



News of the Israeli-Palestinian Confrontation September 15-30 2006

The internal Palestinian arena:
protests against non-payment of
salaries worsen...



Palestinian police protest in Gaza (Suhaib Salem/Reuters, September 28)

...and attempted terrorist attacks in
Israel continue.



An explosive belt given up in Nablus
by two 17 year olds handled by
Palestinian terrorists (Photo courtesy
of the IDF spokesman, September 27)

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Overview

- Israeli security forces continue preventing terrorist attacks in Israel. Qassam rocket attacks against the western Negev continue, wounding residents of Sderot and hitting homes, although there was less Qassam rocket fire in August and September than in previous months.
- Lately there has been a marked **a significant increase in the number of weapons smuggled into the Gaza Strip** by the Palestinian terrorist organizations. According to the media, at a government meeting, the head of the Israeli Security Agency (ISA) stated that Egypt makes no real effort to stem the incoming tide of smuggled weapons, terrorist-operatives and cash from the Sinai to the Gaza Strip.
- In the internal Palestinian arena, contacts for the establishment of a national unity government have reached a **dead end**. That is chiefly the result of Hamas's intransigent refusal (particularly the leadership in Damascus) to accept the conditions set down by the Quartet and to make their hard-line position more flexible. In the background are the ongoing economic crisis, strikes, protests voiced by Palestinian Authority civil servants who have not been paid and the violent clashes between Fatah and Hamas (which have greatly worsened and spread during the past two days).

Important Events

Gaza Strip

Qassam rocket fire continues

- During the past two weeks Qassam rocket fire targeting populated areas of the western Negev continued with the same frequency of the two previous weeks. About 45 Qassam rockets landed in Israel in September, a slight increase over August (despite the fact that during the past two months there have been relatively fewer Qassam attacks).
- On September 26, a female soldier living in Sderot was moderately wounded and a number of civilians went into shock when one of the rockets fell. On September 30, a rocket hit a residential building in Sderot, wounding three civilians.

IDF soldiers shot at near the Sufa crossing

- On September 27, a number of armed terrorists opened fire on IDF soldiers west of the Sufa crossing. The soldiers returned fire. The area near the building from which the shots were fired was searched and charges, mortar shells, guns and rifles were found.

Counterterrorist activities

- The Israeli security forces continued their counterterrorist activities in the Gaza Strip:
 - ✿ Two structures concealing tunnels were attacked. On September 19 the Israeli Air Force attacked a building in Dahaniya and on September 28 one in Rafah near the Philapelphi route. Under both structures a tunnel had been dug for smuggling arms.
 - ✿ On September 29, the Israeli Air Force attacked and killed two Palestinians near Beit Hanoun in the northern Gaza Strip. The terrorists had gone to Beit Hanoun to collect a Qassam rocket launcher from which five rockets had been fired at the western Negev during the previous week.

- ✿ On September 30, the Israeli Air Force fired a rocket at a vehicle carrying Popular Resistance Committees terrorists involved in carrying out recent attacks. Two terrorists were killed and three wounded.

- ✿ On September 21, Israeli security forces arrested five wanted terrorists in Rafah, killing one armed operative. During the arrest terrorists opened fire on the security forces and lobbed hand grenades at them. A large quantity of weapons was found in the building in which the wanted men were found.

A sharp increase in smuggling arms into the Gaza Strip

■ According to the media, on September 27 ISA head Yuval Diskin told a government meeting that there had been a dramatic increase, amounting to hundreds of percentage points, in smuggling arms into the Gaza Strip.¹ He said that since August 2005 about 20 tons of standard explosives were smuggled in, four tons during the past two months alone. In addition, enormous quantities of rifle and ammunition and “sensitive weapon” were also smuggled in. At the same meeting Chief of Staff Dan Halutz also warned that the terrorists were trying to smuggle anti-tank and anti-aircraft missiles into the Gaza Strip.²

According to the head of the ISA, terrorist-operatives pass through the Rafah crossing, as do large sums of cash for the terrorist organizations. He noted that a few days previously an attempt to smuggle in 400 telescopic sites had been foiled. He added that the Egyptians were fully aware of the smugglers’ identity. However, he said, they take virtually no action: “What they do is not even a drop in the bucket...”

Itamar Eichner in Yediot Aharonot, September 28, 2006. ¹

² *Ibid.*

Judea and Samaria

A suicide bombing attack is prevented

- On September 27, two 17 year old boys from Nablus were arrested. They had been dispatched by terrorist operatives to carry out a suicide bombing attack. They gave up an 8-10 kilo (17-22 lb) explosive belt to the Israeli security forces; it was detonated by the IDF in a controlled explosion. When they went to get the belt there was an exchange of fire and four terrorists were wounded.



**The explosive belt taken by the security forces
(Photo courtesy of the IDF spokesman, September 27)**

Confiscating money from moneychangers

- On September 20 the Israeli security forces searched the houses and offices of 13 moneychangers in Jenin, Nablus, Tulkarm and Ramallah as part of the struggle to stop up the conduits through which money flows to the Palestinian terrorist organizations. All were suspected of involvement in transferring funds to finance terrorist activities. During the searches five million shekels, 170 thousand Jordanian dinars and a great quantity of documents were confiscated. Two moneychangers (each of whom was found to have a gun in his possession) were arrested.

- The moneychangers in question transferred the cash from Hamas, Palestinian Islamic Jihad and Hezbollah headquarters in Syria and Lebanon to the Palestinian terrorist organizations in Judea, Samaria and the Gaza Strip. Most of the funds came from Iran, and was earmarked to finance terrorist activity including the acquisition of weapons, training

terrorist squads, purchasing explosives, assembling explosive belts, preparing car bombs, the manufacture and launching of Qassam rockets, etc.

■ It should be noted that in recent months the Israeli security forces arrested two other moneychangers in Judea and Samaria who confessed that they had transferred sums of money to be used for financing terrorist activities.

■ **Iman Kharis Muhammad Sayid**, from Nablus, was arrested on July 17. During interrogation he confessed that he had transferred tens of thousands of dollars to senior wanted operatives of Fatah/Al-Aqsa Martyrs' Brigades in Nablus, among them Fadi Kapisha, who was recently killed resisting arrest. He also admitted that **the money had been sent by Hezbollah operatives in Lebanon.**

■ **Amin 'Abdallah Hader Shahtur**, from Bethlehem, was arrested on August 7. During interrogation he confessed that he had transferred tens of thousands of Jordanian dinars to Hamas operatives and Hamas institutions because of the difficulties in transferring money from Jordan. He also admitted that he cashed checks for Hamas and PIJ institutions.



**Mone-changer dwellings and offices searched: an IDF officer opens a safe
(Photo courtesy of the IDF spokesman)**

- The large sums of money transferred to Judea, Samaria and the Gaza Strip fuel the Palestinian terrorist machine. One of the methods for transferring the funds is through moneychangers in the PA-administered territories, who deal directly with their colleagues in the Arab states linked to the terrorist headquarters, especially in Syria and Lebanon. The money passes from the Arab countries to the moneychangers in the PA-administered territories who transmit it to the terrorist-operatives. It should be noted that the PA does not regulate moneychangers and they are completely free to operate.

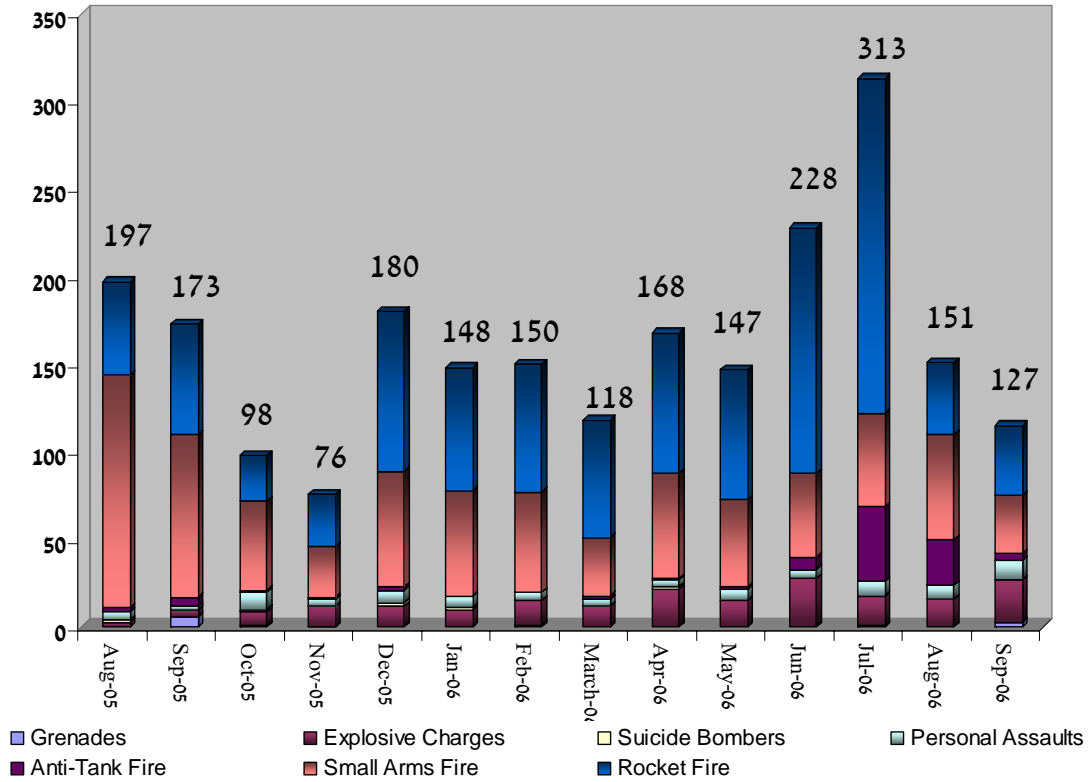
Closure of Judea, Samaria and the Gaza Strip.

- With the approach of Yom Kippur, the most important holiday in the Jewish calendar, and in view of the continued attempts made by the terrorist organizations to carry out attacks within Israeli territory, the IDF imposed a closure on Judea, Samaria and the Gaza Strip.

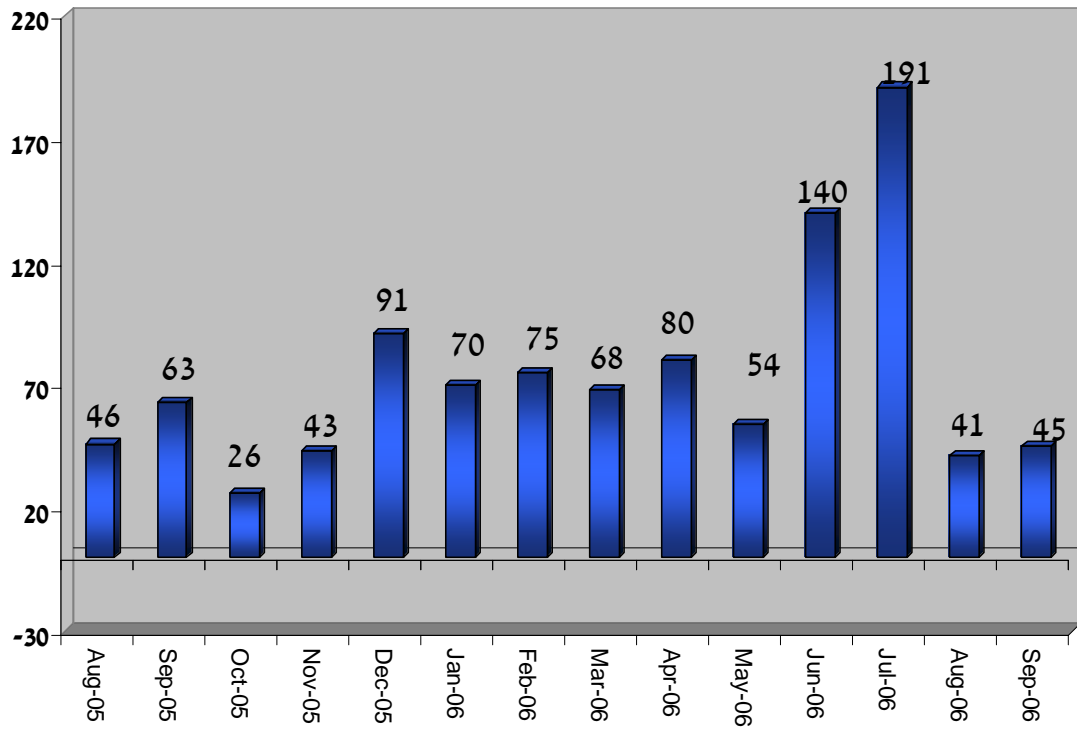
- The closure began on Friday, September 29, and will continue until an evaluation of the situation on October 3. Restrictions will be eased for certain groups, including medical and religious workers, lawyers and, since the olive season is in full swing, olive pickers.

Statistical Data

Monthly distribution of attacks

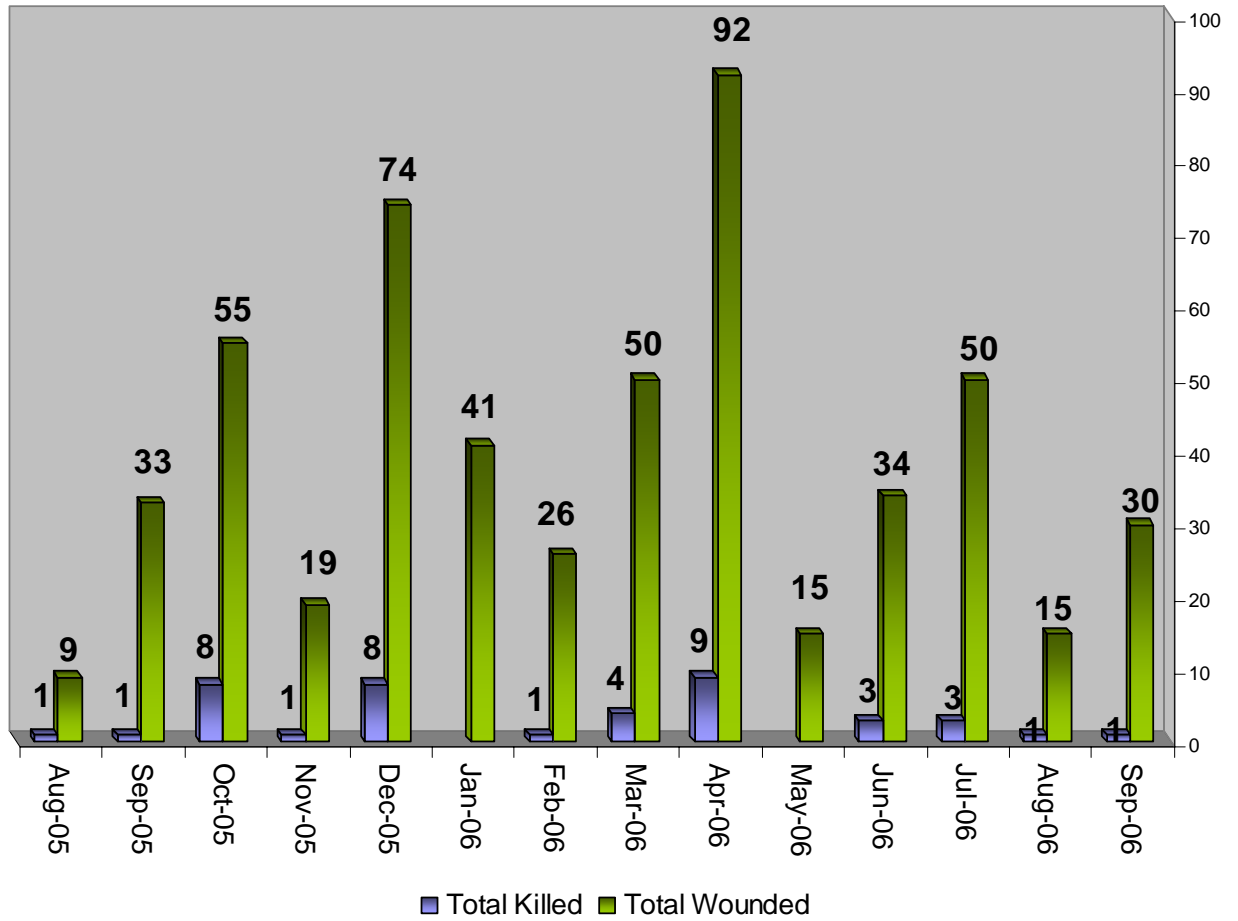


Monthly distribution of rocket hits³



These data relate only to identified hits and not to the total number of rockets fired. That number is, in our ³ assessment, 20%-30% larger.

Monthly distribution of Israeli casualties



The Internal Palestinian Arena

Contacts to establish a national unity government at a dead end

■ The contacts between Abu Mazen and Hamas to establish a national unity government have reached a dead end, despite agreement in principle. The dead end is primarily the result of Hamas' unwillingness, and especially that of the leadership in Damascus, to agree to make its ideology more flexible and its refusal to meet the conditions set down by the Quartet, namely recognition of Israel, the cessation of terrorism and the acceptance of previously-signed Israeli-Palestinian agreements. The Hamas leadership in Damascus is also causing difficulties in negotiations for the release of Gilad Shalit, the abducted Israeli soldier.

■ Hamas and Abu Mazen have accused one another of being responsible for the dead end. Abu Mazen announced that efforts to establish a national unity government had gone back to square one and cancelled his trip to the Gaza Strip to meet with Hamas prime minister Ismail Haniya. The national unity government contacts continue in Gaza at low diplomatic levels in view of increasing tensions between the two sides and the continuing economic crisis.

Continued delays in paying PA civil servants' salaries

■ Despite assurances that PA civil servants would receive their salaries in full by the Muslim holy month of Ramadan, Abu Mazen and the Hamas government did not manage to enlist external sources of funding or receive loans sufficient to pay them their full salary.

■ When PA civil servants were told they would receive an advance of 1,500 NIS (about \$350) instead of 1,800 (about \$420) as promised, they announced that they would continue their strike and threatened to take more severe measures. Conspicuous among their protests were the armed demonstrations in the Gaza Strip which turned into clashes between the Palestinian police and Hamas operatives.

Director of international cooperation for Palestinian general intelligence murdered

■ Violent clashes between Fatah and the security apparatuses supporting Abu Mazen and Hamas continue. Prominent was the murder of General Jad Abdel Karim El-Tayeh,

Palestinian general intelligence's director of international cooperation, and four of his bodyguards on September 15. The murder was committed by a group of armed men who opened fire on El-Tayeh's car, and it led to protests in the Gaza Strip and violent clashes between Fatah and Hamas supporters.

Protest of the Pope's statements

- The speech made by Pope Benedictus the 16th, which was interpreted as insulting to Islam and the prophet Muhammad, was also protested in the PA-administered territories. Churches were attacked in the Gaza Strip, Nablus, Jenin and Tulkarm, and there were large-scale demonstrations held throughout the PA.

- The Liberation Party (*hizb al-tahrir*), a radical Islamic party, figured prominently at the demonstrations. The Liberation Party has recently expanded its social and political activities in the PA, especially in Hebron, but also in Jerusalem, Ramallah and the Gaza Strip.

- Senior members of the PA, including prime minister Ismail Haniya, **tried to calm the situation** and prevent the protests from turning into physical violence against Christian religious institutions. At the same time Muslim and Christian clerics tried to defuse the tension and prevent a worsening of the relations between the Muslims and Christian minority in the PA.