



Strong Palestinian Authority rejection of the upcoming American economic workshop in Bahrain

April 23, 2019

Overview

The United States and Bahrain recently announced an economic workshop in Manama, the capital of Bahrain, on June 25 and 26, 2019. The "Peace to Prosperity" meeting will constitute the overture of the American program for peace between Israel and the Palestinians, known as the "deal of the century." Expected attendees are treasury ministers and businessmen from the Middle East and around the globe. The objective of the workshop is to encourage potential investment in Judea, Samaria and the Gaza Strip that would lead to Palestinian and regional prosperity, which could be made possible by a peace agreement (White House website, May 19, 2019; Reuters, May 22 2019; CNN, May 19, 2019). Later, the Americans are planning to release the political aspects of the "deal of the century," which will concern the unresolved core issues between Israel and the Palestinians.

► **Senior Palestinian Authority (PA) and Fatah figures rushed to announce their unreserved rejection of the economic workshop in Bahrain, despite the severe economic difficulties facing the PA.** They stressed that the Palestinian-Israeli conflict demanded a **political resolution**, whose consequence would be the economic issue. According to Palestinian Prime Minister Muhammad Shtayyeh, the components of the political solution **are the establishment of an independent Palestinian state with the 1967 borders and Jerusalem as its capital, and the "right of return" of the Palestinian refugees** (Note: The "right of return" means the destruction of the State of Israel as a Jewish state.) So far **PA chairman Mahmoud Abbas has not yet officially responded** to the proposed economic workshop but his unconditional rejection can be expected because it is part of the "deal of the century," which Mahmoud Abbas rejects out of hand.

► In view of the strong Palestinian rejection, senior PA, Fatah and PLO spokesmen rushed to announce that **a workshop in Bahrain would be futile** because no state would donate funds without first receiving official approval from the PA. PA spokesmen made it clear that **PA representatives and Palestinian businessmen would not participate in the workshop**

(See below). **Dr. Ahmed Majdalani, minister of development and a member of the PLO's Executive Committee** (and very close to Mahmoud Abbas) **issued a veiled threat, stating that any Palestinian who participates in the workshop and collaborates with the United States and Israel will be considered a traitor.**

► **Hamas and Palestinian Islamic Jihad (PIJ)** spokesmen strongly condemned the workshop, claiming its objective was to promote the "deal of the century to destroy the Palestinian cause." Hamas warned that the workshop was an opening for Arab normalization with Israel and called on Bahrain to protest the "pollution of [Bahrain's] land by the Zionist enemy." **In addition, the statements of the Hamas and PIJ spokesman may indicate that the terrorist organizations are liable to turn their threats into practical measures: Hamas spokesman Hazem Qassem sent a warning that the Palestinian people and the "resistance" [i.e., the terrorist organizations] would not, under any circumstances, allow the implementation of the "deal of the century."** He added that the Palestinians would fight it with **all the means at their disposal, including return marches and rounds of military escalation with Israel (the so-called "occupation").**



Cartoon by Gazan Alaa al-Laqta: An old Palestinian refuses to take money for "Palestine" and the "right of return" [symbolized by the key in his right hand], saying, "There are some things that can't be bought " (arabi21, May 21, 2019).

Who will and who won't participate in the economic workshop?

► So far, **Saudi Arabia** has announced it will participate at the workshop in Bahrain, as the first step in the "deal of the century" (Sana, May 22, 2019). The **UAE** announced its participation, saying it supports the establishment of an independent Palestinian state with its capital in east Jerusalem (Sana, May 22, 2019). Senior PA figures told a Jerusalem Post reporter that several Arab states asked the PA to stop attacking the workshop and not to oppose the participation of Palestinian businessmen (Jerusalem Post, May 22, 2019).

► According to Dr. Ahmed Majdalani, 13 Palestinian businessmen from "Palestine" and abroad received invitations to the workshop in Bahrain and all of them refused. An al-Jazeera investigative report revealed that Palestinian businessmen in Judea, Samaria and the Gaza Strip who received invitations announced their refusal to participate. For example, **Zahi Khouri**, owner of the national soft drinks company, claimed the United States insulted the Palestinians by talking about their standard of living before meeting their national demands. Palestinian businessman **Mazen Sanuqrut** said the objective of the Palestinians was to end the "occupation," rather than living with economic welfare under the "occupation" (aljazeera.net, May 22, 2019).

► **Usama Amro, a Palestinian businessman and chairman of the Palestinian businessmen's association in Judea and Samaria**, said they did not need financial aid but rather the freedom to realize their economic desires (al-Jazeera YouTube channel, May 21, 2019). **Bashar al-Masri, a Palestinian businessman** (and developer of the new Palestinian city Rawabi near Ramallah) said "I will not participate in this conference. We reaffirm that we won't deal with any event that is not within Palestinian national consensus. We Palestinians are able to advance our economy away from foreign interventions" (Bashar al-Masri's Facebook page, May 20, 2019).



Usama Amro, Palestinian businessman and chairman of the Palestinian businessmen's association in Judea and Samaria, interviewed by al-Jazeera's economic program (al-Jazeera YouTube channel, May 22, 2019).

► However, the Palestinian media reported that Palestinian businessman **Ashraf al-Jaabari from Hebron** (exceptionally) announced his intention to attend the workshop (Dunia al-Watan, May 21, 2019). Al-Jaabari recently hosted Israelis from communities near Hebron at a Ramadan fast-breaking meal. He was strongly criticized, and senior figures of the al-Jaabari

clan in Hebron denounced him, stressing he did not in any way represent the clan's positions (al-Watan TV, May 15, 2019).

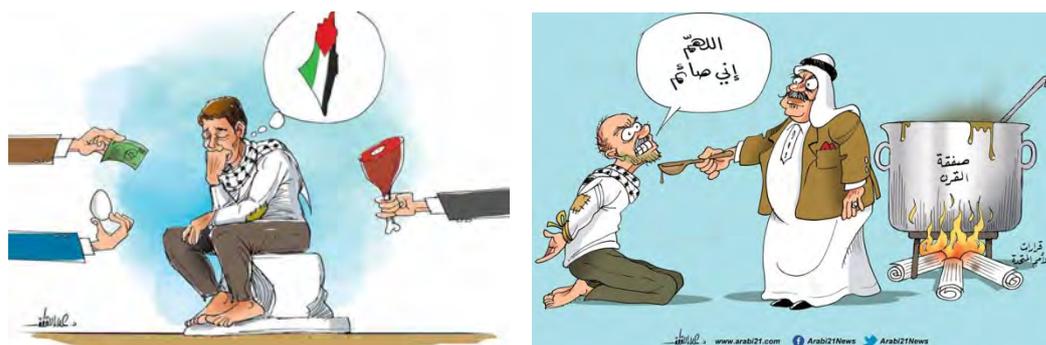
Appendix

Initial Palestinian responses to the economic workshop in Bahrain (as of May 23, 2019)

Overview

► The PA, Fatah, Hamas and other Palestinian organizations **expressed strong rejection to the workshop, part of their opposition to the American "deal of the century."** Senior PA spokesmen called the workshop futile because any resolution of the conflict had to be political, and economic issues would be the consequence of the political solution. Hamas spokesmen warned that holding the workshop in Bahrain could open the door to normalizing relations with Israel, warning that the Palestinian people and the "resistance" [i.e., the terrorist organizations] **would not enable the "deal of the century" to be implemented.**

The following are the initial statements from Palestinian spokesmen.



Cartoons by Gazan Alaa al-Laqta. Right: A rich Arab [i.e., Bahrain] trying to feed a bound Palestinian from a pot labeled "deal of the century," heated by a fire fed by UN resolutions. The Palestinian says, "I refuse to eat" (arabi21, May 20, 2019). Left: Cartoon by Gazan Alaa al-Laqta. The temptations offered the Palestinians to give up their country [the entire territory of "Palestine" without the existence of Israel] (Palinfo Twitter account, May 23, 2019).

The PA, Fatah and the PLO

► At the government meeting held in Ramallah on May 20, 2019, **Palestinian Prime Minister Muhammad Shtayyeh said any solution for the conflict would be political and deal with the "end of the occupation" and "realizing the national rights of the Palestinian people."** The components of such a solution are, he said, **the establishment of an independent, sovereign Palestinian state with the 1967 borders and Jerusalem as its capital, and the "right of return" of the Palestinian refugees.** According to Shtayyeh, **issues of the economy will only be a result of the political solution,** because the Palestinians are not looking for an improvement in their living conditions under the "occupation." He also claimed

that the current economic crisis in the PA is the result of an economic war being fought against the Palestinians [by the United States and Israel], meant to extract political concessions. Shtayyeh stressed that **the Palestinians would not surrender and would refuse to exchange their national rights for money** (Wafa, May 20, Muhammad Shtayyeh's Facebook page, May 20, 2019).

► **Saeb Erekat, secretary of the PLO's Executive Committee**, said that anyone who wanted to protect the interests of the Palestinian people had to support the collective position of the Palestinian consensus, which was expressed by the position of Mahmoud Abbas. He added that the PLO, the only legitimate representative of the Palestinian people, "did not mandate anyone to negotiate on our behalf, nor authorized anyone to speak on our behalf" (website of the PLO's negotiation affairs department, May 22, 2019.) He added that in light of the decision taken by the American administration, **the Palestinian decision was that they would not, by any means, participate in the conference the American administration proposed to hold in Manama** (Wafa, May 22, 2019).



STATE OF PALESTINE
PALESTINE LIBERATION ORGANIZATION
NEGOTIATIONS AFFAIRS DEPARTMENT

Dr. Saeb Erekat on Manama Economic Meeting

Press Releases - May 22, 2019

This is an official announcement that Palestine will not attend the Manama meeting. This is a collective Palestinian position, from President Mahmoud Abbas and the PLO Executive Committee to all Palestinian political movements and factions, national figures, private sector and civil society. We reiterate that we did not mandate anyone to negotiate on our behalf. Those concerned and want to serve the interest of the Palestinian people should respect this collective position. Palestine's full economic potential can only be achieved by ending the Israeli occupation, respecting international law and UN resolutions.

Saeb Erekat's announcement of the PA's non-attendance at the meeting in Manama (website of the PLO's negotiation affairs department, May 22, 2019. ITIC emphasis).

► On May 20, 2019, Saeb Erekat said that no one had consulted the Palestinians about the conference planned for Manama. He added that all the efforts to impose coexistence between the occupation and the occupied people were doomed to failure. **He claimed all the efforts to hasten the economic normalization of the "Israeli occupation" on "Palestine" had been completely rejected.** The important point, he said, was not Palestinian people's standard of living but rather the strengthening of "Palestine's" ability to control its resources, crossings and borders, and implement its sovereignty by ending the occupation (website of the PLO's negotiation affairs department, May 20, 2019).

► **Dr. Ahmed Majdalani, minister of social development and a member of the PLO's Executive Committee, said "There will be no Palestinian participation in the Manama workshop. Any Palestinian who would take part would be nothing but a collaborator for the Americans and Israel"** (Reuters, May 20, 2019). On another occasion he said that anyone who wanted to hold a conference in support of the Palestinians had to collaborate with the official Palestinian government. **He added that any level of Palestinian participation in the workshop would be considered collaboration with the United States and Israel, and anyone who collaborates with Israel is a traitor.** He stressed that the PLO was the only legitimate representative of the Palestinian people and had not authorized anyone to speak for it (al-Mayadeen TV website, May 22, 2019).

► Interviewed by the Israeli media, **Majdalani said that the "deal" the United States was trying to advance had no chance.** He said the money the United States wanted to raise at the workshop would not arrive because "if the PA does not give its official sanction for the steps the United States is trying to advance, no Arab state will donate funds." He added that **"they invited us but everyone refused to attend." He said 13 Palestinian businessmen from "Palestine" and abroad had received invitations to the conference in Bahrain had they had all refused.** He accused the American administration of unfairness, stating "the deal is doomed to failure" (interviewed by Jacki Hougi, IDF radio, May 22, 2019, translated by the ITIC).

► **Nabil Abu Rudeineh, deputy PA prime minister, said holding the workshop in Bahrain was futile.** He added that "any economic plan without political horizons will lead nowhere. Palestinians will not accept any proposals which do not include a Palestinian state with East Jerusalem as its capital" (CNN, May 20, 2019).

► **Fayez Abu Ita, deputy secretary of Fatah's Revolutionary Council, called any Arab conference with Israeli participation unacceptable,** whether related to the "deal of the century" or not. He added that an Arab state hosting a conference with Israeli participation was circumventing the Arab peace initiative. He also said that **economic conferences would not resolve the Palestinian issue because it is a political issue.** The American administration has to know, he said, that the Palestinian issue should need a **political resolution based in the two-state solution and not on economic solutions** (arabi21, May 20, 2019).

► An exceptional opinion was voiced by **Nabil Amro, a member of Fatah**, who in the past was a PA government minister and ambassador. He welcomed the conference in Manama on the condition it would not replace a political solution, which, he said, is the correct approach to resolving the Palestinian-Israeli conflict. He called on the Palestinian leadership to be more open to regional and global political developments and to join a positive political discussion with influential international forces, including the United States (Ma'an, May 20, 2019).

Economic program based on separation from Israel presented by PA prime minister

► On May 20, 2019, the PA government held a meeting to discuss the proposed economic workshop in Bahrain. During the meeting PA Prime Minister Muhammad Shtayyeh **announced the completion of a program for Palestinian economic development called the "100 days' program."** He said the cost of the plan would be \$245 million and it would promote a number of economic issues, such as encouraging industry, agriculture and tourism; reducing unemployment and fighting poverty; increasing the role of women in the economy; providing vocational training; reinforcing and establishing industrial areas; creating initiatives for business and technological startups; increasing investments in green energy; and giving attention to resources and water. **The program is based on economic separation from Israel, which will be accomplished mainly by reducing Palestinian economic dependence in a number of fields.**



The government meeting in Ramallah where Muhammad Shtayyeh presents his "100 days' program" for Palestinian economic development (Wafa, May 20, 2019).

Apparently, the economic program was formulated in the PA without regard for the economic workshop in Bahrain. It was presented by Muhammad Shtayyeh **at a time of a considerable budgetary hardship in the PA, which may lead to a collapse of the PA's economy.** Thus, in ITIC assessment, **the program cannot be implemented and cannot solve the PA's economic problems.** However, **it was not by chance that it was presented at the government meeting which rejected the economic workshop in Bahrain.** It all probability was intended **to send the political message** that along with rejection of the economic workshop and the "deal of the century," the PA would advance an independent economic program with no connection to the American measures. **The PA program is based on economic separation from Israel and not on political and economic cooperation with it (as opposed to the concept behind the workshop in Bahrain).**

Hamas

► Hamas said it **"followed with great concern" the American announcement about holding an economic workshop as part of the "deal of the century, whose objective is to destroy the Palestinian cause."** Hamas warned against any activity that provided an opening for normalization [with Israel] and practical Arab involvement in implementing the "deal of the century" (which, according to the announcement, violated an inter-Arab decision and the united Palestinian position to oppose the "deal of the century"). Hamas also said **it expected Bahrain to oppose having "the Zionist enemy pollute its land."** Hamas stressed its rejection of all economic, political or other measures that prepared the ground for the "deal of the century" or its implementation. Hamas demanded the Arab states not accept the invitation to participate in the workshop, to stand shoulder-to-shoulder with the Palestinians and to support them in every way possible (Hamas website, May 20, 2019).

► **Hamas spokesman Hazem Qassem** said the American announcement of an economic conference to discuss various aspects of the "deal of the century" was a continuation of the American administration's delusion of its ability to provide solutions the Palestinians would accept that would harm their rights, basic principles and occupied land. It was also a continuation of the delusion, he said, fostered by a colonial state which thinks the Palestinians might exchange any of their legitimate rights for economic programs or easing their daily lives. Hazem Qassem stressed that **the Palestinian people and the forces of the "resistance" would in no way permit the implementation of the "deal of the century."** He

added that **the Palestinians would fight it until the end with all forms of "resistance" at their disposal, with both marches and rounds of military escalation against the "occupation"** (arabi21, May 20, 2019).

► **Senior Hamas figure Isma'il Radwan** said the Palestinians would not sell their rights or principles in return for economic, security or humanitarian assistance. He added that **the Palestinian people strongly rejected the "deal."** He called for the formation of a broad Palestinian-Arab-Islamic front for a struggle against the "deal of the century" (Dunia al-Watan, May 19, 2019).

► **Hamas spokesman Husam Badran** denounced the workshop and called on all Arab and international agencies to boycott it. He said no force existed that could make the Palestinian people give up their rights and principles. He also called on the Palestinian people to close ranks to deal with the challenges facing them, especially the "deal of the century" (Husam Badran's Twitter account, May 20, 2019).

The Palestinian Islamic Jihad (PIJ)

► **Khaled al-Batash, a member of the PIJ's political bureau,** issued a statement condemning the formal Arab normalization [with Israel] shown by **Bahrain's hosting of an American-Zionist workshop to prepare the ground for implementing the "deal of the century."** He again stressed that they would reject any "plot" in every way possible, because its objectives were to destroy the "Palestinians' rights" and split the Arab and Islamic states along sectarian and ethnic lines, so that regional strife would continue for the good of the "Zionist enemy." Al-Batash called on all Muslims, on Bahrain and on the Gulf States to object to the plots to destroy "Palestine." He said "Palestine" and its holy places could not be exchanged for money, despite the [so-called Israeli] "siege" and the sanctions imposed on the Palestinians (PIJ website, May 21, 2019).

► **Senior PIJ figure Dr. Ahmed al-Mudallal** expressed objection to any connection between an Arab state and Israel. He said the Palestinian people rejected all economic initiatives whose objective was to destroy the Palestinian problem. He called on the Arab-Muslim nation to sever ties with the United States, which was trying to use economics to market the "deal of the century" (Dunia al-Watan, May 19, 2019).

► **Senior PIJ figure Khader Habib** denounced the workshop in Bahrain. He said the United States' most recent announcement had to be answered with a united Palestinian position to ensure the failure of the attempt to destroy the Palestinian problem (al-Aqsa, May 20, 2019).