

Heard on the Hill

Lawmakers use recess to travel to Israel. Three separate delegations of lawmakers traveled to Israel during the recent recess period. The groups met with high-ranking Israeli officials and reiterated their support for a strong U.S.-Israel relationship. Sen. JOHN MCCAIN (R-AZ) led a small Senate delegation that included Sens. LINDSEY GRAHAM (R-SC) and JOSEPH LIEBERMAN (I-CT). Also, Sen. DANIEL INOUE (D-HI) traveled on a fact-finding mission, while House Minority Leader JOHN BOEHNER (R-OH) led a delegation of Republican House members that included Reps. PETE HOEKSTRA (R-MI), JOHN CARTER (R-TX), PETER ROSKAM (R-IL) and JEFF MILLER (R-FL).

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Senate boosts funds for international affairs programs. With a bipartisan vote of 73-23, the Senate passed an amendment introduced by Sens. JOSEPH BIDEN (D-DE) and RICHARD LUGAR (R-IN) to fully fund international affairs programs at the president's requested level of \$39.8 billion. The international affairs portion of the budget includes all foreign aid spending, such as aid to Israel, as well as funding for U.S. diplomatic programs and international organizations. The approved amount is significantly higher than last year's spending level and is also more than the Senate Budget Committee's approved level of \$35.7 billion.

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House report backs aid to Israel, 10-year security agreement. The House Budget Committee issued a report accompanying its budget that supports the administration's full fiscal year 2009 request of \$2.6 billion for security assistance for Israel. The report also backs the 10-year U.S.-Israel security agreement reached last year. By providing Israel with a boost in security assistance during the next decade, the agreement aims to help Israel deal with growing threats from Iran and Syria and their proxies, Hamas and Hizballah. •NER•

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NEAR EAST

Report

APRIL 16-30, 2008

**AIPAC'S BIWEEKLY ON AMERICAN
MIDDLE EAST POLICY**

EDITOR'S COMMENTS

Arab Outcast

Syria has become such a pariah that even the Arab world is giving it the cold shoulder.

At the recent Arab League summit in Damascus, the leaders of Saudi Arabia, Egypt and Jordan embarrassed Syrian President Bashar Assad by sending low-level officials to the meeting. Lebanon boycotted the summit altogether, accusing Damascus of interference in its stalled presidential election. The U.N. Secretary General is normally invited as a guest of honor, but he did not attend this year, either.

Syria's isolation in the Arab world was not lost on Libyan leader Muammar Qaddafi. "We meet in Syria, which is an Arab country," he said. "But the relations Syria has with Russia, Iran or Turkey are a thousand times better than its relations with its Arab neighbors."

Indeed, Syria has been allied with the Iranian regime for almost three decades, cooperating with the Islamic Republic in supporting Hizballah, Hamas and other terrorist groups. Furthermore, Qaddafi could have added North Korea to the list: As has recently been exposed, the two rogue ...see *Editor's Comments cont'd on pg. 20*

Flawed Forum

**THE UNITED NATIONS CONTINUES TO SERVE
AS AN ARENA FOR ANTI-ISRAEL RHETORIC**

In recent weeks, the United Nations has continued its long history of serving as a forum for anti-Israel activity. It regularly refuses to condemn Palestinian violence against Israelis, instead choosing to single out Israel for opprobrium.

At a March 25 public meeting of the U.N. Security Council, representatives from Syria, Sudan and a number of other countries accused Israel of "ethnic cleansing" and a "holocaust" against the Palestinians.

Such statements, coupled with the Council's refusal to condemn Hamas' continued rocket fire and the recent terrorist attack in Jerusalem that left eight Israeli



Photo by the Associated Press

Syrian FM Walid Muallem (left), with U.N. Sec. Gen. Ban Ki-moon, singled out Israel in the U.N.

students dead, have further reinforced skepticism of the world body and called into question its usefulness in promoting a peaceful two-state solution.

Elsewhere at Turtle Bay, the recently "reformed" U.N. Human Rights Council (UNHRC) looks to have outdone its predecessor in its one-sided criticism of Israel. It has focused its attention on condemning the Jewish state, formally doing so on 19 occasions since its inception in June 2006.

Obsessed with criticizing Israel, the Council has all but ignored horrific human rights situations in places such as Darfur and Tibet, and has recently dropped its inquiry into Cuba, named by Freedom House as one of the "world's worst regimes." Instead, the Council has vilified

...see *Flawed Forum cont'd on pg. 20*

Risks for Peace

DESPITE THE GROWING THREAT OF HAMAS, ISRAEL GIVES THE PALESTINIAN AUTHORITY ANOTHER CHANCE TO CRACK DOWN ON TERRORISM, EASING TRAVEL FOR PALESTINIANS AND ENSURING HUMANITARIAN AID FLOWS TO GAZA

The threat from the Hamas-run Gaza Strip continues to grow. Residents of the southern Israeli town of Sderot are under constant rocket fire. Farther up the Mediterranean coast, the industrial city of Ashkelon now sits within range of Hamas rockets. The reality on the ground is grim. Yet despite the danger to its own security, Israel is again shouldering risks for peace.

Israel Takes Steps to Strengthen the Palestinian Authority

In an effort to ease travel for Palestinians, the Israeli army has dismantled 10 roadblocks in the West Bank and has announced plans to remove a total of 50. Israel is tak-



Photo by the Associated Press

After meeting with Secretary Rice, Defense Min. Barak pledged to ease travel for Palestinians.

ing these steps despite its concern that the reduction in security measures leaves its civilian population at greater risk of attacks from Palestinian terrorists.

The gesture comes about a week after Israeli Defense Minister Ehud Barak met with Secretary of State Condoleezza Rice and Palestinian Prime Minister Salam Fayyad and presented them with a detailed list of steps Israel is willing to take in order to bolster the PA under Mahmoud Abbas.

Barak pledged to transfer 25 Russian-made vehicles and 300 U.S.-made cars to the PA, according to the Israeli newspaper *Ma'ariv*. He also promised that Israel would establish industrial zones near Jericho and exempt pre-approved Palestinian businessmen from inspections at checkpoints.

In addition, Barak said Israel would allow the PA to deploy 700 soldiers in

Jenin, a West Bank city that has long been a bastion of terrorism. Israel is also considering allowing the PA to station armed soldiers in Tulkarm and Hebron if Jenin proves to be an effective security model.

"We have eased a lot of restrictions and have received compliments from Secretary of State Rice, Quartet envoy [Tony] Blair, the British and the Palestinians," Barak told an Israeli cabinet meeting. Should the negotiations fail, Barak added, it would not be "because we have not made enough gestures."

Israel Transfers Massive Amounts of Humanitarian Aid to Gaza

Meanwhile, as diplomatic dialogue between Israel and the PA continues at the highest level, Israel is working every day to facilitate the transfer of aid to the Palestinian population in Gaza.

"Negotiations are taking place; we are meeting with the Palestinians on a regular basis trying to reach a peace treaty that will reflect our interests, dreams and goals," Foreign Minister Tzipi Livni said at a press conference with Rice. "Simultaneously we want to give hope to the Palestinian people and to change the reality on the ground."

In just one day this month, for example, Israel transferred 51 trucks containing wheat, sesame, corn, coffee and soy. There were also 56 trucks with fruit, rice, sugar, dairy products, meat, fish, flour, carrots, garlic, pasta, cleaning products and school books. These types of shipments from Israel—and more—occur on a daily basis.



Photo by the Associated Press

Each day, Israel ensures the transfer of humanitarian aid into the Hamas-controlled Gaza Strip.



Photo by the Associated Press

Palestinian terrorists in the Hamas-run Gaza Strip fire rockets at Israel from civilian areas.

Tallied for nearly a year, Israel's shipments to Gaza reach staggering numbers. Between June 16, 2007, when Hamas seized power, and March 28, 2008, more than 19,000 trucks passed through Gaza border crossings, delivering 462,640 tons of goods and more than 29 million gallons of fuel, according to the Israeli Ministry of Defense. In addition, Israeli hospitals have welcomed more than 12,000 Palestinians from Gaza for medical treatment.

Israeli Prime Minister Ehud Olmert is indeed fulfilling his pledge that the Jewish state "will not be indifferent to the human suffering in Gaza."

Palestinian Authority Must Do Its Part to Make Peace

If Israeli-Palestinian negotiations are to be successful, PA President Mahmoud Abbas is expected to match Israel's commitment to peace and dismantle the Palestinian terrorist infrastructure. So when Israeli officials heard the news that a dozen terrorists from Abbas' own Fatah faction "escaped" from a PA jail, they were not optimistic that Israel's gestures would be reciprocated.

"It's clear that dealing effectively with terrorism by the PA government is an integral element in the peace process," an Israeli official told *The Jerusalem Post*. "Those people escaping from jail is a matter of concern to Israel."

Understanding the reality on the ground, the Israeli security establishment remains on high alert against efforts by Palestinian terrorists to infiltrate into Israel and carry out attacks. •NER•

Combined Effort

THE TREASURY AND COMMERCE DEPARTMENTS, ALONG WITH THE U.S. COAST GUARD AND A KEY CONGRESSIONAL COMMITTEE, ACT TO RESTRICT IRAN'S ABILITY TO PURSUE NUCLEAR WEAPONS

As Iran accelerates its efforts to enrich uranium—a key step toward developing nuclear weapons—Director of National Intelligence Mike McConnell has warned that the Islamic Republic may be able to produce enough fissile material for an atomic bomb as early as 2010. Against this alarming backdrop, the United States has embarked on a coordinated, multi-faceted campaign to increase the economic pressure on Iran.

Treasury Warns of Deceptive Iranian Financial Practices

In a move that has resonated across the financial world, the Treasury Department's Financial Crimes Enforcement Network (FinCEN) warned U.S. financial institutions about the risks of doing business with Iranian banks.

"The government of Iran disguises its involvement in proliferation and terrorism activities through an array of deceptive practices," Treasury said in a statement, cautioning that Tehran has been using the

"...THE IRANIAN GOVERNMENT IS A PATRON OF TERRORISM..."
SEN. CHRIS DODD (D-CT)

Central Bank of Iran as a front to carry out transactions for other Iranian institutions already under U.S. and U.N. sanctions.

In recent testimony before the Senate Finance Committee, Treasury Undersecretary Stuart Levey said the Central Bank of Iran is trying "to evade the controls put in place by responsible financial institutions," and that legitimate institutions would never have done business with the central bank "if they knew who, or what, was really involved."

Levey noted that Iranian financial institutions are growing increasingly isolated. "Foreign-based branches and subsidiaries of Iran's state-owned banks are becoming financial pariahs—threatening their viability—as banks and companies around the world resist dealing with them," he said.

A few weeks before Levey's testimony, the Treasury Department sanctioned a Bahraini bank acting as a front for Iran's

Bank Melli, which the United States has already sanctioned for its role in funding Iran's nuclear program. The action against the Bahraini bank marked the first time a bank outside of Iran has been sanctioned for its involvement in the Islamic Republic's proliferation activities.

Coast Guard, Commerce Department Toughen Sanctions

Alongside Treasury action, other U.S. government agencies are increasing the pressure on Iran. The Commerce Department has imposed penalties on British and Armenian firms for illegally exporting Boeing 747 aircraft to Iran.

Senate Banking Committee chairman Sen. Chris Dodd (D-CT), who plays a major role crafting U.S. export and financial sanctions legislation, welcomed the Commerce Department's actions.

"There is no doubt that the Iranian government is a patron of terrorism and a weapons proliferator," Dodd said. "We must continue to do everything we can to cut off their supply of goods and sensitive technology." He warned that other nations "still are not doing enough to prevent critical goods from being shipped to Iran."

In another important move, the State Department announced that the U.S. Coast Guard has added Iran to its port security advisory list, thus allowing it to heavily scrutinize any ship that docked in Iran before entering U.S. waters.

European Businesses Ignore Sanctions Against Iran

As the United States seeks to isolate Iran, some European businesses are making multi-billion dollar deals with Tehran. The Swiss energy giant EGL recently signed a gas contract with Tehran, reportedly worth between \$28 and \$42 billion, and Austria's energy group OMV signed a natural gas deal with Iran worth some \$30 billion. Russia and China also continue to expand their trade relations with Iran.

The Iranian regime has left itself extremely vulnerable to economic stress. Coordinated and intensified multilateral pressure remains an important tool in the international campaign to convince Iran to cease its quest for nuclear weapons. •NER•

RIISING PRESSURE

U.S. GOVERNMENT AGENCIES HAVE STEPPED UP THE PRESSURE ON IRAN



Treasury Undersecretary Stuart Levey warned of Iran's deceptive financial practices.



The U.S. Coast Guard will now carefully inspect ships that recently docked in Iran.



Senate Banking Committee Chair Chris Dodd called for more action to restrict Iran's access to dangerous technology.



The Commerce Department sanctioned foreign companies that provided Iran's Mahan Airlines with Boeing 747s.

regimes are cooperating not only on the development of surface-to-surface missiles, but also on a nuclear program.

Despite this bleak setting, Israel continues to reach out for peace with Syria. During the past year, Prime Minister Ehud Olmert has reportedly dispatched some 20 messages to Assad to better assess Syria's intentions. The foreign emissaries who delivered Israel's messages to Assad noticed some telling photographs on his office walls: Iranian President Mahmoud Ahmadinejad and Hizballah chief Hassan Nasrallah. These photos provide vivid evidence of the depth of Syria's alliance with Iran and Hizballah, both of which are adamantly opposed to peace with Israel.

Although Assad responded negatively to Olmert's messages, Defense Minister Ehud Barak said "Israel considers negotiations with Syria and removing Syria from the circle of extremists as central to its policy."

The United States has voiced its strong disapproval of Syria's behavior. President Bush said in December that his "patience ran out on President Assad a long time ago. And the reason why is, is because he houses Hamas, he facilitates Hizballah, suiciders go from his country to Iraq and he destabilizes Lebanon. And so, if he's listening, he doesn't need a phone call. He knows exactly what my position is."

Until Syria's behavior changes, Damascus will remain a pariah. •NER•

In Memoriam: Gene Schupak

NATIONAL BOARD MEMBER GENE SCHUPAK WILL BE REMEMBERED FOR HIS COMMITMENT TO STRENGTHENING THE U.S.-ISRAEL RELATIONSHIP

AIPAC notes with sadness the sudden passing of National Board member Dr. Gene Schupak of Scottsdale, Arizona.

With a booming voice, a powerful presence and a can-do approach, Schupak was the consummate leader. He became active with AIPAC almost 25 years ago and served on the Board of Directors for the past 12 years.

More than 2,000 people attended a Phoenix event in his honor in January. During the event, long-time friend Sen. JON KYL (R-AZ) praised Schupak as "the most focused person" he knew.

Schupak grew AIPAC's membership in Phoenix and around the country. As the Chairman of AIPAC's Development Committee, he was constantly coming up with new ways to engage people. He inau-

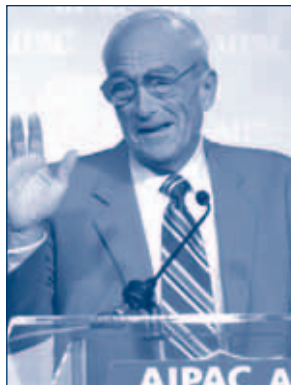


Photo by Suzanne Mazer
Gene Schupak speaks at the 2008 AIPAC Phoenix Annual Event.

gurated and chaired AIPAC's Investment Committee and pressed for the organization to adopt a long-range strategic plan to deal effectively with the challenges of tomorrow, charting a clear path for generations to come.

During the Phoenix event last winter, AIPAC Managing Director Richard Fishman presented Schupak with a shofar. "The shofar is the clarion call that symbolizes the summons to action in the tradition of our people, and certainly it represents who you are," Fishman told Schupak. "You've made America better and you've made the State of Israel safer."

AIPAC extends its condolences to his devoted wife Lenore, four children and six grandchildren. May Gene Schupak's name forever be a blessing and his life an inspiration to all. •NER•

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Israel and filled its ranks with fierce opponents of the Jewish state.

In its most recent session, the Human Rights Council elected two new members known for their hostility to the West. One of them, former Swiss politician Jean Ziegler, has boasted of warm relations with Cuba's Fidel Castro and Libya's Qaddafi. In 2005, then-U.N. Secretary General Kofi

Annan publicly denounced Ziegler for calling the Gaza Strip an "immense concentration camp" and for comparing Israelis to Nazis. Ziegler is the only U.N. official to have been reprimanded in such a way.

The second appointment, special investigator on Israeli actions in the territories, was granted to Richard Falk, a retired Princeton law professor who has compared Israel to Nazi Germany. •NER•

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