50,000—were small businesses, the Organization of Independent Businessmen said. That was a rise of 30 percent over the 35,000 that closed during 2001. The group added that it anticipated another 60,000 small businesses shutting down in 2003. It ascribed the trend to delays in payment from the Defense Ministry, which, at the end of the year, had reached four months beyond the due date. Types of small businesses hardest hit were tourism (80 percent), furniture sales (30–40 percent), clothing and culture (30 percent), and food and electronics (15–20 percent).

Agricultural output reached a value of 15.1 billion shekels in 2002, an increase of 1.2 percent over 2001. The change was largely due to higher prices on foreign markets: While farm exports dropped 7.3 percent in volume, the income from those exports rose by 19.3 percent.

**Employment**

Joblessness due to the recession remained high throughout 2002, though there was an apparent (but not necessarily a real) dip toward the end of the year. Seasonally adjusted unemployment was 10.1 percent in the fourth quarter of 2002, compared with 10.3 percent in the two preceding quarters and 10.6 percent in the first quarter, the CBS reported. The year-end number of unemployed was 259,000, seasonally adjusted, compared with 263,000 in the second and third quarters, and 268,000 in the first.

The decline in unemployment in the fourth quarter was mostly technical, due to unemployed people who had stopped going to government labor exchanges in search of jobs. Another reason for the decline was the hiring of thousands of the unemployed, many of them university graduates, as security guards. In the fourth quarter, 136,300 men were unemployed (a rate of 9.8 percent) and 122,700 women (10.4 percent). Nevertheless, the average weekly number of unemployed in 2002 was 262,000, 12 percent more than in 2001. And the Bank of Israel predicted a continued increase in unemployment, ascribing this to the lack of a plan to reduce the number of foreign workers, of whom there were more than 200,000. The bank said that unemployment in 2003 could reach 11.5–12
percent, which would translate into more than 300,000 jobless people. Participation by Israelis aged 18–65 in the civilian labor force fell from 54.3 percent in 2001 to 54.1 percent in 2002. The steepest decline was in the industrial sector's workforce, which contracted by 15,000 workers.

In a related development, the Ministry of Labor and Social Affairs reported that the number of job-seekers registering with its employment service rose by 5.2 percent during 2002 to a monthly average of 196,400, as compared to averages of 165,000 in 2000 and 187,000 in 2001. Some 193,100 Israelis signed up for work and unemployment benefits in the last month of 2002. Officials of the ministry noted a decline during the year in the number of senior citizens and academics searching for work. The number of families receiving "income support" welfare payments from the National Insurance Institute because their unemployment benefits had run out or because the wages they earned were below minimal levels, amounted to about 84,000, less than in previous years. Stricter enforcement of National Insurance Institute regulations and unemployment benefit criteria led to a drop in registrants.

2002 was marked by layoffs in Israeli high-tech, caused by the global tech crisis and the NASDAQ crash. Employment in the leading high-tech sectors fell from 128,400 in December 2001 to 122,800 at the end of 2002, a 4.4-percent drop amounting to 5,600 fewer employees. Of these, 2,700 were in computers, 1,700 in electronic communications, 600 in medical science and equipment, and 600 in R&D. The steepest drop was in electronic communications, where employment fell 10 percent to 15,500.

Despite salary cuts implemented in 2002, high-tech employees earned 2–2.5 times the average Israeli wage. Electronic communications employees had the highest pay, averaging $3,296 per month in November, while medical science and equipment workers earned $3,242, computer employees $3,076, and R&D personnel $2,784.

Travel and Tourism

According to the CBS, Israelis reduced their travel abroad in 2002, for the first time in a decade. Only 3.27 million exits from Israel by Israeli citizens were recorded during the year as compared with 3.56 million in 2001, an 8-percent decline after years in which the annual increase averaged 4 percent. In addition to the continuing recession and the intifada, the CBS attributed the decline to devaluation of the shekel, which made foreign travel more expensive.

For the first time since 1982, the number of foreign visitors to Israel
dropped below a million, to 862,300, 29 percent lower than the number of visitors in 2001, and just one-third of the figure for 2000. As a consequence, the number of bed-nights in Israeli hotels declined by 3 percent, to 14.6 million, with a 31-percent decline in foreign tourist bed-nights substantially offset by a 6-percent rise in the number of Israeli bed-nights.

Since the outbreak of the current intifada in September 2000, the Israeli-Palestinian conflict had cost Israel an estimated $2.3 billion in tourism revenues, according to a report in the *Globes* business daily. The $1 billion lost in 2001 was topped by losses of another $1.3 billion in 2002. Tourism revenues amounted to $2.1 billion in 2002 compared with $2.4 billion in 2001, an 11-percent drop, and when compared to the $3.4 billion earned in 2000, the decline amounted to 38 percent. Spending by Israelis traveling abroad declined by 4 percent to $3.2 billion.

**Standard of Living**

The CBS reported that the average salary in Israel at the end of 2002 was $1,411, which was 5.4 percent less than in 2001. The 10 percent of Israeli families with the highest incomes earned 22.4 times the bottom 10 percent, according to the CBS. The gross monthly income of a family in the top bracket averaged $7,604 in 2002, while a family in the bottom bracket averaged only $340.

The CBS data also indicated that the gap between rich and poor had widened over the previous 40 years. While the proportion of total spending on food, clothing, and footwear had declined in that same period, the proportion spent on housing, transportation, and communications rose. For example, spending on food dropped from 42 percent of total spending 40 years before to just 17 percent, and spending on clothing and footwear declined from 12 percent to 3 percent. At the same time, the proportion spent on housing rose from 12 to 23 percent, while spending on transport and communications leaped from 3 to 20 percent. According to the figures, over seven of every ten Israeli households owned their own homes, over half of Israel households had a home computer, and 23 percent were Internet subscribers, while 74 percent owned at least one cell-phone and 38 percent had at least two.

According to the Ministry of Housing, Israel experienced a marked drop in new-apartment sales in the second half of 2002. Sales of both privately and publicly built apartments averaged 2,014 a month in the first seven months of the year, but dropped by 32 percent from August through December to 1,366 apartments monthly, reflecting a 12-percent decline.
from 2001, despite attractive prices. Since 1996, there had hardly been any real rise in the prices of apartments. In 1997, they went up by 0.3 percent and in 1998 by 1.6 percent, but beginning in 1999 they fell cumulatively by some 11 percent. Since 1988, apartment prices went up in real terms by 70.1 percent— an average of 4 percent annually.

Another sign of the recession was the increased average age of Israelis’ cars— 7.4 years at the end of 2002, compared to 7.2 in 2001. Savyon, the upper-crust town east of Tel Aviv, had the most cars per capita, 568 per 1,000 people, but even that was down from 583 in 2001. Tel Aviv had 445 cars per 1,000 residents, Haifa 274, Eilat 201, Jerusalem 158, and Ariel in the West Bank 104. The bottom ten cities, topped by Dimona with 133, include four Israeli-Arab cities, as well as Beit Shemesh with 113 and Neve Dekalim, in the southern Gaza Strip, with 106. At the end of 2002, Israel had just over 2 million motor vehicles, about three-quarters of them private cars.

The Treasury Ministry’s Customs & VAT (Value Added Tax) Division reported that imports of cars and electrical appliances dropped steeply in 2002. Israelis spent $1.38 billion on cars and electrical goods, as compared to $1.66 billion in 2001. The number of imported cars was down 18 percent, and imported electrical goods dropped 17 percent.

OTHER DOMESTIC MATTERS

Israel by the Numbers

At the end of 2002, Israel’s population stood at 6.7 million people— up 150,000, or just over 2 percent, from the end of 2001, and more than eight times the 806,000 population at the time that statehood was declared in May 1948. The 5.4 million Jews in the country made up 38 percent of the world Jewish population of 13.3 million. Of Israel’s 1.3 million non-Jews, 82 percent were Muslim, 9 percent Christian, and 9 percent Druze. Israel had 4.3 million eligible voters (over the age of 18) living in the country. The CBS estimated that another 420,000 Israelis— over 9 percent of those with the right to vote— lived abroad. The CBS reported that although Jerusalem was the country’s largest city, Tel Aviv had the largest number of eligible voters (including those thought to be living abroad), 354,000 to Jerusalem’s 325,000, because Jerusalem had a disproportionate number of children and Palestinians. Haifa was third with 235,000 eligible voters.
The number of immigrants arriving in Israel in 2002 was 33,500, a decline of 23 percent from the 43,000 who came in 2001. Though the number was the smallest since the start of the wave of aliyah triggered by the collapse of the Soviet Union in the late 1980s, the CBS noted that it was still higher than the numbers registered during the 1970s and 1980s, when an average of about 15,000 people arrived each year. Of those coming in 2002, about 18,500—55 percent of the total—were from the former Soviet Union.

The workforce totaled 2.569 million people, 2.31 million of whom were employed and 259,000 unemployed. According to CBS estimates, there were 238,000 foreign workers resident in Israel, up 4 percent from 2001. About half of them were in the country illegally, many having come as tourists. During the year, 33,000 foreign workers arrived in Israel with legal work permits—the lowest number of such entries since 1995.

A total of 18,247 traffic accidents with injuries were recorded in Israel proper—not including the West Bank and Gaza—during the year. Of the 37,387 casualties in them, 524 died and 2,358 were injured. Appalling as the figures were, they represented drops of 3.6 percent in the number of accidents and 2.4 percent in the number of fatalities from the year before. The number of accidents with at least one fatality was 456, down 4 percent from 2001. The percentage of Arabs killed in accidents was 23 percent, 4 percent higher than the 19 percent of Arabs in Israel's population. And although women constituted 39 percent of all licensed drivers in the country, only 22 percent of the drivers involved in reported accidents were female. At the end of 2002, about 1.96-million motor vehicles were registered in Israel, up 2.4 percent from a year before. Of those, 1.497 million were private passenger vehicles.

Israel spent 45-billion shekels (about $10 billion) on health services for its residents in 2002. This represented 8.8 percent of the GDP. According to the CBS, that percentage of GDP was comparable to what was spent on health in Sweden, Holland, and Denmark, and lower than what was spent in the United States (13.9 percent) and in Germany, Canada, Switzerland, France, Greece, Portugal, Iceland, and Belgium, countries where health expenditures ranged between 9 and 11 percent of GDP.

**Religion and State**

As the year began, a group of MKs from across the political spectrum proposed legislation to redraw government regulations over which public activities were prohibited for Jews on Shabbat. Seeking to put an end
to ongoing strife about government enforcement of Shabbat restrictions, as well as to accommodate the often conflicting demands of the religious and secular sectors, the bill formalized the existing ban on most business and commerce, but allowed "cultural" activities—including the operation of restaurants, theaters, and movies. In addition, restrictions would be lifted on the operation of public transportation not subsidized by the government. The proposal received considerable praise for formulating a possible modus vivendi between religious and secular Israelis, but drew opposition from the more doctrinaire elements on both sides—secularists opposed to any Sabbath restrictions, and religionists unwilling to legalize "cultural" violations of the Sabbath. The proposal—a "private member's bill" not sponsored by any party—went nowhere.

On February 20, the Supreme Court ruled that people who converted to Judaism under Reform and Conservative auspices in Israel should be listed as Jews in the Interior Ministry’s population registry. (Those who converted abroad already enjoyed this status.) The decision not only affected the small number of such converts in the country, but also carried potential implications for the 250,000 immigrants from the former Soviet Union who had been granted immediate Israeli citizenship under the Law of Return, which considered “Jewish” for the purpose of this law anyone with at least one Jewish grandparent, or whose spouse or another first-degree family member had one Jewish grandparent. The bulk of these people had been unwilling or unable to undergo Orthodox conversion; they could now convert under non-Orthodox guidance and be considered Jews.

The court had been petitioned by the Conservative (Masorti) and Reform movements to compel the ministry, controlled by the ultra-Orthodox party Shas, to stop its practice of registering only those Israeli converts who had undergone an Orthodox conversion procedure. The landmark ruling, written by Supreme Court president Aharon Barak, relied on longstanding precedent that the ministry's population registry must list, and not question, the details regarding personal status given to it by Israeli citizens. Interior Minister Eli Yishai, the Shas leader, denounced the ruling as "strengthening a marginal stream that encourages assimilation and assists in the contraction of the Jewish people."

The decision was also condemned by Orthodox bodies in the U.S. The Union of Orthodox Jewish Congregations of America (OU) and the Rabbinical Council of America (RCA), in a joint statement, voiced concern that "the Supreme Court has transcended its jurisdiction and has trespassed into the domain of the religious authority of the Chief Rab-
binate. Whereas the court maintains that its decision is limited to statistical procedures pertaining to citizens' identity cards, we agree with the dissenting opinion of Supreme Court Justice Yitzhak Englard that 'this is not merely a matter of statistics but rather a sharp ideological dispute. Conversion is a matter of Torah law as formulated in the Jewish Halakhah throughout the generations.'" The OU-RCA statement warned that the ruling harmed Jewish unity in that "the decision of the court may eventually lead to the division of the People of Israel into two camps. There will be a group of halakhically valid Jews and a group of people who are Jewish only by the ruling of the Supreme Court. Inevitably this myopic decision will be tragic for all of Israel, but especially for those who have been misled by the court to think that they are Jewish."

The ruling is "obviously a complete and total victory," Rabbi Andrew Sacks, executive head of Israel's Masorti movement told the Jewish Telegraphic Agency. Sacks said the court emphasized the importance of not enshrining one stream of Judaism above others, and thus "all those people who converted with us and are listed as Ukranian or Peruvian or whatever, now they can have Jewish listed on their identity cards." Rabbi Uri Regev, head of the Reform movement's World Union for Progressive Judaism, cited the decision's "historical consequence because it strengthens Jewish pluralism in Israel. It effectively repels the Orthodox establishment that holds that Reform and Conservative converts aren't worthy of being recognized because of the liberal identities of the rabbis that convert them."

But the Israeli Orthodox parties were not about to accept defeat. MK Avraham Ravitz, head of the Degel Hatorah non-Hassidic wing of UTJ—the Ashkenazi ultra-Orthodox bloc—dismissed the ruling out of hand. "So what if they have an identity card that says they're Jewish," said Ravitz. "It doesn't mean they're recognized by Jewish law as being Jewish. It's just bureaucratic." Almost immediately, the Shas Knesset faction was circulating a legislative proposal that would bypass the court decision. Under the Shas plan, conversions could not be finalized until they received the Chief Rabbinate's approval—and this would apply even to conversions performed overseas, which heretofore had been accepted by the government.

Kinneret Covenant

The religious/secular divide was perhaps the sharpest but surely far from the only serious fissure in Israeli Jewish society. In January, a group
of some 60 Israeli intellectuals, calling itself the Forum for National Responsibility, released a document seeking to bridge these gaps. The result of a yearlong series of discussions under the auspices of the Yitzhak Rabin Center for Israel Studies, it was called the Kinneret Covenant (it was hammered out at a hotel in Tiberias, located on the shore of that lake). Phrased like the Declaration of Independence of 1948, the covenant sought to affirm what all Israeli Jews held in common, which necessitated ignoring or glossing over some real divisions. For example, it justified the creation of Israel neither on the basis of secular Zionism nor of God's will, but rather as "a sublime existential need" rooted in "the devotion of the People of Israel to its heritage, its Torah, its language, and its country." The document also asserted that Israel must remain both Jewish and democratic, but, on the vexed question of how to maintain a Jewish majority, it could only suggest that it be done through "moral means."

Attacks on the Kinneret Covenant followed predictable lines: both the far left and far right castigated it for papering over the country's real ideological cleavages. One particular complaint of the left was the absence of any Israeli Arabs from the list of participants and the vague treatment of their grievances in the covenant's text.

**Israeli Arabs**

The Or Commission had met intermittently through 2001 to investigate the killing of 13 Israeli Arabs during the Arab riots of October 2000 (see AJYB 2002, pp. 570–72). On February 27, 2002, it sent out warning letters to 14 people involved in those events—including former prime minister Ehud Barak, former public security minister Shlomo Ben-Ami, Alik Ron, the Northern District police commander at the time of the riots, and three Israeli Arabs—MKs Azmi Bishara and Abdulmalik Dehamshe, and Sheikh Ra'ad Salah, the controversial and outspoken Northern District head of Israel's Islamic Movement. The significance of these letters was that the appearances of these men before any subsequent proceedings of the commission would be conducted like a criminal trial, with cross-examination permitted. The Or Commission wound up its public hearings in mid-August, with Barak as the final witness. Its report was due in the spring of 2003.

On March 8, 2000, the Supreme Court had ruled that the state could neither allocate land strictly to Jews on the basis of religion nor prevent the sale of land to Arab citizens because they were Arabs (see AJYB 2001, pp. 524–25). In an attempt to bypass the decision, the Knesset, on June 7, 2002, passed a law allowing the exclusion of Arabs from buying land
in areas the Jewish Agency earmarked for Jewish communities. This came to be known as the “Druckman bill” after Rabbi Haim Druckman, the strongly right-wing MK from the NRP who originally proposed it.

The law drew heavy criticism from legal experts, the Labor Party, and political right-winger Benny Begin, the former minister and son of the late prime minister Menachem Begin, all of whom considered it racist and discriminatory. Amid the public furor, Attorney General Elyakim Rubinstein, who originally had verified the bill’s legality, reversed his stand, prompting Druckman to ask: “What happened to the attorney general, who is disowning a bill to which he himself is a signatory?” The legislation was nullified on July 7.

**Slurring the American Ambassador**

On January 8, the Knesset Ethics Committee decided not to penalize National Union MK Zvi Hendel for calling U.S. ambassador Daniel Kurtzer, a Jew, “a jewboy.” But the committee condemned Hendel’s statement, saying that it not only insulted the foreign envoy but also hurt Israel and Jews everywhere. Hendel, a leader of the settlers in the Gaza Strip, made the comment about Kurtzer from the Knesset floor after the envoy was reported to have stated, in a speech, that Israel would be better off spending money on the handicapped and the poor, rather than on settlements. Hendel sent Kurtzer a letter of apology that said: “A mistake came out of my mouth when I said ‘a jewboy.’ Of course, my meaning was not in the derogatory connotation of the term, which has been used by the worst of Israel-haters. If anyone has been hurt by this, I sincerely apologize.” One of the many to criticize Hendel’s slur was Sen. Frank Lautenberg (D., N.J.), also Jewish, who commented: “If someone said that to me I would punch him in the nose.”

**Shani Resignation**

Uri Shani, head of the Prime Minister’s Bureau, resigned his post on April 19 after 13 months on the job. Shani’s letter of resignation cited a heavy workload, but insiders suggested that the long-time confidant of Prime Minister Sharon felt his influence was on the wane as Sharon turned increasingly to his son, Omri, and to public-relations man Reuven Eldar for advice on political and personal issues. “He felt isolated and sometimes neutralized, and saw that occasionally Arik was bypassing him,” one Likud source told the daily Ha’aretz. The paper also reported that Shani disagreed with what he considered Sharon’s disparaging treat-
ment of Labor, whose presence in the unity government Shani considered vital for the country. Shani was later replaced by attorney Dov Weisglass, another long-time confidant of Sharon and also his personal lawyer.

North American Aliyah

531 new immigrants from the U.S. and Canada arrived in Israel together in July, members of over 100 families. This aliyah was part of a special program sponsored by Nefesh B’Nefesh—a new organization promoting North American aliyah—Rabbi Yechiel Eckstein’s International Fellowship of Christians and Jews, the Jewish Agency and the Absorption Ministry. Part of the package was an agreement by Israel to furnish the newcomers absorption grants comparable to the “basket” given to newcomers from the former Soviet Union, Argentina, and other countries outside the West, then not available to North American immigrants. Later in the year the government instituted a “basket” system for all North American immigrants, which became operational in December.

Fuel Dump Closes

The cabinet decided on May 26 to close the Pi Glilot fuel depot, located in the northern part of Tel Aviv. The decision came after an unsuccessful terror attack there, in which an explosive device was attached to a tanker truck while it was delivering fuel, and detonated when it reached the depot (see above, p. 208). The resulting fire was relatively small and was put out by safety crews. But it raised public awareness of the danger of a major disaster, with hundreds or thousands of people affected, had the thousands of gallons of inflammable fuels stored there ignited. With the closing of Pi Glilot, fuel would be shifted to other depots near Kiryat Ata in the Haifa area, and at Ashkelon and Ashdod.

Kibbutz Land Decision

In late August, the Supreme Court sitting as the High Court of Justice (it does so when dealing with matters of justice that do not fall under the jurisdiction of any other court) overruled three 1995 rulings by the Israel Lands Administration (ILA)—the trustee for state land—giving kibbutzim and their members a large chunk of the proceeds from the sale to developers of state-owned kibbutz agricultural land in the center of the country and near cities. The ILA had ruled that kibbutzim could get 27 percent of the proceeds of such land sales, or, alternatively, 27 percent of
the land that was rezoned for residential purposes. As a result, many kibbutz members became instant millionaires. Petitioning against the ILA rules were the Society for the Preservation of Nature in Israel and New Dialogue— an organization of Sephardi intellectuals better known as the Mizrahi Democratic Rainbow— which argued that they were so inequitable as to be unreasonable and illegal. The petitioners argued that the ILA had ignored the need to preserve open spaces, and had discriminated in favor of the kibbutz communities by awarding them compensation far above the standard rate for the sale of agricultural land.

Road Opening

The first stretch of the Trans-Israel Highway, a toll road running east of the major urban centers, opened in early August, and other sections of the road followed later in the year. In this early stage, the electronic toll system for recording license plates and charging the drivers automatically for use of the road was not yet operational. The project, in the works for several years, came under heavy fire from environmental groups that complained it would destroy a large swath of the country’s green area, and that improvements in public transportation should be substituted instead. One 2-km section of the road that passed near the West Bank town of Qalqilya, where it was exposed to possible sniper fire, was protected by an eight-meter-high walk.

Mad Cow

Bovine Spongiform Encephalopathy (Mad Cow Disease) was detected in a cow that died in the Golan Heights in June. This was the first confirmed case of the disease in Israel. The Veterinary Service responded with stringent regulations, including banning the slaughter of all cattle over the age of 30 months. The restrictions were lifted later in the year, since no more cases of the disease were found.

Charges, Investigations, Convictions

On May 28, police announced that criminal charges would be brought against four top managers of Ehud Barak’s successful 1999 prime ministerial campaign (see AJYB 2000, p. 438). Accused of violating campaign financing laws by running electioneering efforts through fictitious non-profit organizations were Doron Cohen, Barak’s brother-in-law; lawyer Yitzhak (Buzi) Herzog, former cabinet secretary and son of the late ex-
Attorney General Elyakim Rubinstein decided on June 24 not to institute criminal proceedings against Prof. Jacob Frenkel, former governor of the Bank of Israel, for taking excessive payment when he left the bank by cashing in vacation time, sick leave, and academic benefits after serving two terms in the central bank's top spot. Frenkel, who was now international head of the Merrill-Lynch investment firm, denied all wrongdoing.

In mid-December, Attorney General Rubinstein ordered police to look into business ties between Yossi Ginossar, a former Shin Bet official who often served as a go-between in political dealings with the Palestinians, and the PA. According to reports in the daily papers *Ma'ariv* and *Ha'aretz*, Ginossar and his former business partner, Ozrad Lev, managed Swiss bank accounts and shell companies on behalf of Arafat and his financial adviser, Muhammad Rashid, and transferred large sums for them to unknown destinations. Ginossar explained that his business ties with PA personnel, especially with Rashid, were public knowledge, entailed no illegal actions, and were found useful by four Israeli prime ministers. "Muhammad Rashid never dealt in terrorism," Ginossar assured TV interviewers after the story broke.

A three-member parole board decided on July 12 to release Arye Deri, after the former Shas leader had served two-thirds of a three-year sentence for bribery and fraud (see AJYB 2000, pp. 476–77). Emerging triumphantly from the hearing at Ma'asiyahu Prison, Deri said he would "devote a lot of time to public work" and to his family.

On August 7, a parole board approved the early release of Yona Avrushmi, sentenced to life for throwing the hand grenade that killed Peace Now activist Emil Grunzweig and hurt nine others at a 1983 demonstration against the war in Lebanon. He had served 19 years.

In mid-September, State Attorney Edna Arbel announced that she would not ask police to investigate a recent letter to the Supreme Court by one of the complainants in the case against former defense minister Yitzhak Mordechai, in which she withdrew her accusation against him. In 2001, Mordechai had been convicted on one count of committing an indecent act in aggravated circumstances and one of committing an indecent act, and received an 18-month suspended sentence (see AJYB 2002, p. 591). Despite the letter, the Supreme Court denied Mordechai's appeal to reopen his case.

Indictments against Ofer Maximov in a $60-million embezzlement
from Tel Aviv’s Trade Bank, allegedly carried out by his sister Etti Alon, were filed in Tel Aviv District Court on July 8. Maximov, extradited from Romania, was charged with aggravated fraud, conspiracy to commit a felony, and money-laundering. Alon and Maximov’s father, Avigdor Maximov, were also indicted. The Maximovs were accused of stealing the money from the bank to pay Ofer Maximov’s gambling debts, some of them run up at Israeli-owned casinos in Eastern Europe, and of paying usurious “gray-market” interest to cover those debts. Also charged were two “gray-market” lenders, Benny Ravizada and Aharon Ohev-Zion.

Seven persons were indicted in the May 2001 collapse of the Versailles banquet hall in Jerusalem, in which 23 people died (see AJYB 2001, pp. 595–96). The accused included Eli Ron, inventor of the Pal-Kal floor and ceiling system used in the building, his assistant Uri Pessah, building contractor Yaakov Adiv, and the four owners of the doomed hall.

Felix Abutbul, 50, the alleged crime king of Netanya, was gunned down on August 11 on the steps of a casino he owned in Prague. Abutbul had served ten years in a British jail for his role in the kidnapping of a Nigerian politician in London in 1984.

Charges of fixed soccer matches were raised by the Israel Football Association in March, after a player for the Hapoel Haifa team was accused of deliberately fouling a player on rival Maccabi Haifa in order to give that team a penalty kick to score the winning goal. Over the course of the year, the probe also spread to some referees.

The “Analyzer,” Israeli computer whiz Ehud Tennenbaum, 23, had been convicted in 1998 of hacking into the computer systems of the FBI, NASA, the Pentagon, and others, and sentenced to half a year of service and a 75,000-shekel fine. In 2002, the Tel Aviv District Court accepted a government appeal of the original sentence and lengthened the jail term to one-and-a-half years.

Yaakov Nimrodi, board chairman of the Ma’ariv newspaper, and author Aryeh Krishak were convicted by a Tel Aviv court on September 1 of harassing witnesses, obstruction of justice, and breach of trust—offenses committed during the 2001 trial of Nimrodi’s son Ofer, the ex-publisher of Ma’ariv, on witness-tampering charges.

Four hundred and fifty-one safe-deposit boxes in the Israel Discount Bank branch on Yehuda Halevy Street, in the middle of the Tel Aviv financial district, were broken into and looted on the weekend of July 19–20. The break-in, said to be a professional job, was thought to be one of the biggest bank robberies in Israel’s history, although no official estimate of the contents of the lock-boxes was published.
Sports

Russian-born Israeli tennis star Anna Smashnova (now known as Pistolesi, after marrying her coach) won three Women's Tennis Association tournaments in 2002—at Canberra, Vienna, and Shanghai—for a career total of 15, more than any other Israeli man or woman. During the course of the year, in which she pushed her winnings over the $1-million mark, Smashnova became the first Israeli woman to reach the semifinals of a major tournament, the German Open, where she lost to Serena Williams.

The Maccabi Haifa soccer team won its first-round European Champions League match against Manchester United, one of the world’s leading soccer clubs, by 3-0. One of Israeli sport’s greatest victories, the game was played in Cyprus, after the European soccer organization decided that no games in the various European cup competitions would be played in Israel, due to the security situation. Despite the victory, Haifa failed to move on from the first round of 32 to the second qualifying round of the Champions League, Europe’s premier club soccer competition.

Russian-born Israeli pole-vaulter Alex Averbukh won the gold medal at the 2002 European Championships with a jump of 5.85 meters; Galit Chait and Sergei Sahanovsky won a bronze medal at the World Ice Dancing Championships in Japan; and Vered Borochovsky won the bronze medal for her 26.38-second 50-meter butterfly at the World Short Course Swimming Championships in Moscow, making her the first Israeli woman swimmer ever to medal at these championships.

Personalia

Appointments, Honors, Awards


David Ivry, the ambassador to the U.S., completed his term in April. He was replaced by prime ministerial political adviser Danny Ayalon, 47.

Salai Meridor, brother of former finance and justice minister Dan Meridor, was elected to a second term as chairman of the Jewish Agency on June 17. Meridor was the only candidate after Gideon Patt, a former Likud minister, withdrew.

Tel Aviv University professor Uzi Even became the first openly gay
member of the Knesset in December, filling a vacancy in the Meretz parliamentary delegation.

Nasser Abu-Taheh was appointed a Magistrate's Court judge in Beersheba, becoming the first Bedouin to be appointed to the Israeli bench.

The Israel Prizes for 2002 were awarded on Israel Independence Day to humorist-author Ephraim Kishon, Teva Pharmaceutical Industries founder and CEO Eli Hurvitz, and the Jewish National Fund (all for lifetime achievement); Nahum Rakover (religious literature); Moshe Brawer (geography); Menashe Harel and Shmuel Safrai (Israel studies); Asher Koriat (psychology); Dov Judkowsky (communications); Ram Carmi (architecture); David Tratkover (design); Abraham Haim Halevi (agriculture); Avraham Biran (archaeology); Jacob Frenkel and Ariel Rubinstein (economic research); and Ada Yonat and Itamar Wilner (chemistry).

The 2002–03 Wolf Prizes, awarded by the Israel-based Wolf Foundation set up by the late Dr. Ricardo Wolf, went to R. Michael Roberts of the University of Missouri and Fuller Bazer of Texas A&M (agriculture); Mikio Sato of the University of Tokyo and Elias Stein of Princeton (mathematics); Ralph Brinster of the University of Pennsylvania, Mario Capecchi of the University of Utah, and Oliver Smithies of the University of North Carolina (medicine); Bertrand Halperin of Harvard and Anthony Legget of the University of Illinois (physics); and New York-based sculptor Louise Bourgeois (art).

The Konrad Adenauer Prize for Peace and Tolerance was awarded to Adina Shapiro of Jerusalem and Ghassan Abdullah of Ramallah, founders of the Middle East Children Association (MECA), a cooperative education program that continued even during the intifada. Left-wing film director Avi Mograbi won the prestigious Peace Prize at the 52nd annual Berlin Film Festival for August, a film about Israelis coping with difficult realities. The Marc and Henia Liebhaber Prize for the Promotion of Religious Tolerance and Cultural Pluralism in Israel for the year 2001 went to Dr. Aryeh Geiger, founder and principal of the Reut School in Jerusalem, which emphasized pluralistic and democratic education. The title “honorary citizen of Jerusalem” was given to Charles R. Bronfman, philanthropist and first president of the United Jewish Communities (UJC), and to his wife, Andrea Morrison Bronfman, herself a leading philanthropist.

Deaths

Abba Eban, the distinguished South African-born and Cambridge-educated Middle Eastern scholar, orator, and diplomat, died on Novem-
ber 17 at the age of 87. Eloquent in ten languages and projecting an aristocratic British manner, Eban was less popular with the Israeli electorate than he was abroad, where he came to be known as “the voice of Israel.” He served as ambassador to the UN and the U.S., Knesset member, minister of education, foreign minister, and deputy prime minister. He also wrote several books and narrated three TV series on Jewish and Israeli history.

Dr. Zerah Warhaftig, one of the two surviving signers of Israel’s Declaration of Independence, died on September 26 at the age of 96. Warhaftig served in the Knesset for nine terms as an NRP member, and was minister of religious affairs from 1961 to 1974.

Other notable Israelis who died during 2002: Yekutiel X. Federman, 87, founder of the Dan hotel chain and active in Israeli-Palestinian coexistence efforts, in January; Haim Haberfeld, 71, secretary general of the Histadrut labor federation, in February; Yehoshua Rozin, 83, former Maccabi Tel Aviv basketball coach and for over 40 years a fixture of Israeli basketball, in February; Romanian-born Prof. Moshe Lancet, 75, gynecologist and sex-education pioneer, in April; human-rights champion Haim Cohn, 91, a former state attorney, attorney general, Supreme Court justice, and president of the Association for Civil Rights in Israel, in April; Chaike Belchatowska Spiegel, 81, one of the last surviving fighters of the 1943 Warsaw Ghetto uprising, in April; Benny Berman, 63, journalist, singer, and songwriter, whose 1960s hits included “The Clown Song” and “Not Everyday Is Purim,” in April; Avraham (Buma) Shavit, 75, industrialist, former president of the Israel Manufacturers Association, and chairman of El Al 1979–81, in May; Ida Milgrom, 94, who for 12 years battled the Soviet authorities for the release from prison of her son, Natan (Anatoly) Sharansky, in May; Benny Peled, 76, one of the architects of Israel’s destruction of Arab air forces in the first days of the 1967 Six-Day War and air force commander in the 1973 Yom Kippur War, in July; Uzi Gal, 79, inventor of the Uzi submachine gun, in September; Ehud Sprinzak, 62, dean of the Lauder School of Government, Policy and Diplomacy at the Interdisciplinary Center in Herzliya and an expert in extremist political movements, in October; Ya’akov Farkash (“Ze’ev”), 79, renowned cartoonist, in October; Israel Amir, 99, first commander of Israel’s air force, in November; and Yeruham Meshel, 89, MK and head of the Histadrut labor federation 1973–84, in November.

HANAN SHER
Turkey

National Affairs

For the more than 67 million inhabitants of the Turkish Republic, 2002 was a year of deepening economic distress and growing anxiety over the impact of impending war in neighboring Iraq. Adding to these concerns at year's end was speculation over the real objectives of the new Justice and Development Party (AKP), whose roots were Islamist, which won the November parliamentary elections in an unexpected landslide.

The country's small Jewish community, some 18,000 strong, shared these national concerns. But it—like the broader world Jewish community—was especially worried about how the AKP victory would affect Turkey's close and growing strategic and economic ties with Israel, its position on the Arab-Israeli conflict, its pro-Western and secular orientation, and the status of the country's small remaining non-Muslim groups—particularly the Jews. The new government took reassuring steps, and by year's end Jewish anxiety was considerably muted.

The "Political Earthquake"

Turkey is geographically situated in a region that is periodically subject to devastating earthquakes. Fittingly, many observers termed the landslide victory of the new Justice and Development Party (Adalet ve Kalkinma Partisi=AKP) in the elections of November 3, 2002, a "political earthquake." The AKP, whose leaders had been associated with previously banned Islamist parties, won a stunning two-thirds majority, 363 of the 550 seats in the Grand National Assembly, Turkey's parliament. Equally surprising, some 90 percent of incumbent parliamentarians lost their seats, and all three of the veteran political parties that had governed the country in a fractious ruling coalition were swept completely out of the parliament, as were nearly all the opposition parties. In fact, the only party other than the AKP to win representation was the staunchly secularist Republican People's Party (CHP), led by Deniz Baykal, which won 19.4 percent of the vote and 178 seats. The remaining nine seats were won by independents.
The AKP victory profoundly shook up the complacent Turkish political establishment. Among foreign observers, it raised questions about Ankara's relations with the United States, prospects for Turkey's entry into the European Union, resolution of the Cyprus dispute, the future of Ankara's close strategic ties with Israel, and the role of the Turkish army in a possible confrontation with neighboring Iraq.

To put matters into perspective, the AKP received only 34.3 percent of the vote, and its lopsided parliamentary majority had much to do with the peculiar nature of the Turkish electoral system, which set a very high 10-percent threshold for a party to enter parliament. (By way of contrast, the threshold for a seat in the Israeli Knesset was only 1.5 percent.) Furthermore, the more traditional Islamist party, Saadet (Felicity), recently founded by former prime minister Necmettin Erbakan, received only 2.5 percent of the vote. Thus more than 60 percent of Turkey's electorate voted for one of the 16 officially secular parties that contested the election, but the secular vote was so fractured that only one of those parties, the CHP, achieved representation.

Moreover, 47-year-old Recep Tayip Erdoğan, the popular Islamist former mayor of Istanbul who led the AKP, worked strenuously during the campaign to play down the party's Islamist roots, and thus its success was no indication that Turkish voters had suddenly jumped on a fundamentalist Islamic bandwagon and abandoned the strict separation of religion and state enshrined in the country's constitution. The AKP had been formed as a breakaway group from the outlawed Islamic-leaning Virtue Party. However, in the 2002 elections it put forward candidates representing the entire center-right spectrum of Turkish politics, ranging from liberal, to nationalist, to conservative, to religious. Erdoğan and Abdullah Gül, the Western-educated economist and English-speaking deputy party leader, went out of their way to stress that their party was a traditional, values-based conservative party to which the designation "Islamic" applied only in the sense that "Christian" was part of the name of Christian Democratic parties that had long functioned in, and governed, Western European democracies.

While the AKP undoubtedly drew support from traditional Islamic elements in the Turkish population, the consensus of political observers was that its victory had little to do with its Islamic roots. Andrew Mango, the distinguished British analyst of Turkish affairs and author of a recent comprehensive biography of Mustafa Kemal Atatürk, the founder of modern Turkey, told a BBC interviewer that the AKP "has been elected on a protest vote." Mehmet Ali Birand, a well-regarded Turkish political
commentator, wrote that the election results "amount to a civilian coup. This is the response given by millions who are saying, 'You have failed to listen to me. You have failed to govern me well. You have impoverished me. You have treated me in a condescending manner.'"

More specifically, the AKP victory was an indictment of the previous government's failure to deal with the series of economic crises that shook the country in November 2000 and February 2001, a situation exacerbated in 2002 by the continuing global economic recession, a decline in tourism to Turkey attributed to fear of terrorism in the Middle East, and the likelihood of an imminent war in neighboring Iraq. Journalist Gerald Robbins, an expert in Turkish affairs, reported that the country's economy "shrank 6.5 percent" in 2002, "with 70 percent inflation and unemployment officially listed at 11 percent but estimated to be twice that amount." Robbins cited a recent survey by Ankara's Middle East Technical University that found that "approximately 10 percent of Turkey's population don't have a regular income and that another 25 percent of Turkish society, although drawing a regular paycheck, still live at the poverty level" (ATS Report, Jan. 2003). Another sign of Turkey's economic malaise was that the once strong Turkish lira was trading at around 1,500,000 to one U.S. dollar.

The collapse of the previous three-party coalition began earlier in the year, when it became increasingly clear that Prime Minister Bülent Ecevit was too old and ill to attend important government meetings on a regular basis. While it would have been logical for the governing parties to band together and present a united front in the November elections, longstanding and in some cases bitter personal rivalries among their leaders, not any serious ideological differences, stood in the way. In the end, of the three coalition parties, the Democratic Left Party (DSP) received only 1.2 percent of the vote, the ultranationalist Nationalist Movement Party (MHP) 8.3 percent, and the center-right Motherland Party (ANAP) 5.1 percent. The center-right True Path Party (DYP), which was outside the coalition and led by former prime minister Tansu Çiller, received 9.6 percent, narrowly failing to reach the 10-percent threshold.

Among the legal changes adopted by the Turkish Grand National Assembly in 2002 had been the granting of limited cultural rights to Turkish Kurds—who made up some 20 percent of the total population—including the right to publish and broadcast in Kurdish, but these were only slowly implemented. Though the pro-Kurdish People's Democracy Party (HADEP) had steadily risen in strength from 4.2 percent of the national vote in December 1995, to 4.8 percent in April 1999, and 6.2 percent in
November 2002, that still left it short of the parliamentary threshold. (Indeed, there was widespread suspicion that a primary reason for setting the threshold so high was to keep the pro-Kurdish party out.) Nevertheless, HADEP captured many mayoral posts in cities and towns in the heavily Kurdish-speaking southeastern Anatolia.

There was reason to believe that the AKP received a substantial number of votes from the Kurdish community. According to this line of reasoning, the personal religious piety of the AKP leadership was attractive to Kurdish voters since it might serve to unite the Turkish people under the banner of a common Islamic identity, blurring divisive distinctions between Turkish, Kurdish, and Arab national movements.

WHO IS ERDOĞAN?

Turkey's secular elite—especially the military leaders who saw themselves as guardians of the secularizing and modernizing principles established by Mustafa Kemal Atatürk—remained suspicious of the AKP's objectives. Its leader, Erdoğan, had been a very popular mayor of the cosmopolitan city of Istanbul. Although he was elected mayor as the candidate of the Islamist Welfare Party, his popularity had less to do with piety than with his efforts to improve the welfare of the city's ten million inhabitants. There was widespread agreement that his administration had accomplished a great deal, cleaning up Istanbul both politically, by greatly reducing the level of official corruption, and physically, by improving garbage collection.

But he also did things to arouse the suspicions of secularists. Soon after his election as mayor, he tried to stop the serving of alcoholic beverages in city-owned cafés, and authorized the use of the large public square next to the Blue Mosque (Sultan Ahmet) for a great circumcision party. The square was filled with colorfully decorated beds on which young boys in Islamic blue nightgowns lay as they recovered from their circumcisions, while they and their families were provided with refreshments and entertainment by the municipality—in the eyes of the critics, an illegal use of public space for religious purposes.

Another controversial step that Erdoğan took while serving as mayor was to announce the construction of a massive new mosque at Taksim Square, near Istanbul's fashionable cultural and shopping district. The secularists saw a hidden Islamist agenda, since there was no shortage of mosques in Istanbul. Perhaps, they suggested, its erection at Taksim Square, at whose center stood a large monument to Atatürk and which
was situated at the crossroads of "Independence" and "Republic" avenues, was intended symbolically to challenge, overshadow, and dwarf the legacy of the founder of modern, secular Turkey.

But what made Erdogan a particular target of the secularist military establishment was a speech he gave in Siirt, an impoverished, religious district in southeastern Anatolia, near the city of Diyarbakir, in 1997. He began by reciting a quatrain from a well-known poem by Ziya Gökalp, a leading ideologist of modern Turkish nationalism: "The mosques are our barracks, the domes are our helmets, the minarets are our bayonets, and the faithful are our army" (according to another translation, the last line means "and the believers are our soldiers"). In April 1998, he was brought before a State Security Court to face charges of illegally using religion as a political weapon. (Those brought before such tribunals were usually suspected Kurdish guerrillas and terrorists.) The prosecutors asserted that, by quoting the poem, Erdogan was praising fundamentalism and violating a law that banned provoking enmity and hatred among the people. In his defense, Erdogan said that he had merely repeated lines from a classic poem and had aimed them at no person or target.

The State Security Court ruled that Erdogan's speech violated the acceptable framework of political and religious expression and was part of a pernicious campaign by the Islamist Welfare Party to undermine the republic's secular institutions and replace them with a religious system based on Islamic law. He was convicted and sentenced to a fine and ten months in jail. On appeal, his prison term was reduced to five months, but the fact of his conviction barred him from political office. Thus Erdogan could not stand as a candidate for parliament in the 2002 national elections even though he was the leader of the new AKP, and therefore his deputy, Abdullah Gül, would be named prime minister.

Not surprisingly, the conviction and jail sentence enhanced Erdogan's popularity among religious Turks, thousands of whom accompanied him to the prison gate. Ironically, however, it also drew sympathy for him from many secular Turks as well as human-rights advocates outside the country, who found it disturbing that a man could be jailed simply for making a speech. Experts noted that far from being an Islamist, Ziya Gökalp, the Ottoman intellectual who wrote the poem that Erdogan recited, was influenced by the European Enlightenment and the French (Jewish) sociologist Émile Durkheim, and supported the union of all Turkic-speaking peoples under a government that separated religion and state.

In later interviews, Erdogan said that the time he spent in prison caused his political views to mature, so that in 2002 he firmly believed in the sep-
The fact that the Islamist Welfare Party was outlawed and that, shortly before the November elections, the public prosecutor said he planned to seek the banning of the AKP as well, undoubtedly also had something to do with Erdoğan's new thinking.

The New Government

The AKP had to walk a very fine line between religion and secularism. Although the wives of both AKP leaders, Erdoğan and Gül, followed the Islamic practice of covering their hair with headscarves in public, the party was careful to select only those female candidates for office who either did not normally wear a headscarf, or were willing to remove it before entering the parliament or other government offices, as required by current regulations. But not all AKP politicians were so careful. A storm of controversy arose soon after the elections when Bülent Arınç, speaker of the parliament, was accompanied by his headscarf-covered wife as they went to the airport to formally bid farewell to President Ahmet Sezer before his departure for a NATO conference in Prague. (Under the Turkish constitution, the speaker becomes acting president when the president is out of the country.) The powerful and staunchly secular leaders of the Turkish military reportedly expressed deep displeasure about this when they confronted AKP leaders at the monthly meeting of the National Security Council, the country's highest policymaking body.

Indeed, the demand by some Islamist activists for the right of women to wear the headscarf in public schools and government offices remained one of the most heated issues in Turkish politics. While militant secularists saw the headscarf as a dangerous symbol of reactionary Islamic activism, human-rights advocates in Turkey, Western Europe, and the U.S. considered it a matter of individual religious choice. The Provincial Board for Human Rights in Istanbul reported that 351 of the 457 personal applications it received from the time it opened in November 2000 through the end of 2002 were complaints from university students about the ban on headscarves. Erdoğan—who had sent his own daughters to study at American universities where the headscarf would not be an issue—said he would avoid an immediate confrontation on the matter.

Clearly, Erdoğan and the AKP were determined not to repeat the mistakes that Islamist Welfare Party leader Necmettin Erbakan made when he became prime minister in July 1996. Erbakan was elected on a platform of a Muslim common market, Turkish withdrawal from its Western alliances, and an end to diplomatic relations with Israel (indeed, com-
bining the two latter themes, he charged that Jews controlled the European Common Market.) The first official foreign visit of his administration was to the Islamic Republic of Iran, and this was followed by trips to two more Muslim states, Indonesia and Libya. Within a year of his election, Erbakan was eased out of office by the Turkish military.

After the 2002 election, both Erdoğan and Prime Minister Gül reiterated their firm commitment to the secular principles of the Turkish Republic. In sharp contrast to Erbakan, Erdoğan proclaimed as his highest foreign-policy priority the advancement of Turkey’s admission to the European Union. His first trip abroad was not to Islamic Iran but to Greece, Turkey’s important Christian neighbor. He proceeded to make the rounds of other European capitals, including Rome, Madrid, London, and Brussels. While in Rome, Erdoğan quipped that he sought to arrange a Catholic marriage between Turkey and Italy, meaning an unbreakable relationship not subject to divorce.

The new Turkish leadership persisted in efforts to convince the European Union to set a date for accession talks, and enlisted the support of the United States toward that end. The Americans, for their part, were eager to secure the use of Turkish bases for their planned invasion of Iraq. Erdoğan met with President Bush at the White House in December and received U.S. backing for Turkey’s efforts to enter the EU, though Erdoğan was apparently noncommittal about Iraq. (When Erdoğan and his aides met with the president, Bush reportedly startled the Turks by declaring: “You believe in the Almighty, and I believe in the Almighty. That’s why we’ll be great partners.”)

Ankara nevertheless faced an uphill battle getting into the EU, as evidenced by former French president Valéry Giscard-D’Estaing’s statement in November that Turkey did not belong since it was not really a European country, and that admitting Turkey would “be the end of the European Union.” One problem was that Turkey’s economy lagged far behind those of the EU countries, even that of neighboring Greece. Another matter was raised by Anders Rasmussen, the Danish prime minister, who was to chair the Copenhagen summit of the EU. On a pre-summit visit to London on December 5, he told a reporter that it would be “too early at Copenhagen to produce a final statement about the next steps in Turkey’s candidacy” since Turkey had first to fulfill political and human-rights conditions for entry. While progress had been made, there was “a need to see clear implementation.”

But the new political leadership in Ankara suspected that more than economic and human-rights difficulties were involved and that the issue
was one of hostility toward a predominantly Muslim country. After reports in early December that Germany and France had suggested deferring the start of any talks with Turkey until July 2005, Erdoğan warned that failure of the Copenhagen summit to set a firm and early date would fan Muslim anger. The *Times* of London, in fact, quoted Erdoğan as saying that a delay would confirm his people's perception of the EU as a "Christian club." The EU, he said, should "take the chance to unite civilizations, not set them clashing." Nevertheless, at its Copenhagen summit in December 2002, the EU failed to give Ankara a firm date for the opening of accession talks, though it did so for several Eastern European countries that had applied more recently.

Israel and the Middle East

Turkish-Israeli relations had entered a new era with the beginning of direct Arab-Israeli negotiations at the Madrid peace conference in 1991, which prompted Turkey to raise its diplomatic ties with Israel and the PLO to the ambassadorial level. There was a further rapid development of Turkish-Israeli ties after the signing of the Oslo Accords in 1993. Ankara took the position that its interests were best served by supporting Israel and those Arab states prepared to make peace—notably Egypt and Jordan—against hostile Arab states and militant organizations. Over the years, Israel sold high-tech military equipment to the Turkish army and conducted joint training operations with it. Bilateral trade between the two countries, bolstered by a free-trade agreement, amounted to close to $1.2 billion, and Turkey, just a 90-minute plane ride away, was a popular vacation spot for Israelis.

In 2002, Turkey tried to play a mediating role in the Israeli-Palestinian dispute. Foreign Minister Ismail Cem and his Greek counterpart, George Papandreou, embarked on a joint mission to the Middle East on April 24–25. They met with Israeli and Palestinian leaders with the aim of calming the situation. Turkey was the only Middle Eastern state that both Israel and the Palestinian Authority could agree upon to participate in the Temporary International Presence in Hebron (TIPH). At an emergency UN Security Council session on March 29, following the Passover eve massacre in Netanya that evoked a massive Israeli antiterrorist campaign, Turkey's representative stressed that his country "is increasingly worried about this tragic cycle of violence." He made special mention of "the cold-blooded murder of a ranking Turkish member of the TIPH, along with a Swiss member, while another Turkish member was wounded" (see above, p. 195).
Another area of Turkish involvement with Israel had to do with the export of water from Turkey to the largely arid countries of the Middle East. Not only Israel, but also Jordan, the Turkish Republic of Northern Cyprus, and the Water Authority of the Palestinian Authority expressed interest in obtaining Turkish water. There was much speculation that Ankara's decision to award a $688-million contract to upgrade its American-supplied M-60 tanks to Israel's state-owned Israeli Military Industries (IMI), rather than to the competing large American or European companies, was facilitated by Israel's agreement in principle to purchase fresh water from Turkey's Manavgat River. This, in turn, would generate enough income for Turkey to pay off the $150-million cost of the Manavgat installations, and offset some of the costs paid to IMI for the tank upgrade project.

On March 22, 2002, Israel's economic cabinet decided to purchase the Turkish water "as soon as possible." On August 6, Prime Minister Ariel Sharon assured the visiting Turkish energy minister that Israel would purchase 50 million cubic meters (MCM) of water annually over 20 years. A joint Turkish-Israeli committee was formed to work out the details. Israel's Finance Ministry had opposed the project, arguing that the estimated cost-per-cubic-meter of importing the Turkish water would be nearly double the cost of desalination. Avigdor Yitzhaki, director general of the Prime Minister's Office, conceded that "the decision is not an economic one" but rather a "strategic and political" calculation based on Israel's desire to maintain close ties with Turkey. However, by the end of 2002 Ankara and Jerusalem had not yet reached agreement on the price of the water and other details of the proposed contract.

Public opinion in Turkey turned sharply against Israel at the end of March, after the Israeli army moved into Palestinian towns to root out militants after several suicide attacks against Israeli civilians. This was an awkward time for the Turkish government, since it had just given the contract to IMI, the Israeli firm, to modernize its U.S.-made tanks. Reports circulated, later found to be exaggerated, of excessive Israeli violence, even a "massacre," against Palestinians in Jenin. Prime Minister Ecevit declared that Israeli forces had engaged in "genocide," an intemperate remark for which he quickly apologized, but similar denunciations of Israeli actions came from other political leaders. Temel Karamolaoğlu, spokesman for Erbakan's Felicity Party, demanded that Ankara recall its ambassador from Tel Aviv and call off joint military exercises. He declared that Palestinian suicide bombers were not terrorists, and warned that Sharon had expansionist ambitions threatening Turkey, since the Southeastern Anatolia Project (GAP) region was included in the land
promised to the Jews in the Bible. Bülent Arınç, a senior lawmaker from the AKP who would become speaker of the parliament after the November elections, told journalists on April 2: “If Turkey is to hold its head up, it should review the [tank] tender at this stage and use its right to cancel it.” On the same day, in a heated special parliamentary debate on the latest Middle East crisis, Arınç declared: “Recent developments have revealed that there was not any difference between Adolf Hitler and Israeli prime minister Ariel Sharon.”

Arınç’s views were clearly not shared by Erdoğan, his party leader. Immediately after the November elections, Erdoğan affirmed that strategic ties with Israel would continue. In an interview with Israel Radio, he reassured his Israeli listeners: “Israeli-Turkish relations in the military, defense, and economic areas will not be hurt. The relationship between us will remain good because it is a very strong interest of the two countries, backed by the United States.

The significance that the new Turkish government attached to its relations with Israel was dramatically highlighted during Erdoğan’s official visit to Washington on December 10. Even before meeting with President Bush in the White House, he met with representatives of major national Jewish organizations at a gathering convened by the American Jewish Committee. Erdoğan assured the Jewish leaders that his government would maintain good relations with Israel. He added that in his contacts with Arab countries he would try to convince them to combat manifestations of anti-Semitism. The idea of a meeting with the American Jewish representatives had been suggested by the State Department and was strongly endorsed by O. Faruk Logoğlu, Turkey’s ambassador to the U.S., who also made sure that the new government’s platform would explicitly endorse Turkish-Israeli relations.

Turkey’s strategic cooperation with Israel on many fronts, including the war on terrorism, continued throughout the year. These included a variety of sophisticated defense-industry projects and periodic joint training exercises involving U.S., Turkish, and Israeli military units. In December 2002, for example, Turkey hosted several high-level, well-publicized visits from Israeli leaders, including Yoav Biran, acting director general of the Foreign Ministry, and Lt. Gen. Moshe Ya’alon, the army chief of staff.

Deborah Sontag, in a *New York Times* piece on Erdoğan (Sunday Magazine, May 11, 2003), suggested that the new Turkish leader had learned the importance of maintaining Jewish support through his ties with the country’s business elite. In particular, Erdoğan had struck up a relationship with Ishak Alaton, a prominent member of Turkey’s Jewish com-
munity and chairman and cofounder of the Alarko Group of Companies—a Turkish industrial conglomerate and appliance manufacturer that won major construction projects in Turkey and many foreign countries. Alaton introduced Erdoğan to the Turkish and American Jewish leadership and helped convince him of the importance for Turkey of maintaining good relations with Israel. Sontag noted that this required a little reeducation first. Speaking of the AKP leadership, Alaton told her, “They had this impression that the world was run by Jews.” But Erdoğan, he suggested, was a practical man of good will who represented the forces of change in Turkey. “Erdoğan shouldn’t be punished,” the Turkish Jewish leader said. “Maybe people of good faith should understand how important he is.”

But the prospect of an American invasion of Iraq in 2003 cast a shadow on the future of Turkey’s relations with Jews, Israel, and the U.S. For one thing, such an invasion would be widely seen in Turkey as part of a Western assault on Islam (not to mention a venture that served Israel’s interests), and it would be hard for the AKP, with its Islamist roots, to support it. Even more important, the hostilities might plunge Iraq into anarchy, inducing the Kurdish areas bordering on Turkey to secede from Iraq and tempting the Turkish Kurds to follow suit—a nightmare scenario for Turkey’s powerful military establishment.

JEWISH COMMUNITY

A New Chief Rabbi

Just as Turkey elected new leadership in 2002, so did its Jewish community. Chief Rabbi (Hahambaşî in Turkish) David Asseo, who had been ill for several months, died on July 14, 2002, at the age of 88. Born in 1914 in Istanbul, he had worked as a teacher in Jewish schools before joining the office of the rabbinate in 1936, and was elected chief rabbi in 1961. Thus, for the first time in more than four decades, the community had to choose a new chief rabbi.

The selection was conducted in a two-stage democratic process. On October 20, all registered members of the Jewish community over the age of 18, women and men, could cast ballots for their local delegates to a lay leadership council of 120. This represented a significant enlargement of the pool of eligible voters from the previous election 41 years earlier, when only male members above the age of 21 could vote. For the 2002
election, the number of delegates from each congregation or community was determined by the size of its Jewish population. Thus Istanbul, with an estimated Jewish population of around 20,000, chose 105 of the 120 delegates, divided proportionally among the different local synagogues on the basis of membership size. Izmir, with an estimated Jewish population of 2,000, chose ten delegates. Şalom (Shalom), the Istanbul Jewish weekly, reported that only about 18.5 percent of those eligible voted. Women fared well in the balloting. The two largest Istanbul synagogues, each allotted 31 delegates—Neve Şalom and Ortaköy—elected six women apiece. (Another woman, Lina Filiba, one of the two executive vice presidents of the Turkish Jewish community, retained that position after the election.)

On October 21, a total of 12 religious delegates were chosen (a number set at 10 percent of the 120 communal delegates), ten from Istanbul and two from Izmir. Those voting were the religious professionals—rabbis, cantors, ritual slaughterers, and mohalim (performers of ritual circumcision). Community regulations required that the Hahambaşı must have attained the age of 40, and there were only three Turkish rabbis who fulfilled that qualification: Yehuda Adoni, Moshe Benvenisti, and Izak Haleva, all of whom were among the 12 religious delegates.

On October 24, Rabbi Haleva was chosen by acclamation after the two others withdrew. Haleva was known in the broader community for teaching popular courses on religion and philosophy at the Divinity School of Istanbul’s Marmara University, and for promoting interfaith dialogue with his Muslim and Christian Turkish counterparts as well as with visiting foreign religious leaders.

Haleva was installed in a festive ceremony at the Neve Shalom Synagogue on December 19, marked by the blowing of the shofar. The doors of the Ark were opened by Rabbi Eliahu Bakshi-Doron, the visiting Israeli Sephardi chief rabbi, together with Bensiyon Pinto, president of the Turkish Jewish community. Istanbul mayor Ali Müfit Gürtuna attended, along with high-ranking Turkish officials, leaders of the country’s different religious communities, and Israeli representatives. Among the foreign Jewish visitors, Şalom singled out Rabbi Pinchas Goldschmidt, chief rabbi of Moscow. A heavy snowstorm prevented most officials from Ankara from attending, but many sent congratulatory messages. Recep Tayyip Erdoğan, at the time chairman of the AKP, wrote: “It is my heartfelt belief that the esteemed [Chief Rabbi] Haleva’s profound cultural as well as philosophical knowledge will be a source for advancing the peace and well-being not only of our Jewish community, but of all the sectors of our country.”
An Aging and Shrinking Community

The Turkish Jewish community was organized under the authority of the chief rabbi according to a tripartite structure. First, a Bet Din (religious court) consisting of five rabbis adjudicated matters of Jewish law. Second, there was a 50-member lay council—its president was currently Bensiyon Pinto, a business consultant—with a smaller executive board of 18. And third, a Council of Representatives, whose membership had ranged from 220 to 250 in recent years, consisted of delegates from the various synagogues, foundations, welfare associations, and youth clubs.

The selection of delegates to the council that chose the new chief rabbi brought renewed attention to the serious drop in the Jewish population of the Turkish Republic (in 1965, the Turkish census stopped asking about religion, and so no direct government data was available.) Only one delegate each was selected from Ankara—Turkey's capital—Adana, Antioch (Antakya), Bursa, and Çanakkale because none of them had an estimated Jewish population exceeding 100. Since there had been little recent emigration—only some 40-50 persons left Turkey annually—the main reason for the ongoing decline was the aging of the community: the ratio of births to deaths was estimated at around 1:3. According to an overview of the Jewish community prepared by Lina Filiba, the number of annual births peaked at 250 in 1981 and stabilized at around 125 during the 1990s. Only 20 percent of Turkish Jews were under 25 years of age, 29 percent were between 25 and 44, 33 percent between 45 and 65, and some 18 percent 65 or older. This age profile differed markedly from that of the majority Muslim society, which had a very young average age and was rapidly growing.

There were believed to be only a few Jews still living in Edirne, Gelibolu, and Kırklareli. The absence of Edirne (Adrianople) from the list of cities selecting delegates to participate in electing the new chief rabbi confirmed the sad fact that this once flourishing Jewish community—which had 6,098 Jews according to the official Turkish census of 1927 and still some 400 in 1965—had effectively ceased to exist. Its magnificent main synagogue had begun to fall into ruin a decade earlier, and a plan to restore it and turn it into a museum run by the municipality was not implemented for lack of funds. In Ankara, the old wooden synagogue in the city's historic district had been extensively renovated in the early 1990s, but it is was now open only for the High Holy Days because the small Jewish community lacked the funds to provide security.
Lifting Restrictions on Synagogues

In August, as part of Ankara’s efforts to meet the entry requirements of the European Union, the Turkish parliament adopted a series of laws designed to strengthen human rights and bring Turkey’s treatment of religious and ethnic minorities more closely in line with Western European standards. One of these laws, having to do with the powers of religious foundations, was of great importance to the Jewish community.

Beginning in 1926, when Turkish Jewry relinquished its corporate legal status as a national Jewish community, every synagogue (sometimes, a group of synagogues) had to be separately incorporated as a Vakif, a religious charitable foundation, each of which might dispose of its property as it saw fit. However, under a Turkish law enacted in 1935, any Vakif property that no longer had a functioning community to take care of it and had not held board elections for four years would come under the authority of the Vakıflar Müdürlüğü (General Directorate of Charitable Foundations). Since there was virtually no area in Turkey without a functioning local Muslim community, this law in practice affected only the religious properties of the small remaining Jewish, Armenian, and Greek Orthodox minorities. Over the years, as many Jewish communities in Turkey declined, synagogues were left with no one to care for them. Since, under the law, each synagogue was a separate legal entity, assets of the neglected synagogues could not be transferred to other, functioning Jewish congregations, and instead came under the control of the Vakıflar Müdürlüğü.

Furthermore, in fulfillment of the 1935 law on charitable foundations, the Turkish Jewish community the next year issued a declaration listing the buildings and institutions that they possessed, but did not spell out the rules and regulations that would govern the activities of the Jewish foundations. Since it did not specify that the foundations could buy buildings or land, the Turkish authorities had ruled that they did not have the right to do so.

For years, attempts on the part of the Jewish community to have the laws changed got nowhere. Even though Turkish officials told Jewish leaders that they would like to exempt Jewish synagogues from these provisions, they did not want to set a precedent that might benefit the Armenian and Greek Orthodox communities, which controlled far larger holdings than the Jews and were seen as far greater threats to the Muslim majority.

The 2002 law gave permission to all religious community foundations
to: a) acquire new buildings with the permission of the cabinet, and b) within six months from August 2002, to register in their names all buildings acquired before August 2002 for which registration rights were not previously given. While this was a positive development in principle, the need for cabinet approval and a set of heavy bureaucratic regulations adopted in October to implement the law proved extremely onerous for the Jewish community. Jewish leaders reached the conclusion that to compile all the required documents would impose upon them "an almost impossible task."

After the AKP's triumph in the November elections, party leader Tayyip Erdogan expressed understanding for the Jewish community's predicament, and the new government took steps to abrogate the clause requiring cabinet approval for registering community-owned buildings and to cancel the complex regulations. Jewish leaders publicly expressed their gratitude.

Facing Economic Crisis

The Jewish community of Turkey, whose origins could be traced back 2,300 years, had sustained a self-sufficient and vibrant Jewish life for more than 500 years under the Ottoman Empire and 80 years in the modern Turkish Republic. The Jewish community benefited from the positive attitude of the government, which saw it as a loyal and productive element in Turkish society. Especially in recent years, Ankara came to recognize that the close fraternal and economic ties between Turkish Jews and other influential Jewish communities—notably those in the U.S. and Western Europe—could help Turkey improve its own relations with the West, and possibly gain it eventual entry into the European Union.

But this generally positive situation offered no protection from Turkey's economic crisis, which hit the predominantly middle-class Jewish community particularly hard. Once sufficiently prosperous to fund its own communal institutions and take care of the small number of families in need of financial assistance, Turkish Jewry saw its situation sharply deteriorate. By the end of 2002, over 800 members of the Jewish community, most of them businessmen over the age of 50, were unemployed with no source of income, some having to close their businesses and others forced into bankruptcy. In Turkey, where the social safety net was woefully inadequate, they could hope for virtually no public assistance.

The community responded to the crisis by establishing a special unit to deal with the economic situation, appointed lay leaders to supervise
it, and began a search for a professional coordinator. With modest fin-
nancial and professional assistance from the American Jewish Joint Dis-
tribution Committee (JDC), the unit provided employment counseling
and advice for small-business initiatives. The JDC also established con-
tacts for members of the Jewish community with the Manpower Inter-
national Employment Agency's office in Istanbul. Training programs
were implemented with JDC guidance, including a strategic-planning
seminar for community leaders, a fund-raising course, and assistance in
grant and proposal writing.

The economic crisis had an immediate effect on the financial health of
Jewish institutions in the country. The community could no longer count
on collecting regular membership dues as easily as in the past, and many
who had pledged funds could not fulfill their obligations. At the same
time, there were more Jewish families in need of financial aid. Health care
was a particular problem. Since government-sponsored medical services
were inadequate, families had purchased private health insurance at very
high cost, which many were now no longer able to pay. The Jewish com-
community had to cover the costs for the treatment of a number of compli-
cated medical cases in 2002.

Nevertheless, outside assistance enabled the Jewish community to
maintain institutions that provided services to the ill and aged. The
century-old, 100-bed Or Hahayim Hospital and Jewish Home for the
Aged in Istanbul, used primarily as a nursing home, underwent major ren-
ovations with the help of substantial grants from the Harry and Jeanette
Weinberg Foundation. The JDC augmented this, bringing in an Israeli
occupational therapist to improve the programs and activities. The Wein-
berg Foundation was also planning a new building for Or Hahayim with
a wing for use as a psycho-geriatric center, for which the JDC-ESHEL
affiliate in Israel would provide technical assistance. Another JDC pro-
ject was assisting the Istanbul Jewish community to develop its "golden
age club," with 200 elderly participants who met in two locations.

The problem of financing vital community institutions also affected
Jewish education. The modern Jewish day school in the fashionable Ulus
district of Istanbul, with places for more than 600 students in classes from
kindergarten through high school, had been running an annual deficit of
around $1 million for years. In the past, prosperous community members
provided the funds for students' scholarships, teachers' salaries, and main-
tenance of the building. But the economic crisis cut sharply into the
available scholarship money, forcing many students to leave, and enroll-
ment dropped from 582 in 1998-99 to around 430 in 2002-03. Three Jew-
ish afternoon schools (Talmud Torahs) continued to function in Şişli, Ortaköy, and Caddebostan for elementary and high-school students, and there were also after-school and weekend educational programs for children and parents in Istanbul and Izmir. Among the other informal Jewish educational activities coordinated by the Chief Rabbinate's board of education during 2002 were preschool programs, Hebrew language and discussion groups for all ages, preparation for bar/bat mitzvah, and preparation-for-marriage sessions for engaged couples.

The JDC played a particularly crucial role for the young Jews of Izmir, the second-largest Jewish community in Turkey, which had steadily declined in numbers. In 1992, after the city's only Jewish elementary school closed down, the JDC had sent a member of its Jewish Service Corps for a year of volunteer work with the city's Jewish youth. He organized programs on Jewish subjects for unaffiliated young adults, activated youth activities in nearby Çeşme, Izmir's summer resort, and led Izmir's first group of campers to the International Summer Camp in Szarvas, Hungary, cosponsored by the JDC and the Ronald S. Lauder Foundation. Since then, the JDC continued to provide scholarships for Izmir teenagers to attend the camp, which brought together Jewish teens from around the world, and to do follow-up activity with the participants after they come home. In 2002, Izmir sent 20 campers there. For 2002–03, the JDC placed two new volunteers in Turkey, one based in Istanbul and the other in Izmir, with the aim of strengthening the connection between the two communities and also reestablishing contact with the smaller Jewish communities in other cities.

The JDC also worked with the Turkish Jewish leadership to develop ties with Jewish communities in the neighboring Black Sea countries. In May 2002, Bulgaria hosted the first annual Black Sea Gesher Student Seminar, bringing together Jewish students from Bulgaria, Turkey, Romania, Ukraine, and the former Yugoslavia. The second seminar was to be hosted by Turkey in May 2003.

Cultural Life

Despite the economic difficulties, the Turkish Jewish community continued to publish its weekly newspaper Salom (Shalom). It covered major political developments in Turkey, Israel, and the U.S., and also included movie reviews, historical articles on Jewish leaders and communities around the world, and a rabbi's comment on the weekly Torah reading. All but one of its 12–16 pages was in Turkish, and the other in Judeo-
Spanish, but written in the modified Turkish Latin script. Other books and pamphlets on Jewish subjects were published by Gözlem Publications of Istanbul.

The new Quincentennial Foundation (marking 500 years since the foundation of the Jewish community under the Ottoman Empire) sponsored the Jewish Museum, housed in the renovated Zulfaris synagogue, which opened to the public in November 2001.

Los Pašaros Sefaradis, a musical group founded in 1978 in Istanbul to research, collect, and perform the traditional music of the Sephardim, had produced five albums of Judeo-Spanish secular songs. In 2001, it began a new project dedicated to the liturgical music of the Istanbul synagogues. With the encouragement and professional guidance of four leading rabbis of the community, the group produced a new CD in 2002, Zemirot: Turkish-Sephardic Synagogue Hymns. It was accompanied by a colorful 72-page booklet in Turkish, Hebrew, and English that not only provided and explained the texts of the hymns and prayers, but also included illustrations of Turkish Jewish composers and orchestras that performed in the 1920s and 1930s. The group performed at many Jewish and non-Jewish cultural centers throughout Europe, the U.S., and Mexico. On December 9, 2002, for example, Karen Gerson Sarhon, the lead vocalist, participated in and performed at a day-long conference at Brandeis University on “Jewish Women in Turkey: Living in Multiple Worlds.”

The Turkish Jewish community had long encouraged Jewish involvement in sports. Indeed, the first Maccabi Club was founded in Istanbul in 1895. The club remained an active member of the European Maccabi Confederation and hosted the tenth European Maccabi Congress, held in Istanbul from October 31 to November 3, 2002.

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