



Minority Report—Mr C M Pyne MP,
Dr A J Southcott MP, Senator M A Payne,
Hon L S Lieberman MP, Hon J E Moylan MP,
Hon B G Baird MP, Hon A P Thomson MP

**Minority Report to the Joint Standing Committee on
Foreign Affairs, Defence and Trade Report arising from
its inquiry into Australia's relationship with the Middle
East**

Members of the minority in this report are in agreement with all the recommendations other than one—Recommendation 5.

Similarly, they are in agreement with most of the supporting commentary to the recommendations. In some important areas however, they are unable to support the report.

Some aspects of the report are unbalanced and slanted unfairly in favour of one side of the argument.

The minority contends that the report would be more objective if the following proposals had been included.

Chapter Two, “The Middle East Conflict in Outline”

Paragraph 2.63

The minority contends that this paragraph is unbalanced. It repeats Palestinian claims that are used to justify terrorist attacks on Jewish settlers in the occupied territories. It asserts that Jewish settlers incite violence and do so with little fear of punishment from Israeli security forces.

These claims are all subjective. They are repeated in the majority report without qualification.

Terrorism is never justified. The paragraph contains no balancing commentary condemning terrorist attacks in all circumstances or any qualification regarding the slur on Israeli security forces or a qualification that the claim that Jewish settlers incite violence is an allegation only.

The paragraph should be deleted.

Paragraph 2.80

This paragraph outlines Ariel Sharon’s position on the question of concessions to the Palestinians while the current violence continues.

It is not offensive in itself but it does not go as far as it should. It contains no statement on the position adopted by Yasser Arafat to the question of concessions and PA encouraged violence.

The minority believes that the following sentence should be included in this paragraph:

Mr Arafat appeared to do little to advance the cause of peace when he commented:

“Sharon and I are the two greatest generals in history. But the difference between us is that I have not yet lost any wars.” (*The Age*, June 4, 2001)

Paragraph 2.84

This paragraph distorts the true picture of Yasser Arafat’s and the PA’s response to the Israeli and international communities demands that they take action to curb the violence in Israel and the occupied territories known as the “Al Aqsa intifada”.

It conveys the impression that Yasser Arafat responded firmly to the uprising and highlights the arrest by the Palestinian police of one Hamas leader.

But it is inadequate. It fails to mention a salient fact. Following the “Al Aqsa intifada” the PA released many of the terrorists held in their custody. To suggest

that by arresting one Hamas leader some time after the “Al Aqsa intifada” had begun Yasser Arafat and the PA had responded firmly is a distortion.

The minority suggests that the following sentence be added:

However, Mr Arafat failed to re-arrest many other terrorist leaders previously gaoled by the PA and released when the intifada began.

(Source: see attached articles)

Chapter Three, “Australia’s Contribution to the Middle East Peace Process”

Paragraph 3.33

This paragraph purports to reflect the views of an unofficial delegation of the “Friends of Palestine” from the New South Wales and Federal Parliaments.

There are a number of reasons why this paragraph should be excised from the report.

Firstly, the report does not also include the findings of other delegations, both official and unofficial, to the Middle East over the past several years even though there have been other delegations of that kind. There is no reason to include only the findings of this particular delegation.

Secondly, by including the findings of this delegation it implies that the members of the Joint Standing Committee have some sympathy for or even support the findings reported.

The minority does not support their findings. For example, we do not join that delegation in criticising Australia for not having an “overseas post in Palestine” nor do we wish to criticise Australia for the “indefinite postponement” of the invitation to Yasser Arafat to visit Australia.

The paragraph should be deleted.

Paragraph 3.68

The minority agrees that there are serious difficulties confronting the PA in its desire to make the occupied territories economically viable.

Many of these are listed in paragraph 3.68. But one of the most significant, namely the endemic corruption that besets the PA is entirely omitted.

There is ample evidence that corruption is a serious problem facing the PA and holding it back from achieving future economic viability.

The minority believes that the words “and endemic corruption in the PA” should be included following the words “current uprising”.

(Source: see attached articles)

Recommendation 5

This recommendation is in two parts. The minority supports the first part but not the second.

The Palestinian General Delegation currently represents Palestinian interests in Australia. That seems to the minority to be both appropriate and sufficient at this time.

The rejection by Yasser Arafat and the PA of the proposal put to them by Ehud Barak at the Camp David summit in July 2000 (which included the establishment of a Palestinian state, Palestinian sovereignty in the great majority of Arab areas in East Jerusalem and joint control over the remaining areas and an exchange of vacant land in Israel abutting the West Bank for land occupied by a majority Jewish population in the West Bank) suggests that hopes for “final status” negotiations are unlikely for some time.

With violence continuing in the occupied territories and Israel it appears the Sharm el-Sheik agreement of October 2000 has also not been honoured.

The terrorist bombing at a Tel Aviv discothèque in June 2001 during the unilateral Israeli ceasefire recommended by the Mitchell report caused the situation to deteriorate further.

Given that the current cycle of violence and reprisals seems yet to abate, hopes of concessions and “final status” negotiations appear a distant hope.

In this climate it would seem naïve at best and certainly premature to propose that preparations be made for the establishment of a “permanent Palestinian mission with full diplomatic status” (dependant on significant progress being made in “final status” negotiations).

Such a recommendation is unnecessarily confrontational.

The minority does not support article two of recommendation five.

Chapter Ten, “Australian Overseas Aid for the Middle East”

Paragraph 10.63

The paragraph refers to “when a Palestinian entity is created”.

The minority endorses and supports moves to establish a peaceful Palestinian entity based on Gaza and the West Bank. It sees this as the ambition of all sides in the debate. It is not however an inevitability. To use the term “when” defies the possibility that this may not occur and is therefore premature. It conveys the impression that Australia’s support is unreserved when in fact it is conditional on meaningful and effective peace being achieved.

The minority would support substituting the word “when” for “if”. This would accurately reflect the reality.

Mr C M Pyne MP

Dr A J Southcott MP

Senator M A Payne

Hon L S Lieberman MP

Hon J E Moylan MP

Hon B G Baird MP

Hon A P Thomson MP

EU to closely monitor funds to PA, Arafat

By Margot Dudkevitch, Herb Keinon, and Lamia Lahoud

March, 14 2001

JERUSALEM (March 14) - Visiting European Union officials said yesterday they plan to closely monitor funds transferred to the impoverished Palestinian Authority in order to ensure they do not find their way into PA Chairman Yasser Arafat's or other officials' pockets.

Their comments followed yesterday's report in The Jerusalem Post that Arafat has put aside millions of dollars in a Swiss bank account which he has now offered to Iraqi President Saddam Hussein in exchange for a safe haven if he is forced to leave the Palestinian areas.

When asked about Arafat's special funds, EU special Middle East envoy Miguel Moratinos said yesterday that they were "working for a transparent budget. We are not going to allow these kinds of things, and will control [the aid funds] very well."

Meanwhile, Arafat's personal wealth, assessed by Israeli security officials as tens of billions of dollars, stems from his days as head of the Palestine Liberation Organization, when he transferred funds he received from various countries for the organization to his private bank accounts in Switzerland, the US, and Europe.

Despite the hardships faced by the Palestinians today, Arafat prefers to portray the Palestinian people as victims of the occupation so as to gain world sympathy and funds, rather than dipping into his own pocket, an Israeli security official said yesterday.

Arafat has set aside a relatively small portion of his wealth, estimated at \$20 billion and not \$20 million as reported in yesterday's Post, for Saddam, in preparation for an escape, with the remaining billions continuing to be heavily invested in real estate in Europe, Canada, and Australia and in stock in international companies, an Israeli security official said yesterday.

Citing several examples of how Arafat amassed his fortune, the official said: "In accordance with a decision made by the Arab League 30 to 40 years ago, Arab and Gulf State countries paid the PLO tax money for the Palestinian laborers working in their countries. He [Arafat] also received large sums of money for military training in various countries and was deft in arms trading, and received money from terrorist organizations to perpetrate attacks. When the IAF bombed his headquarters in Tunis, he received large sums of money to rebuild the place, even though only one building was slightly damaged. That is why today many countries are cautious of giving money directly to him, and opt to establish projects under their supervision to ensure the money does not end up in his pockets."

The official also noted that the PA is riddled with corruption, and many countries, among them Arab countries, are far more cautious about transferring funds to it.

EU Commissioner for External Relations Christopher Patten said yesterday at a press conference after meeting Foreign Minister Shimon Peres that the issue of corruption came up in the talks held by himself, Moratinos, and EU President and Swedish Foreign Minister Anna Lindh with Arafat in Gaza on Monday night.

"We made it clear that in order for us to go on and provide substantial assistance to the Palestinian administration, we will need to see a tough realistic budget, some real transparency" and measures to ensure "complete anti-corruption," Patten said.

Palestinians yesterday denied the Post report that Arafat has a slush fund which he has offered to Saddam in case he needs to leave the Palestinian areas.

While one PA source confirmed yesterday's Post report, saying that Arafat is known to have huge funds set aside for such an emergency, other Palestinians denied it.

Bassam Abu Sharif, an advisor to Arafat, said the Arab states have so far paid only \$8m. out of the \$1.3b. pledged at the last Arab summit in October for transporting wounded Palestinians to Arab hospitals for treatment. At Monday's Arab foreign ministers' meeting in Cairo, the ministers decided to recommend to the Arab summit, slated to meet March 28 in Amman, to pay \$40m. every month to the PA. However, he denied reports that Arafat intends to leave the Palestinian areas if the situation worsens, saying, "Arafat is stronger politically than the Israeli government."

West Bank Fatah leader Marwan Barghouti said the time of exile is over for the PLO. He believes Arafat and other PA officials would stay and fight for their

rights. "It is better to be imprisoned here than to return to exile," he said, adding, "Believe me, no one except Arafat can unite and lead the Palestinians in these difficult times."

In response, the Israeli security official recounted Arafat's track record, adding, "He hasn't been described as sitting on suitcases for no reason."

THE REVIEW

April 2001

Down and Out in Palestine

Corruption and Palestinian suffering

By Rachel Ehrenfeld

Any attempt of the Bush administration to restart the peace process in the Middle East must first recognize why the Palestinian economy is on the brink of collapse.

According to surveys by the research centre of the Israeli Yad Tabenkin, the West Bank per capita gross domestic product (GDP) before the Oslo accord in 1993 was approximately \$3,500, and in Gaza, about \$2,800. Now, the per capita GDP for both territories is around \$1,300. And UN Envoy Terje Roed-Larsen says that 30 percent of the Palestinian people live on less than \$2.10 a day.



Their corrupt leadership leaves ordinary Palestinians with little prospect of escaping poverty

Before Yasser Arafat and the Palestinian Liberation Organization (PLO) entered the territories in May of 1994, the Palestinian per capita GDP in the West Bank was about 40 percent of the \$8,000 Israeli per capita GDP for the same period, and in the 1990s, the economic development of the West Bank exceeded that of Israel. If that trend would have been allowed to continue, the West Bank's GDP would have reached at least \$7,000 by now, similar to Saudi Arabia, and 700 percent higher than the average in other oil-devoid Arab states such as Egypt, Syria, Jordan and Morocco.

In 1990, the CIA estimated that the PLO had between \$8 billion to \$14 billion worth of assets generated from a 5 percent tax on every Palestinian working in Arab countries. However, according to a 1993 British National Criminal Intelligence Service (NCIS) report published on the eve of the famous "hand shake" on the White House lawn, most of the PLO's assets originated from "donations, extortion, payoffs, illegal arms dealing, drug trafficking, money laundering, fraud, etc." A General Accounting Office (GAO) investigation of Mr Arafat in November 1995 was kept secret, due to "national security interest." Subsequent to the "hand shake" on the White House lawn on Sept. 1993, Arafat received at least \$3 billion more from the United States and the international donor community, again, without any serious demand for accountability. The present condition of the Palestinians in the territories is a grim affirmation that becoming the official leader of the Palestinian people did nothing to change Arafat's old habits.

Shortly after the current Intifada began, Arab donor countries pledged to give \$1 billion to the Palestinian Authority to ease the economic hardship of the Palestinian

people. However, the Arab donors' past experience with money given to Arafat and the Palestinian Authority prompted them to demand, according to reports in *Ha'aretz*, the Israeli daily, that "Chairman Arafat show complete transparency in the funds" and a detailed report on how it was spent. Arafat and the Palestinian Authority declined to comply, and the Arab donors suspended the transfer of the money "for fear that the money will end up in the wrong pockets." The rapidly growing, very visible social disparity in the territories — rows of ostentatious villas and late model Mercedes-Benz automobiles for Arafat's cronies while most Palestinians live in dismal conditions — began to threaten Arafat's leadership. Igniting another Intifada enabled Yasser Arafat to redefine the economic decline in the territories as "sacrifices" to mobilize against the "zionist enemy," while blaming the victim of the violence, Israel.

In 1994, British National Criminal Intelligence Service (NCIS) sources asserted that following Oslo, the PLO's illegal activities actually increased. No Robin Hood, Mr Arafat kept the loot for himself and his cronies, hiding large amounts of money in Swiss and other secret bank accounts, and making large investments in real estate and industry all over the world. At the same time he has done nothing to improve the living conditions of the Palestinians he allegedly collected the money for. Never having to account for the billions he had stolen, he continues to claim poverty.

Now the cat is out of the bag: The Palestinian Authority has admitted that the current Intifada was planned in detail last July following the failed Camp David Summit. Imad Faluji, the Palestinian Authority's communications minister, told a PLO rally in the Ein Hilwe refugee camp in South Lebanon on March 2 that, as part of that plan, all the PLO "military action groups of the 1960s, 1970s, and 1980s are returning to work to escalate the fighting against Israel." Arafat has successfully claimed that Israel causes the economic hardship suffered by the Palestinian people. These claims are based on two fundamentally false assumptions: One, that Israel, rather than Chairman Arafat's misgovernance and corruption, is responsible for the economic collapse; and, two, that on some level, there is still some hope or belief that the disingenuous behaviour Arafat and the PLO's leadership is a result of pressure from the street resulting from lack of tangible gains to the average Palestinian rather than Arafat's intentions and a reflection of his bad faith in entering the Oslo process in 1993, that led to the establishment of the Palestinian Authority.

Arafat's past is a good indication that he will continue to use terror and corruption to stay in power. He does not want to give peace a chance because in peacetime the Palestinians working in Israel will earn many times over those working under Chairman Arafat's corrupt leadership in the West Bank, and especially in Gaza, where they will continue to earn a pittance. This will lead, as it already has, to demands to end corruption, thus, threatening Arafat's regime.

That, more than anything else, explains the failure of "the peace process" wherein the Barak government made unprecedented concessions that Arafat failed to accept as a compromise to end the conflict. And it is why any attempt by the Bush administration to pick up the pieces of the failed effort appear, at best, extremely difficult.

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Some Facts about the Palestinian Economy

* In the wake of the violent confrontations with Israel, the PA is experiencing a financial crisis. This is because the riots caused a significant decline in the revenue from taxes collected by the PA and a reduction in revenue from money transferred from Israel. Accordingly, the PA has expended great effort in different channels to obtain aid for its activities. This effort has so far yielded \$140 million in Arab and international aid and enabled the PA to continue paying salaries regularly to its approximately 100,000 employees.

* During the current conflict, from the beginning of October 2000 until the end of that year, Israel has transferred NIS 407 million (approximately 100 million US dollars) to the Palestinian Authority from indirect tax revenues that Israel collects on the PA's behalf, as set forth in the interim agreements. This amount is lower than the sum normally transferred (pre-October 2000) because of a decrease in the economic activity in the PA, as well as a decrease in the economic activity between Israel and the PA.

* The economic difficulties of the Palestinians are directly linked to their choice of violence and terrorism as the way to achieve their political goals. The PA has been tied to terrorist activities, incites to violence and is not doing a thing to prevent any of these acts. Terrorism forces Israel to adopt stringent security and cautionary measures to minimise the dangers and prevent attacks and injuries. As a natural result of the violent events, there has been an appreciable decline in economic activity. This decline has led to decreased income for the Palestinians, from salaries and taxes, as well as a considerable increase in poverty among the population.

* At the same time, alongside the strict security measures, Israel is doing everything it can to make things easier for the Palestinian population, in the framework of what is called a "permeable" closure. This means that the closure, for humanitarian reasons, is not "hermetic" and therefore Israel is taking upon itself an enormous security risk that has so far cost the lives of dozens of Israelis and injured hundreds more.

* Israel is allowing the free entry of consumer goods, food, fuel and medicines (humanitarian aid) - as well as unlimited transport of agricultural produce intended for export or for use in other areas of the PA. The main crossing to Gaza was closed for only 5 days because of the disturbances. The Palestinians, by their own decision, closed it from their side for an additional 13 days.

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- * In addition, despite the enormous debts owed by the PA and semi-governmental bodies within it (for example the electric, telephone and cellular phone companies) to Israeli companies supplying these services. Israel, for humanitarian reasons, is not disconnecting the Palestinians from these services, and is itself absorbing the costs.
 - * When the violence first broke out, Israel did not immediately halt the "ongoing employment" program, attempting to allow Palestinians to continue working in Israel, so that their livelihood would not be disrupted. The regular work program was stopped only after the disturbances intensified. Attempts to reinstate the program failed because of terrorist attacks on Israeli citizens.
 - * In contrast, work in the industrial areas along the "seam line" was not halted, although the amount of work has diminished due to violent Palestinian attempts to prevent workers from arriving at these areas and as a result of the burning of industrial areas (such as the one near Tulkarm) by Palestinians.
 - * Recently, official elements in the PA have placed a boycott on certain types of Israeli goods, threatening to arrest anyone who violates the decree. We know of cases where Israeli goods have been taken off the store shelves.
 - * It should be pointed out that the PA, in order to make the picture of suffering, which is bad enough, look even worse, likes to cite incorrect information to international investigative bodies. Thus, for example, UNSCO's report, based on Palestinian information, states that the Karni crossing, through which goods are transported between Gaza and Israel, was closed for 93 days. In reality, according to the Coordinator of Activities in the Territories, the passage was closed for only 18 days, thirteen of which were at the instigation of the Palestinians themselves. The report also states that Allenby Bridge was closed for 35 days when, in fact, according to figures from the Airport Authority (which operates the crossing), the bridge was closed for only 16 days.
 - * Israel regrets the great suffering caused to the civilian Palestinian population, whose situation has deteriorated to one of great economic distress, poverty and unemployment. However, the biggest source of regret is that the PA has not reached an agreement with Israel, an agreement that was possible in light of Israel's sweeping concessions.

(Prepared by the Israeli Ministry of Foreign Affairs)

The extent of Arafat's corruption

By Rachel Ehrenfeld

June, 27 2001

(June 27) - It is evident that Palestinian Authority Chairman Yasser Arafat holds the key to the funds that keep the PA and himself in business. While CIA Director George Tenet negotiated with Arafat, American tax dollars continued to flow into Arafat's private coffers to the tune of at least \$75 million, which has happened annually since 1994, according to the Congressional Research Service Report to Congress on April 17, 2001.

Arafat, in sustained and well-documented instances of corruption, has systematically skimmed off portions of these funds, as he has with monies given to him on behalf of refugees in the camps. Amazingly, Arafat still elicits trust, recognition and sympathy from most world leaders.

The personal wealth of Arafat and his inner circle has not gone unnoticed by the Palestinian masses. Rapidly growing, highly visible social disparity in the territories under Arafat's rule - rows of ostentatious villas and late-model Mercedes-Benz automobiles for Arafat's cronies, while most Palestinians live in dismal conditions - began to threaten his leadership. Igniting the latest intifada has enabled Arafat to portray the economic decline in the territories, as "sacrifices" needed to mobilize against the "Zionist enemy." Thus, he was able to divert attention from the corruption that he shares with his friends at the helm of the PA. To further hide this corruption, Arafat ordered the kidnapping of Jawar al-Rusien, the PLO's former trusted accountant, after a falling out. On April 20, al-Rusien was kidnapped by armed men from his home in Abu Dhabi in the United Arab Emirates and flown handcuffed on Arafat's plane to Gaza. His whereabouts were unknown until recently, when Arafat's aides admitted holding him "because he failed to return money he borrowed," according to Yediot Aharonot.

Long before the Oslo accord, in 1990 the CIA estimated that the PLO had between \$8 billion and \$14 billion worth of assets generated from a 5 percent tax on every Palestinian working in Arab countries. However, according to a 1993 British National Criminal Intelligence Service (NCIS) report published on the eve of the famous "handshake" on the White House lawn, most of the PLO's assets originated from "donations, extortion, payoffs, illegal arms dealing, drug trafficking, money laundering, fraud, etc." However, a General Accounting Office (GAO) investigation of Arafat in November 1995 was kept secret due to CIA "national security interest." Only now, efforts to release the report are underway in the Senate.

A little-noticed report by the London Daily Telegraph on December 6, 1999, revealed that computer hackers had broken the security code of the PLO's computer system. The paper listed holdings of about \$50 billion for the year 2000 (up from \$32 billion in 1998). Yet, Arafat and the leadership of the PA continue to claim poverty.

There can be little doubt that Arafat's corruption represents punishable crimes. The PA has admitted that the current intifada was instigated and planned by Arafat following the failed summit at Camp David.

Now we have the legal tools to set the record straight. In the US, Treasury official R. Richard Newcomb told a Senate Appropriations subcommittee on May 10 that the Treasury Department's Office of Foreign Assets Control can prohibit or regulate commercial or financial transactions involving specific foreign countries, entities and individuals engaged in terrorism, drug trafficking and money laundering. Since the Paris-based Financial Action Task Force (FTAF) has threatened Israel with sanctions unless its anti money laundering law is strictly implemented, one can hardly think of a better way for Israel to demonstrate its compliance than by indicting Arafat.

(The writer is director of the New York-based Center for the Study of Corruption and the Rule of Law.)



Israel Ministry of Foreign Affairs

Jerusalem, 12 August 2001

PA Releases Three Hamas Terrorists

(Communicated by the Prime Minister's Media Adviser)

In the past few days, the Palestinian Authority has released from detention three Hamas terrorists who were involved in the June 1, 2001 attack at the [Tel Aviv Dolphinarium](#), as well as in additional attacks.

The three - Kasem Nazal Suwei, Ibrahim Dahmas and A'a Rahman Hamad, prominent Hamas militants from the Kalkilya area - had been detained by PA security services on various dates, in the wake of pressure which had been exerted on the PA following the Dolphinarium attack and the July 16, 2001 attack in [Binyamina](#).

The Palestinian security services refrained from questioning the three and sufficed with holding them under lax supervision in comfortable circumstances. Last week, they were finally released.

Kassem Suwei is the brother of Tzalah, the terrorist who perpetrated the July 1994 suicide bombing on a #5 bus in Tel Aviv in which 21 people were killed. Kassem was active in the gang that also included Said Hotri, the terrorist who perpetrated the Dolphinarium attack.

A'a Rahman Hamad had been involved in the suicide attack on the #5 bus and served six years in an Israeli prison for this. Immediately upon his release in October 2000, he became involved with the Hamas military command in the Kalkilya region.

Ibrahim Dahmas is also a member of Hamas's military wing. He was active in the gang that included Said Hotri (see above) and Fadi A'amar, the terrorist who perpetrated the March 28, 2001 bombing at Neveh Yamin. Dahmas had also been planning to perpetrate a suicide attack himself.

Since the arrest of the three, Hamas had exerted considerable pressure on the PA to release them.

Last week, the PA capitulated to Hamas and thus placed Israel in danger since the three will attempt to perpetrate additional suicide attacks.

Source <http://www.mfa.gov.il/mfa/go.asp?MFAH0kbw0>

Sunday, October 15 2000

16 Tishri 5761

IDF: Nation could face wave of terror

By Margot Dudkevitch and Arie O'Sullivan

TEL AVIV (October 15) - Senior IDF commanders warned last night the nation could face a wave of terror attacks due to the recent release of terrorists from Palestinian Authority jails, and one officer assessed that PA Chairman Yasser Arafat would unlikely be able to stop them.

Meanwhile, violence in the territories was much less severe over the weekend than in the last two weeks. Palestinians reported two fatalities in clashes on Friday and more than 60 wounded, but no casualties yesterday.

Still, the IDF is bracing for more lethal attacks and guerrilla warfare, given the release of bombing masterminds Mohammed Deif and Mahmoud Abu Hanoud last week, in addition to dozens of other terror suspects and convicts.

OC Military Intelligence Maj.-Gen. Amos Malka said the combination of a release of Hamas and Islamic Jihad terrorists, Iranian encouragement, and Hizbullah readiness has created "the greatest green light ever" for attacks. Malka told military reporters, "We are obviously in a situation where there is a desire to carry out attacks almost immediately, possibly to upset either the Sharm e-Sheikh or [Arab] summit."

He said that the "wholesale" release of Hamas and Islamic Jihad prisoners has unleashed terrorists highly motivated to carry out attacks to win back their organizations' place on the stage of the Palestinian uprising, taken by the Fatah Tanzim militia.

He also warned that, following its successful kidnapping of three IDF soldiers last Saturday, Hizbullah is likely to continue to act. He added that, "Iran is pushing to confound the peace process and encourage terrorist attacks by a number of organizations."

According to Malka, Hamas has long prepared for just such a stalemate in the peace process and eruption of Palestinian-Israeli violence. "Hamas has lost some of its capabilities, but the prisoners' release has refueled it," he said.

OC Samaria Col. Yossi Adiri warned in an interview with The Jerusalem Post that, "With the summit planned for tomorrow, while it would be in the interest of Arafat to restore quiet, he has already released the Hamas terrorists. They are not his Fatah Tanzim. They strongly oppose peace, and their release poses a serious threat. Even if Arafat seeks to calm the situation, they will ignore him."

Meanwhile, OC Binyamin Col. Gal Hirsch said that, despite the marked decrease in violence over the weekend, the IDF is preparing to face more guerrilla warfare, given all the weapons that would be at the disposal of the released terrorists.

Palestinians reported that in clashes on Friday over 60 Palestinians were wounded and two killed. There were no reports of casualties in yesterday's clashes.

In recent days, Hirsch said, the IDF has stepped up its response, but he noted that it has not yet used 5 percent of its capability .

Hirsch praised the restraint shown by settlers in Judea, Samaria, and the Gaza Strip throughout the latest spate of violence. "They have been shot at, and had stones and firebombs thrown at them, but compared to Israelis inside the Green Line, they are behaving extremely responsibly," he said.

Yesterday, violent disturbances and attacks against Israeli citizens and security forces continued. On Friday night there were over 10 shooting incidents in Judea, Samaria, and the Gaza Strip.

Also Friday, Palestinian television broadcast footage of a Gaza imam calling for the slaying of Israelis.

Coordinator of the Territories spokesman Shlomo Dror denied declarations by the PA that Israel was preventing food and medical supplies from reaching Gaza. On Friday, nine trucks of food and seven trucks of medical equipment were sent to the PA.

Dror said there have been numerous requests by Palestinians with foreign passports to leave the region. He also noted that Israeli authorities are concerned over sermons broadcast on the PA media calling for harming Zionists and Christians. "This is the first time we have heard of such threats, and we are concerned for the welfare of the Palestinian Christians," he said.

Monday, October 16 2000

18 Tishri 5761

 THE INTERNET
JERUSALEM POST

Mofaz denies PA rearresting released terrorists

By Margot Dudkevitch and Lamia Lahoud

JERUSALEM (October 16) - Chief of General Staff Lt.-Gen. Shaul Mofaz yesterday denied Hamas claims that the Palestinian Authority had rearrested 34 Hamas members who had been released in the past week.

Ibrahim Ghoshe, a Hamas spoke-sman based in Qatar, told Reuters that 20 people were arrested in Gaza and 14 in Nablus, including Abdel-Aziz Rantissi, a Hamas leader who, he said, had been released from a Palestinian jail on Thursday.

Palestinian security sources in Gaza and the West Bank confirmed that they have begun to rearrest those who were released on Thursday, when Israel launched military strikes against the PA in retaliation for the brutal lynching of two IDF soldiers by Palestinians at a Ramallah police station.

"We released them because we could not guarantee their safety, but we have begun to rearrest them," a spokesman for one of the security services in Gaza said. "Everybody was released, including criminals and members of Hamas."

However, Mofaz told reporters at a briefing at the Judea and Samaria Division headquarters that "the information we have is that they are still free and have not been returned to captivity, and this poses a serious threat."

"We have seen in the past two or three weeks that the revolving door no longer exists, it remains open and scores of terrorists have been released, including those we describe as serious fugitives, with blood on their hands, such as Mohammed Dief, Mahmoud Abu Hanoud, Iyad Hardan, Ahmed Midaweh, and Jihad Anoun, who masterminded, ordered, and were involved in suicide bomb attacks and terrorists acts in the past.

"We cannot say when or where the attacks will occur, but the harming of Israeli

citizens at this time will require our response, and we will respond."

OC Samaria Col. Yossi Adiri said he had received information that the released fugitives are already planning attacks.

Mofaz said that Israel is dealing with four fronts: Internal strife, being handled by the police, assisted by the IDF; the Palestinians; the northern border and Hizbullah's plans, with Syria's assistance, to wage terror attacks; and the threat of terror attacks due to the release of terrorists by the PA.

In the West Bank, a senior PA security officer said that Abu Hanoud was never released from custody and was taken to a secret location in Nablus to prevent the people from freeing him. Sources in Gaza also denied that Deif had been freed. He is being held somewhere in Gaza by the police, one source claimed.

The West Bank security officer said the PA does not want Hamas to provoke more unrest or carry out an attack which could torpedo the Sharm e-Sheikh summit.

On Friday, the PA had called upon prisoners to return to their prisons, and some followed the order.

The PA accused Hamas on Saturday of being behind Friday's rioting in Gaza, in which anti-Israeli protesters torched the Windmill Hotel and shops that sold alcohol, banned by Islam. Hamas denied responsibility for the unrest.

Palestinian authorities said their security forces detained some people who took part in the rioting and that arrest orders had been issued for Hamas officials who had backed the unrest.

Ghoshe accused Arafat of giving in to Israeli pressure. "We assume these arrests have been made by [Palestinian Authority Chairman] Yasser Arafat at the behest of [Prime Minister] Ehud Barak before the Sharm e-Sheikh summit," he said.

The summit is very unpopular among the people, who are angry, West Bank Fatah leader Marwan Barghouteh said. Fatah is also organizing demonstrations against the summit and against Israeli conditions, he added.

Yesterday demonstrations were held in Bethlehem and Ramallah, and today a big march is expected during the funeral of a Ramallah man, who died of his wounds yesterday.

Another senior Fatah leader said the Fatah demonstrations were not against Arafat's decision to go to the summit, which is aimed at ending 18 days of

violence, but to support him by showing the world the anger of the Palestinians and by showing that he cannot make any more unpopular concessions.

However PA sources in Gaza warned that Arafat will return to the armed struggle if his conditions of an international commission of inquiry and lifting the siege on Palestinian cities are not met. Last night Palestinian officials said it was not sure that Arafat would attend the summit.

