

## Strong Measure

### U.N. SECURITY COUNCIL APPROVES MORE STRINGENT IRAN SANCTIONS

The U.N. Security Council has imposed a third round of international sanctions against Iran for its continued refusal to stop enriching uranium—a key step toward developing nuclear weapons. Tehran has already ignored the Security Council's two previous binding Chapter VII resolutions demanding that it end its atomic work.

Resolution 1803, approved by a 14-0 vote, with one abstention (Indonesia), again declares Iran a threat to international peace and security. The new measure authorizes nations to inspect suspicious Iranian cargo, tightens the monitoring of Iranian banks and bans trade with Iran in "dual-use" goods, those that have both civilian and military capabilities.

The resolution also instructs Mohamed ElBaradei, head of the International Atomic Energy Agency (IAEA), to report on Iran's compliance with the resolution after 90 days.

The Security Council's decision to expand sanctions against Iran comes days after a senior IAEA official indicated that Tehran continues to research technologies needed to build and deliver a nuclear weapon. The IAEA report warned that Iran had accelerated its nuclear program by testing advanced IR-2 centrifuges capable of enriching uranium two to three times faster than older models.

Beyond U.N. sanctions efforts, the United States is looking for other ways to isolate Iran. Senate Democrats recently sent a letter to the White House, urging the Bush administration to impose sanctions on Bank Markazi, Iran's central bank. "The nature and threat of the Iranian regime demands the U.S. take more forceful actions," said the letter signed by Sen. CHARLES SCHUMER (D-NY) and 25 other senators. Bank Markazi plays a major role in funding Iran's nuclear program and the terrorist groups Hamas and Hizballah. •NER•

## INSIDE

**Worth Repeating:**  
Israeli Foreign Minister Tzipi Livni

**AIPAC Analysis:**  
The Life of Imad Mughniyeh

# NEAR EAST

## Report

MARCH 1-31, 2008

AIPAC'S BIWEEKLY ON AMERICAN MIDDLE EAST POLICY

### EDITOR'S COMMENTS

#### Difficult Days

Any semblance of calm that Jerusalemites enjoyed in the past two years was shattered by a Palestinian terrorist who opened fire in a seminary library. Most of the eight victims were teenagers, including one American.

Palestinians in the Gaza Strip celebrated the atrocity, firing bullets into the air and handing out sweets. "We bless the operation," the terrorist group Hamas said in a statement. "It will not be the last."

On the same day as the Jerusalem attack, several Israelis were wounded when a barrage of Qassam rockets fired from Gaza struck homes in Sderot. And last month, more than 20 Iranian-supplied Katyusha-type Grad rockets were fired at the industrial city of Ashkelon, nine miles away from Gaza. Life has become unbearable for a growing number of Israelis within range of Hamas' rocket arsenal.

Unable to sit back as its civilian population lives under siege, Israel has been forced to respond to Hamas' attacks by launching military operations into Gaza. In reacting to Israel's ongoing defensive measures, Palestinian Authority (PA) President ...see *Editor's Comments cont'd on pg. 12*

## Ashkelon Attack

### 120,000 MORE ISRAELIS NOW WITHIN RANGE OF HAMAS ROCKETS

The Israeli city of Ashkelon has suddenly found itself on the front lines of Hamas' war against the Jewish state. For the first time, long-range Grad-Katyusha rockets launched from Gaza struck the large industrial city, home to 120,000 Israelis and critical national infrastructure.

Hamas terrorists fired more than 20 of their Katyusha-type rockets at the coastal city in a five-day period. Israeli officials suggested that the new rockets were smuggled into Gaza when Hamas broke through the Gaza-Egypt border barrier.

"This is a state of war; I know no other definition for it," said the city's mayor, Roni



Photo by the Associated Press

**An Israeli woman in Ashkelon inspects the damage to her home after a Hamas rocket attack.**

Mahatzri, from his makeshift office in an underground bunker.

Ashkelon residents were stunned. The city was not equipped with a warning system, and so there was no time to find shelter. "Until yesterday, I never would have believed that I would see the things I saw," one woman told the Associated Press, as she stood amid shards of glass, blown out of the front window of her clothing store. "All of a sudden, the reality has changed."

Indeed it had. As a result of the increased rocket attacks, the Israel Defense Forces were forced to launch a military operation in the Gaza Strip. In response, Hamas used small children as shields, placing them on the rooftops of buildings in the Gaza Strip in order to prevent Israeli ...see *Ashkelon Attack cont'd on pg. 12*

# Explaining Israel's Predicament

FACED WITH DEADLY BARRAGES OF HAMAS ROCKETS, ISRAELI FOREIGN MINISTER TZIPI LIVNI MAKES THE CASE FOR ISRAEL TO AN AUDIENCE OF INTERNATIONAL DIPLOMATS

## Israeli Civilians Living Under Fire From Hamas-Run Gaza Strip

Israel is under attack. I think that in our previous meeting in Erez, near the Gaza Strip, we were talking about the fact that the range of the missiles is now longer and more cities are under the threat of rockets coming from the Gaza Strip. And now, unfortunately, reality demonstrates that it's not only a matter of smuggling weapons into the Gaza Strip but that they use them, of course, like always, against civilians, and this is something that we cannot afford.

Israel needs to act against this kind of terrorism. I know that sometimes there are those who use the term "collective punishment." Believe me, there is now collective punishment suffered by the citizens of Ashkelon and the citizens of Sderot, and Israel cannot live with this. It's not going to become a habit in Israel or something that we are going to get used to. We are not getting used to it, we'll not get used to it, and this is something which is unacceptable to any government in the world.

The goal is to weaken Hamas militarily and politically, and we are doing this simultaneously. We have to attack the places in which they manufacture the rockets. We need to attack the terrorists themselves. We also need to address the buildup of Hamas and the fact that the Philadelphi Corridor is being used in order to smuggle weapons.

## Israel Expects Palestinian Authority to Negotiate

I think that cessation of negotiations is a mistake. I think that it shows weakness, of course, but I think that it shows Hamas that by using terror, they can control from Gaza the acts of the legitimate government and [Palestinian Authority President] Abu Mazen in Ramallah. And what I say here to you I said to [chief Palestinian negotiator] Abu Ala as well.

I don't expect Abu Ala and Abu Mazen to support Israel's acts. I am not trying to push my luck. I really understand the sensitivity. But I also understand that when depicting Israeli attacks, Al Jazeera abuses the situation on the ground by telling lies. Unfortunately, during these attacks, civilians were killed. I am not trying to change



ISRAELI FOREIGN MINISTER  
TZIPI LIVNI

• EXCERPTS FROM BRIEFING  
TO INTERNATIONAL  
DIPLOMATIC CORPS •

MARCH 3, 2008



Photo by the Associated Press

*Israeli Foreign Minister Tzipi Livni spoke to international diplomats about the threat of Hamas rockets.*

facts. But, of course, when it comes to Al Jazeera, everything is exaggerated.

So I know that it's not easy for my partners to continue the negotiations. No, it's not easy, but I expect them to do so. I expect them to do so because the easiest thing on earth is to quit. And it's not only the cessation of the negotiations. The statements referring to Israel as Nazis, describing events in terms of the Holocaust and all this, sends a message to the wrong people, which is against the concept and the idea of the peace process.

Nobody can afford a Hamas victory. The first one who cannot afford a Hamas victory—a spin-off Hamas victory as they had today, or a perception or image of

victory—is Abu Mazen. The second is Israel. And the third is our Arab and Muslim neighbors. Egypt cannot afford it because they don't want to see a Muslim Brotherhood victory in Egypt. The Jordanians cannot afford it. Nobody can afford it.

It's not only a matter of the number of Qassam rockets or Grad rockets or others targeting Israel today. We're talking about the smuggling of weapons, the buildup.

## Israel Seeks to Avoid Civilian Casualties

I think that Israel is the only state in the world in which its Minister of Defense has today, during a time of almost war, met with the Attorney General, the Minister of Justice and Foreign Ministry experts on international law, in order to speak about and understand the terms of proportionality in accordance with how the IDF works and will continue to work on the ground.

I hope that the international community knows that we are trying to avoid civilian casualties, and that what is called "collective punishment" goes against our values and our system. But, as I said before, we are undergoing our own collective punishment. Ashkelon is under collective punishment by terror.

We decided to avoid civilian casualties by sending a warning message to a place from which we knew the terrorists act. They, on the other hand, called on civilians to live there because we were going to attack. We prefer to attack an empty building which is being used to manufacture rockets, even taking into consideration that the terrorists will leave the place. So you know what happened. All the children gathered on the roof. Since they know that the strike usually comes from the air, they send the children to the roof to prevent us from targeting that building.

Believe me, proportionality is something that isn't part of their vocabulary, and international law is not part of their vocabulary and the Geneva Convention is not part of their vocabulary. We are working with our hands tied because of all these rules, and because we are part of the free world, and because this is part of our values as well. •NER•

# Terror Mastermind

HIZBALLAH TERRORIST IMAD MUGHNIYEH, WHO SPENT HIS LIFE IN THE SHADOWS FIGHTING THE UNITED STATES AND ISRAEL, WAS KILLED BY UNKNOWN ASSAILANTS IN HIS HAVEN OF DAMASCUS

Hizballah arch-terrorist Imad Mughniyeh, one of the United States' most wanted fugitives, was killed by a bomb in Damascus last month. "The world is a better place without this man in it," said State Department spokesman Sean McCormack. "He was a cold-blooded killer, a mass murderer and a terrorist responsible for countless innocent lives lost."

## A Lifetime of Terrorism

Imad Mughniyeh spent his entire adult life as a terrorist, beginning when he was a teenager working for Yasser Arafat's elite Force 17 in Lebanon. For the next 30 years, Mughniyeh would be implicated or indicted in dozens of terrorist attacks.

Mughniyeh's two deadliest attacks occurred in Lebanon in 1983. A car bomb at the U.S. Embassy in April of that year killed 63 people, including 17 Americans; a truck bomb at the U.S. Marine compound in October killed 241 American troops.

In 1984, Mughniyeh organized the kidnapping, torture and murder of the CIA Beirut station chief; in 1988, he was behind the kidnapping and killing of a U.S. Marine on peacekeeping duty in Lebanon.

The list goes on: the June 1985 hijacking of a TWA airliner and the murder of a U.S. Navy diver; the 1992 attack on the Israeli Embassy in Argentina, which killed 29; the

1994 bombing of the Jewish community center in Buenos Aires, which killed 87; and reputedly, the 1996 bombing of the Khobar Towers in Saudi Arabia, which killed 19 U.S. servicemen. In addition, Mughniyeh was the "top architect" of Hizballah's war against Israel in 2006, according to one of his long-time associates.

## Mughniyeh Helped Al-Qaeda

Mughniyeh was considered one of the world's most dangerous men long before Osama bin Laden topped international most-wanted lists. In the early 1990s, Mughniyeh traveled to Sudan to meet bin Laden, who was then living in Khartoum.

Sectarian quarrels would not prevent the Sunni bin Laden from cooperating with the Shia Mughniyeh. The 1998 U.S. grand jury indictment of Osama bin Laden stated as much, noting that al-Qaeda set aside Sunni vs. Shia divisions and forged alliances with Iran and Hizballah in order to "work together against their perceived common enemies in the West, particularly the United States."

Indeed, as a result of the meeting in Sudan, Hizballah agreed to train members of al-Qaeda in Lebanon in exchange for weapons. Bin Laden showed particular interest in learning how to use truck bombs such as the one that killed the 241 U.S.

Marines in 1983, according to the 9/11 Commission Report.

It is unclear if Mughniyeh or Hizballah had any role in facilitating the 9/11 attacks, but due to the terrorist army's previous cooperation with al-Qaeda, the 9/11 Commission believed that the U.S. government should investigate the matter further.

## Iran, Hizballah Threaten Israel

In his condolence message, Iranian Supreme Leader Ali Khamenei called Mughniyeh's life "an example for the young generation to follow." The head of Iran's Islamic Revolutionary Guard Corps, Gen. Muhammad Ali Jafari, said, "In the near future, we will witness the destruction of Israel, the aggressor, this cancerous microbe Israel."

Not to be outdone, Hizballah chief Hassan Nasrallah vowed to attack Israeli and Jewish interests across the world. "Zionists, if you want this kind of open war, let the whole world listen: Let this war be open," Nasrallah exclaimed.

Nasrallah may have already lived up to his word. An organization called "Galilee Freedom Battalions: The Martyrs of Imad Mughniyeh" took responsibility for a March 6 attack on a Jerusalem school, which killed at least eight people. The claim could not be verified as of press time. •NER•

## TIMELINE OF TERROR

IMAD MUGHNIYEH ORCHESTRATED SOME OF THE WORLD'S DEADLIEST TERROR ATTACKS

 <p>'83 <b>TRUCK BOMB</b> <b>HIJACKING</b></p>	 <p>'85</p>	 <p>'94 <b>ATTACK</b></p>	 <p>'06 <b>WAR</b></p>	 <p>'08 <b>DEATH</b></p>
<p>A truck bomb at the U.S. Marine compound in Beirut, Lebanon killed 241 U.S. troops in 1983. A car bomb at the U.S. Embassy earlier that year killed 63 people. Mughniyeh was linked to both attacks.</p>	<p>The United States indicted Mughniyeh for his role in planning and participating in the June 1985 hijacking of a TWA airliner and the torture and brutal murder of U.S. Navy diver Robert Stethem.</p>	<p>Eighty-seven people were killed when Hizballah, backed by Iran, bombed the Jewish community center in Buenos Aires in 1994. An Argentine court indicted Mughniyeh for his role in the attack.</p>	<p>In the summer of 2006, Hizballah fired more than 4,000 rockets into Israel, killing 43 civilians during the 34-day war. Mughniyeh was said to be a major architect of Hizballah's war plans.</p>	<p>Iranian, Syrian and Hizballah leaders all mourned Mughniyeh. At his funeral, Hizballah leader Hassan Nasrallah vowed to attack Israeli and Jewish interests across the globe.</p>

Mahmoud Abbas raised serious questions about his commitment to a peaceful resolution of the Israeli-Palestinian conflict.

"I do not support a return to armed struggle at this point in time," Abbas told the Jordanian newspaper *Al-Duster*. "But, at a later date, this could be an option for the Palestinian people."

Israel faces enormous difficulty in negotiating peace with a PA that hints at resuming terrorist attacks. In order to demonstrate its commitment to peace, the PA must dismantle the terrorist infrastructure in the West Bank and end anti-Israel incitement, as called for in Phase I of the Road Map.

Despite the reality on the ground, Israel continues to demonstrate its desire for peace with the Palestinians. After the horrific terrorist attack in Jerusalem, Israeli Foreign Minister Tzipi Livni said that Israel wants to continue peace talks with the PA.

These are difficult days for the Israeli people. Fortunately, the United States understands Israel's struggle. "There is a clear distinction between terrorist rocket attacks that target civilians and action in self-defense," said a White House spokesman.

If the rest of the world fails to distinguish the tactics and goals of a liberal democracy from those of an Islamic terrorist group, Hamas will be emboldened to increase its attacks on the Jewish state. Israel, understandably, remains on high alert. **•NER•**

## Vote of Confidence

### MAJOR INTERNATIONAL CREDIT RATING AGENCY UPGRADES ISRAEL'S CLASSIFICATION AND RECOGNIZES THE JEWISH STATE'S SOUND FISCAL MANAGEMENT

Fitch Ratings, one of the "big three" international credit rating agencies, has upgraded Israel's classification across several categories. Fitch's action follows a similar move by its largest competitor, Standard & Poor's, last November.

The upgrade recognizes Israel's sound fiscal management, which has brought the nation's public debt-to-gross domestic product (GDP) ratio down by more than 20 percent since 2003, according to *Globes Online*, Israel's leading business news website. Debt-to-GDP is important in evaluating a country's ability to maintain its obligations and avoid default. Israel's current ratio of roughly 80 percent is the lowest achieved in decades.

Having received a vote of confidence from two of the leading credit rating agencies, Israel will now be able to market its bonds more broadly and at lower rates, as it is considered more likely to pay them out in full. Israel's private sector could also benefit, as ratings for companies often follow

those assigned to their host governments.

Fitch's decision boosts Israel's standing in most rating categories, reflecting confidence in the Jewish state's ability to repay its debts in all currencies. The agency raised Israel's foreign currency rating from "A-" to "A", and its local currency rating from "A" to "A+."

Fitch also noted the ease with which investors can move cash out of the country, boosting Israel from "A+" to "AA-" in this category.

However, Fitch noted that Israel should further reduce its debt burden, due to the risk of fiscal shocks resulting from a precarious geopolitical situation. For this reason, Jerusalem must continue to exercise fiscal discipline, making tough choices regarding what it can and cannot afford.

Israel's improved financial standing is a testament to the country's economic maturation, which has proceeded apace despite ongoing Palestinian terrorism and the Arab League's decades-long boycott. **•NER•**

### Ashkelon Attack...cont'd from pg. 9

strikes, according to an IDF intelligence officer. The officer said that the IDF had cancelled strikes on rocket factories in order to refrain from hitting the children.


With Israel under constant attack from Hamas rockets, Congress sent a strong message to the world and spoke out in defense of the Jewish state. By a resounding vote of 404-1, the House of Representatives

approved a resolution (H. Res. 951) condemning the continuing Palestinian rocket attacks from the Gaza Strip and supporting Israel's right to defend its citizens. The resolution, introduced by Reps. SCOTT GARRETT (R-NJ), ELIOT ENGEL (D-NY), JEB HENSARLING (R-TX) and SHELLEY BERKLEY (D-NV), places responsibility for the ongoing violence on Hamas and Islamic Jihad and their patrons, Iran and Syria. **•NER•**

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