

The week ending June 21, 2013

## IRAN

### **Iran's President-elect Rouhani tied to 1994 bombing**

As the Iranian presidential elections came to a close last week, Hassan Rouhani proved victorious in the election. A relative moderate, he has signaled a hope for improved relations with the United States. Yet as a regime loyalist and former nuclear negotiator, Rouhani has already stated a refusal to halt Iran's nuclear enrichment program. According to [The Jerusalem Post](#), a recent report indicates that he was on the special Iranian government committee that plotted the 1994 bombing of the Buenos Aires Jewish community center that killed 85 people and injured an additional 300. A former Iranian intelligence official testified in 2006 that Rouhani was part of the committee that authorized the attack, though Hezbollah is suspected to have been the organization that ultimately carried out the bombing.

### **PA congratulates Rouhani, hopes to strengthen Iran-PA ties**

Palestinian Authority (PA) President Mahmoud Abbas [congratulated](#) Iran's president-elect Hassan Rouhani on his victory at the polls. Abbas wished Rouhani luck in his duties, adding that he looked forward to working together with him towards strengthening ties and pursuing interests common to Iran and the PA. Israel, meanwhile, took a more skeptical approach. "Let us not delude ourselves. The international community must not become caught up in wishful thinking and be tempted to relax the pressure on Iran to stop its nuclear program," Israeli Prime Minister Benjamin Netanyahu said. Netanyahu noted that Iran's spiritual leader Ali Khamenei had disqualified many more moderate candidates, and that Rouhani has made hostile comments about Israel. The White House congratulated Iranian voters for "their courage in making their voices heard" despite clampdowns that included severe restrictions on the Internet, a key tool of Iran's opposition. Washington urged Tehran's leadership to "heed the will of the Iranian people and make responsible choices."

## ISRAEL AND THE PALESTINIANS

### **Israel and PA agree to reestablish economic ties**

Israeli Finance Minister Yair Lapid met Palestinian counterpart Shukri Bishara in Jerusalem and they came to an understanding on restarting frozen economic ties between the sides, [The Times of Israel](#) reported. After the meeting, Lapid said that future cooperation between Israel and the Palestinian Authority would be mutually beneficial. Official economic ties between Jerusalem and Ramallah were cut off in November after Israel responded to the Palestinian bid for UN recognition by withholding hundreds of millions of shekels in taxes that Israel had collected on behalf of the Palestinian Authority. The move, along with skyrocketing unemployment in the Palestinian territories, served to deepen an economic morass and led to the resignation of Bishara's predecessor, Nabil

Qassis. Lapid's office said the meeting was being carried out under the auspices of Prime Minister Benjamin Netanyahu and that Lapid considered the resumption of economic ties to have "major importance," according to a press statement.

## GREATER MIDDLE EAST

### **Assad is claiming battle gains and facing currency crisis**

Even as Syrian President Bashar Assad is proclaiming battlefield momentum against the insurgency with the help of his Hezbollah ally, he appears to be facing a new threat: a rapidly weakening currency that has unnerved many Syrians. According to [The New York Times](#), the Syrian pound fell about 30 percent in value against the dollar over the weekend, partly on news that the United States intended to arm some elements of the rebellion seeking to topple Assad. The Central Bank governor, Adib Mayalah, announced that to help stabilize the pound, Syria would tap into a \$1 billion credit line provided by Iran. A number of basic financial problems appear to be coalescing after more than two years of conflict: Western sanctions that have collapsed Syria's main money-earning industries of oil and tourism, a near-collapse of regular commerce inside the country and the cost of fighting the insurgency, which has left more than 93,000 people dead and millions displaced.

### **Lebanese president urges Hezbollah to pull out of Syria**

Lebanese President Michel Suleiman has called on the Lebanese Shi'ite Muslim Hezbollah movement to pull its guerrillas out of Syria, saying any further involvement in its neighbor's civil war would fuel instability in Lebanon, [Reuters](#) reported. Hezbollah's intervention in Syria against mainly Sunni Muslim rebels has further inflamed sectarian rivalry in Lebanon, where fighting between Alawite pro-Assad and Sunni Muslim anti-Assad gunmen in the northern city of Tripoli has killed dozens. Suleiman has spoken out against Syrian military incursions into eastern Lebanon against rebel forces, and become more open in his criticism of Hezbollah's military support for Assad. The group, set up with Iranian support to fight Israeli occupation forces in southern Lebanon 30 years ago, is the only faction that kept its weapons after Lebanon's 1975-1990 civil war, saying they were to protect Lebanese from Israeli forces. This information is an update to the information contained in this week's [Sermon Tidbits](#). To subscribe to Sermon Tidbits, click [here](#).

## ISRAEL IN THE NEWS

### **Natural gas to bring in \$60 billion in 20 years**

The Israeli government [released their decision on exports of offshore natural gas](#), which is said to bring in \$60 billion over the next 20 years. The government has decided to keep 60 percent of the natural gas produced for strictly domestic use, which is enough to sustain the country for the coming 25 years. The natural gas finds are the largest of their kind and analysts have said that they have the ability to "transform the Middle East's energy map." Netanyahu has stated that the goal of obtaining such an abundance of natural gas is to provide both available and affordable energy for the citizens of Israel. Israel has said it will keep 60 percent of the profits from gas exports, which is aligned with the country's current royalty policy. By exporting natural gas, Israel will be able to invest in the "welfare and safety of citizens," Netanyahu stated.