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[Article 1.](#)

The National (UAE)

## **Is this the end of the failed Muslim Brotherhood project?**

Hussein Ibish

October 5, 2013 -- Is the Muslim Brotherhood dying? In Egypt and throughout the Arab world, Brotherhood-affiliated parties are suffering an unprecedented series of setbacks that cast real doubt on the long-term viability of that version of Islamist politics.

The blow the Brotherhood has received in Egypt is exceptionally severe. Most of its senior leaders are under arrest, and its ability to mount mass protests appears debilitated. There is a pending court order mandating its disbanding and the seizure of its assets. And none of this seems to bother most Egyptians.

It's not clear when or how the Brotherhood in Egypt can recover from this unprecedented crisis.

What is less widely understood, however, is that Brotherhood-affiliated parties across the region – many of which recently

seemed to be on the brink of the political successes they have craved for decades – are suffering extreme setbacks. The Brotherhood's crisis in Egypt may be particularly dramatic but it is also merely the tip of the iceberg.

A quick regional survey can show how damaged this movement currently is.

In Morocco, the Justice and Development Party might be in the best shape of all, currently occupying the ineffective office of prime minister. But, while ostentatiously praising the King, it is loudly insisting that it is in no sense whatsoever a Muslim Brotherhood party, or affiliated with it at all except insofar as both identify as Islamist.

This is untrue. They only find it necessary to disavow Brotherhood connections so vigorously because of how regionally discredited the movement has become.

In Tunisia, a coalition of secular political and labour movement forces has forced the Brotherhood Ennahda party government to agree to resignation. Ennahda may still be the largest political party in Tunisia, but it's unlikely that it could repeat its 2011 parliamentary electoral success since secular and non-Islamist forces are becoming much more organised and coordinated. And it's always been clear it would be exceptionally difficult for Ennahda to beat a consensus secular candidate in a two-person presidential election or run-off.

So, while Ennahda compromised to survive – and is likely to still wield considerable influence in Tunisia – it may already be past the apogee of its power.

In Libya, the Brotherhood and its allies never gained the political traction they expected, especially given the local backlash against their Qatari patrons. They were routed by the non-Islamist National Forces Alliance in the party section of the parliamentary election. This forced them to rely on highly unpopular militia bullying that produced occasional short-term successes but looks headed for long-term failure.

The Jordanian Muslim Brotherhood, which seemed to be growing from strength to strength a mere year ago, is in utter disarray.

The Syrian Brotherhood was the most influential political force in the opposition after the uprising against the Damascus dictatorship began. But now they seem to have virtually no influence on the conflict or its likely outcome.

Hamas in Gaza is undergoing an unprecedented crisis. It bizarrely made no effort to convince the new Egyptian government that it was not a hostile force, especially with regard to security in Sinai. It is therefore being treated like one.

Egypt has imposed an unparalleled blockade, leaving the economy in shambles. For the first time since 2007, it is now possible to imagine a Gaza no longer under Hamas control.

And in those parts of the Gulf in which the Brotherhood has some presence, its affiliates are coming under intense scrutiny and increasing pressure.

But all of this hardly means that Islamism across the board is enduring a nadir. In several Arab societies, Salafists are either outflanking Brotherhood groups or reaping the benefits of the

Brotherhood's crises.

But there is an important distinction: the main regional financiers of the Brotherhood movement actually want them to dominate as many governments as possible in Arab republics. States and wealthy individuals who finance Salafists use them to harass the Brotherhood and to project power. But the primary movers behind the regional Salafist movements don't actually want to see Salafist governments in Arab republics.

If the ideology and practices of more moderate Brotherhood parties have proven unworkable and popularly unacceptable in power, that can only apply far more intensively to Salafist groups. The plausibility of Salafist rule in any post-dictatorship Arab society is, for those two reasons, virtually nil.

This may not be the end of the Muslim Brotherhood but its region-wide crisis is so severe that significant ideological and practical adaptation will be unavoidable for those flexible enough to learn any lessons. The Moroccan and Tunisian branches are already unhappily compromising to survive.

But the Muslim Brotherhood may be dying at least in the sense that what ultimately emerges from the current wreckage will be unrecognisably different. Only a radical change in fortunes across the region is likely to forestall such a process.

So during the very period in which many Arabs and westerners alike expected Brotherhood domination in many Arab countries, we may instead be witnessing the death throes of a nearly 100-year-old failed experiment.

*Hussein Ibish is a senior fellow at the American Task Force on Palestine, a columnist for Now Media and blogs at [www.ibishblog.com](http://www.ibishblog.com)*

Article 2.

New York Post

## **Navy SEALs aren't enough to win war on terror**

Max Boot

October 6, 2013 -- The paradox, and saving grace, of the Obama presidency is that while the president is indecisive about big things — the Afghan surge, intervention in Syria, entitlement reform, repealing the sequester, reopening the federal government, even the fast disappearing “Pacific pivot” — he is very decisive about ordering drone strikes and raids by Special Operations Forces (or SOF) on terrorist targets.

Indeed, Obama may well be the most SOF-friendly president we've ever had.

This weekend, acting on the president's orders, Special Operations teams came ashore in both Somalia and Libya. In Libya, the operators captured Nazih Abdul-Hamed al-Ruqai, alias Abu Anas al-Liby, who is wanted for the bombing of two US embassies in Africa in 1998.

In Somalia, SEALs targeted a senior leader of the Shabab, the Islamist terrorist group responsible for the massacre at the Westgate mall in Nairobi. It is unclear if they killed their target because the team had to withdraw under fire, but even if the raid was not entirely successful, it sent a welcome message to terrorist plotters that they cannot hide from the long arm of the US Special Operations Command.

That is a much-needed message to send, and it helps in a small way to begin undoing some of the damage from Obama's vacillation over Syria, which signaled American confusion and retreat.

But, while important and welcome, Special Operations raids and drone strikes will not by themselves win the War on Terror.

That is why, even as these surgical strikes have proliferated in recent years, al Qaeda and its affiliates have spread their reach further than ever.

To counter the spread of violent extremism requires not simply one-off missions designed to eliminate senior leaders; what is required is steady, long-term engagement to build up indigenous institutions capable of keeping order on their own.

The US track record in this regard is mixed. Somalia, although still lawless, has been a success story of sorts because US-backed African Union forces have bolstered the sway of the government in Mogadishu and pushed back the Shabab, leading the group to lash out in high-profile terrorist attacks outside the country, in Uganda and Kenya.

Libya has not been nearly as successful, because the United

States and its allies haven't provided enough support to the pro-Western government in Tripoli to allow it to build up security forces capable of pushing back the militias that still rule the streets.

The situation is even worse in Iraq, where al Qaeda in Iraq has managed to revive itself after the withdrawal of all US forces.

Violence rates have soared back to 2008 levels, while al Qaeda in Iraq has also exported its operations to neighboring Syria, where the United States seems to have no strategy for rolling back gains being made by both Shiite and Sunni extremists.

The picture in Afghanistan, meanwhile, is mixed: The United States has made a massive troop commitment to bolster the government in Kabul, but it is not clear if America will maintain any forces after 2014 to build on the gains that have been made.

The latest news reports indicate that the White House is once again threatening to pull all US troops if an impasse over the terms of their deployment is not resolved. If the "zero option" does come to pass, it risks undoing everything that US troops have fought for.

So by all means send out the special operators to collar or kill the bad guys. That is risky but necessary. But also remember that this is only one "line of operation" in a larger strategy that we desperately need to counter the continuing growth of Islamist extremism.

*Max Boot is a senior fellow at the Council on Foreign Relations.*

The Guardian

## **Middle East turmoil is fuelling Ottoman nostalgia. But it's a dead end**

David Shariatmadari

October 6 - They called it the Sublime Porte. It was the seat of an empire that stretched from Algiers to Baghdad and Aden to Budapest. The name suggests something dreamlike and luxurious. In reality, the Ottoman state was an extraordinary and ruthless machine. Its administrators, plucked from their families as children so they would be loyal only to the sultan, fought wars, collected taxes and founded cities with an efficiency unmatched at the time. But the most intractable problems of the modern Middle East are found where that empire once had its core: Syria, Iraq, Lebanon and Palestine. This is no coincidence. The civil war in Syria, in particular, has cast people's minds back to the collapse of Ottoman power, and the arbitrary carve-up that created states which now, nearly 100 years later, seem on the brink of failure. A renewed focus on the legacy of this disastrously mismanaged transition means the empire itself is being seen in a more sympathetic light. Millions across the region now tune in to *Magnificent Century*, a swashbuckling TV drama set in the glory days of Ottoman rule. Until recently, the Turkish prime minister, Recep Tayyip Erdoğan, was massively

popular in Arab countries and his government was said to be pursuing a neo-Ottoman foreign policy, shifting its attention away from the west and towards Muslim partners. On Sunday evening the BBC broadcasts the first in a grand series aimed at explaining the empire to under-informed Europeans. But we should be wary of nostalgia.

Yes, the Ottomans managed to yoke together Arabs, Turks, Kurds and many others, and keep the peace for 600 years. When Ferdinand and Isabella expelled more than 100,000 Jews from Spain in 1492, Bayezid II welcomed them with open arms. The sultan, as caliph, was supposed to be a figurehead for Muslims regardless of their ethnicity. Trade and the arts thrived. On the other hand, non-Muslims had to pay extra taxes, including a levy of Christian boys destined for imperial service. And the Ottomans were committed to expansion, always at the point of a sword. For the successor states in particular, to romanticise political union would be a mistake. The Ottomans sustained it using a slave army. Pan-Arabists managed it briefly only through coup d'etat and dictatorship. As for the magic binding powers some now ascribe to the imperial caliphate: this is nonsense. In the BBC programme there is talk of "post-caliph chaos". Writing in the Independent, Peter Popham argues that "a central point of reference for Muslims everywhere" was lost – forgetting millions of Shia Muslims to whom the caliphate meant nothing. He attributes both the partition of India and the rise of the Taliban to the lack of a single Sunni authority. But, by the time it was abolished, the title "caliph" had meant little in practical terms for many decades. Ottomanism is a dead end. Ironically, a more realistic model might be that of the neighbouring Safavid empire, in Iran. Avoiding imperial

overstretch, the Safavids were confined to a single linguistic, geographical and ethnic area – though they accommodated minorities as least as well as the Ottomans.

In the new Middle East, de facto borders are being drawn along majority ethnic or religious lines (the Kurds in northern Iraq, the Sunnis in the west and Shias in the south, for example).

Ottoman nostalgists such as Edward Said called it a "ridiculous notion" that "every millet [the imperial term for a religious community] has to have its own state". But it is a political order that seems to exert a strong gravitational pull. The real challenge is to get to a point where minorities within these states have their rights guaranteed. Given the brutalising effects of the past 100 years in post-Ottoman lands, that may be a very long way off.

*David Shariatmadari is a deputy editor on the Guardian comment desk.*

[Article 4.](#)

[Los Angeles Times](#)

## **Israel, the Palestinians and the one-state illusion**

Jeremy Ben-Ami

October 6, 2013 -- The world is far too familiar with the seemingly intractable problem: Jews and Palestinians who live in the same small stretch of land between the Jordan River and the Mediterranean Sea and, despite decades of trying to divide the land into two independent states, seem incapable of agreeing on how to do it. Some progressive activists, pundits and political scientists are so frustrated by that failure that they now offer an alternative: Stop trying to divide what can't be divided and start figuring out how to live together as one big, happy family in one binational state. It's easy to see why this idea has some superficial attraction, especially for American liberals who have become used to lauding the development in our own nation of an increasingly multiethnic, multicultural society. If we all manage to get along here in the United States, surely Israelis and Palestinians could get along just fine in some imaginary singular state — call it "Israelistine." Political scientists even have their own word for such an arrangement — "consociationalism." It borrows heavily from the positive experience of solving the conflict in Northern Ireland. They imagine Israelis and Palestinians abandoning their deep-rooted yearning to control their own destinies in favor of an arrangement in which each would respect the other side's identity and ethos, including linguistic diversity, culture and religion.

Unfortunately, this concept has no connection to reality in today's Middle East. The idealistic roots of this longing for coexistence run deep in Western history and find expression, for instance, in Friedrich Schiller's "Ode to Joy" and its ringing call for all men to become brothers. Of course, Schiller's poem was penned just before the French Revolution, the Terror and the Napoleonic Wars.

But a quick review of political trends around the world shows that we're living a very different reality. The former Yugoslavia split into seven nations amid a frenzy of bloodshed and ethnic cleansing; French- and Flemish-speaking Belgians are barely on speaking terms; Catalans are joining hands in a human chain 250 miles long to demand a split from Spain; Czechs and Slovaks agreed to go their separate ways. Even the Scots will get to vote soon on whether to leave the United Kingdom.

And then there is the Middle East, where the fabric of multinational coexistence, enforced for centuries by the Ottomans and more recently by military strongmen, is violently unraveling before our eyes.

Lebanon is divided among Shiites, Sunnis, Christians and Druze and barely hanging together. Iraq remains tormented by bloody terrorist attacks. Egypt's Coptic minority is a frequent target of attacks, and Syria has disintegrated into all-out civil war.

A two-state solution for Israelis and Palestinians offers the two sides a way to avoid such a fate. It's the only way to give them both what they want: national self-determination. That is why both sides keep returning to the negotiating table.

Seeking a two-state solution is not idealism — it's intensely practical. It simply recognizes that these peoples both crave independent states in which they can find full expression of their national identities.

For Jews, it's a matter of having one place in the world where they are not the minority. It's a haven, yes, but more than that, it's a place where the national language is Hebrew, where Jewish festivals are celebrated as state holidays, where the Jewish

Sabbath is observed and where a national identity for the Jewish people can be forged.

For Palestinians, it's a matter of moving beyond decades of exile, of being strangers and often refugees in other people's lands, of taking control of a territory of their own and forging their own future free of interference from others.

We ought to be intensely thankful that the majority of Israelis and Palestinians agree on the solution to the problem and have vowed to bring it about peacefully. When all around them they see chaos and inhumanity, when an entire region has fallen into an abyss of barbarism, their negotiations, rebooted in the last few months, offer a different paradigm much closer to the example of the Czechs and Slovaks than to the Serbs and Bosnians.

Make no mistake: Getting there is going to be tough. The parties need all the help and support they can get from the United States and the rest of the international community. They need imaginative mediation and patient diplomacy backed by firm U.S. leadership. They may well require the resolve of an American president willing to step in at the right moment with a plan that both sides can accept.

What nobody needs are delusional visions of one-state fantasists whose remedies have no connection with the real world. We live in an era of nation states and, unfortunately, also in an era of ethnic wars. We seem to be becoming more tribal and more sectarian, not less. We may feel that this is not a good thing, but it is reality.

The two-state solution offers a way to avoid more war and more

conflict between Israelis and Palestinians. As long as it remains viable, we should all be working as hard as we can to make it a reality.

*Jeremy Ben-Ami is the president of J Street, a U.S. lobbying group that advocates for a two-state solution to the Israeli-Palestinian conflict.*

Article 5.

Al-Monitor

## **US-Quartet Palestinian Economic Program Focuses on Eight Sectors**

Translated from Al-Ayyam (P.A.)

September 30, 2013 -- "Economic Initiative for Palestine" revealed many projects to stimulate local and foreign investment in Palestine, aimed at promoting Palestinian economic growth and creating job opportunities in the West Bank and the Gaza Strip.

The initiative, called for the US Secretary of State John Kerry and prepared by a team of international experts in collaboration with the Office of the Quartet Envoy, includes ideas, proposals and projects for eight sectors: construction and housing (including financing and personal real estate mortgage), agriculture, a comprehensive plan to attract tourism,

communications and information technology, energy, water and light industries.

The initiative's authors said, "The overriding objective of the 'Palestinian Economic Initiative' is to catalyze transformative and accelerated change in the Palestinian economy. The initiative aspires to rapidly grow the Palestinian economy spanning the entirety of the West Bank, including Area C and the Gaza Strip, over a three-year period from 2014-2016. It also aims to achieve a significant reduction in joblessness, a substantial increase in average Palestinian household income, a large surge in investment flows — both domestic and foreign — and a significant decline in PA reliance on direct budgetary assistance."

They added, "The initiative also aims to engender, over the medium-term, a substantial shift in the Palestinian economy toward private sector-led development. By focusing on the growth of key private industries, assisted by a mix of enabling factors, the initiative aims to shift the Palestinian economy toward a model of private sector-led development and economic sustainability ahead of eventual Palestinian statehood."

They pointed out that "the Gaza Strip and Area C are important parts of the Palestinian Economic Initiative. The initiative focuses on the development of critical infrastructure in the water and energy sectors in Gaza and in Area C (completing and operating the large sanitation projects in northern and central Gaza, initiating the large impact desalination project, establishing new power plants in the West Bank). It also addresses the expansion of housing, agriculture, and light-manufacturing activity in Gaza and Area C through a

combination of easing measures, private investment, and donor financing, including the provision of technical assistance."

According to the Office of the Quartet envoy, "The initiative aims to unlock the economic potential of the Palestinian private sector through a mixture of private sector investments, donor development assistance, Israeli measure necessary for implementation, and expanded PA capacity. It is expected that donor assistance will be used to leverage greater private sector investment in key Palestinian economic sectors and will continue funding critical Palestinian infrastructure in the water and energy sectors. Donor assistance could be provided in different forms including grant financing, concessional loans, political risk insurance and bank guarantees."

"The eight sectors included in the 'Palestinian Economic Initiative' were chosen based on their private sector orientation, relative contribution to GDP and employment figures, and their potential for economic growth. Water and energy are combined and represented as one sector, as are construction and building materials. Current sector contributions indicate the relative significance of the construction and agricultural sectors and it is expected that these sectors will offer the greatest potential for growth and job creation over the medium-term. Other sectors, such as tourism, currently contribute less to overall economic activity and employment, but have vast potential to grow, particularly under conditions of greater peace and stability within the region."

*The following is a summary of sectoral strategies provided to Al-Ayyam by the Office of the Quartet Envoy:*

## **Agriculture**

"Agriculture makes a relatively large contribution to the GDP, but it could deliver significantly more to the Palestinian economy. Agricultural land currently used for low-input, low-yield, rain-fed crops can be converted to high-yield crops within a single season, in some cases leading to a 20-fold increase in financial return. Enabling the expanded development of the Palestinian agricultural sector requires: greater volumes of water for Palestinian farmers, fertilizer in standard concentrations, advanced seed types, improved farming knowledge, and access to financing mechanisms (e.g. seasonal credit and crop insurance)."

"Fragmentation of land holdings also needs to be overcome, by establishing farmer cooperatives or single farmers leasing land in particular areas. These initiatives could help facilitate the aggregation of extension services by the Ministry of Agriculture and other technical organizations, as well as the transfer of advanced skills to individual farmers in the field. These types of changes could also enable farmers to negotiate better contracts and access higher market values. There are also large areas of marginal land that could be brought into agricultural production by the provision of road access and the rehabilitation of land for cropping."

"In Gaza, farmers use land under cultivation relatively well, producing high-value, high-yield crops on small farm holdings. Land can now be accessed up to 300 meters from the fence. The initiative envisions bringing back into cultivation land that was abandoned due to the 'extended buffer zone' of around one kilometer from the Gaza border fence. There are also abandoned tracts of agricultural land within Gaza that could be cultivated again. Geo-spatial analysis suggests that around 50% of arable

land in the Gaza Strip is currently cultivated, and that a further 34% could be brought into production. The water required for the additional irrigation can be supplied, at least in part, by treated wastewater (some treatment plants are already under construction), although additional supplies may be needed. Such changes will require access to standard concentration fertilizers, advanced seed types and farming knowledge. The initiative also envisions the sale of Gazan produce, particularly vegetables, in West Bank and Israeli markets. These markets should be made accessible to Gazan produce using improved bureaucratic and logistic procedures."

## **Construction**

"Expanding construction in housing is a central part of the Palestinian Economic Initiative. Meeting the huge demand for affordable housing would help improve living standards, provide quality homes for people who cannot afford to buy, and create tens of thousands of new jobs. Housing construction is limited by a mismatch in supply and demand. Lack of access to land stemming from problems with ownership, land registration (only about 35% of the West Bank is registered), titling, and general Area C land restrictions drives up the cost of land. This high cost of land renders the average price for a housing unit higher than the available housing budget for 50-80% of the population, mostly the low- and middle-income segments of Palestinian society. Other challenges include tight mortgage lending standards, which limit the mortgage market and home ownership financing (the Palestinian mortgage market is less than 5% of GDP), lengthy permit processes for new construction in East Jerusalem and Area C, and restrictions on imports to Gaza."

"The Palestinian Economic Initiative envisions the construction of different types of housing to address the various demographic and geographic segments across the West Bank and Gaza — including on available land in city centers, around the urban periphery, and in new locations. By building affordably, benefiting from infrastructure, identifying suitable land, using modern building techniques and materials, and developing effective partnership between the public and private sectors, reasonably priced housing should be made accessible to broad segments of the population."

"In Gaza, the focus on the construction effort is on affordable housing, tailored to fit the local income segments. The aspiration is to build 10,000 to 16,000 housing units every year in Gaza, as part of the overall range of 25,000-40,000 housing units in the West Bank and Gaza. These units would be priced at \$35,000-50,000 (depending on the availability of land subsidies) and would address a large segment of the Palestinian population."

"For those individuals who cannot afford home ownership, developing a larger, more well functioning rental market would be another option. This development requires the further lifting of restrictions on importing building materials, ensuring access to land (potentially through use of government lands), and securing financing for developers and potential homeowners."

## **Tourism**

"Boosting tourism is vital to long-term Palestinian economic growth. The West Bank, Gaza and East Jerusalem are immensely rich in the full range of historical and ecological attractions, from the historic city of Nablus to the Old City in East

Jerusalem and the coastline of Gaza, including 14 approved or nominated world heritage sites. Despite these opportunities, Palestinian tourism remains under- developed due to regional instability, low awareness of existing tourism destination sites and offerings, restrictions on access to land and archaeological sites located in the West Bank, and on the entry of Arab tourists from the region."

"The tourism sector strategy focuses on two tracks, a short-term track concentrating on strategic marketing of the Holy Land in certain target markets and a medium-term track aimed at the development of five tourism hubs within the West Bank and Gaza..."

"...Gaza, in particular, underperforms on key tourism metrics. The Gaza Strip has significant potential as a tourism hub with its Mediterranean coastline and cultural offering. This potential can be realized with improvements in the overall political- security situation, expanded access and movement for individuals, the provision of necessary energy and water to the service tourism infrastructure, and required investment and financing for the tourism sector."

### **Information and Communication Technology (ICT)**

"ICT is a critically-important and growing service sector in the Palestinian economy. It represents an estimated 6% of Palestinian GDP. By allowing the telecommunication sector to expand through greater access to mobile and fixed broadband technology, such as 3G and 4G services, it would experience even further growth and boost economic activity across other sectors of the Palestinian economy."

"Within the area of information technology, the economic initiative seeks to attract both domestic and international investments in specific IT services. These investments will leverage the quality and relative wage competitiveness of the Palestinian labor force. The initiative also aims to create opportunities for multinational corporations to employ mid-skilled developers in software programming and generate specialized business process outsourcing opportunities. Investment in IT incubators and trade promotion agencies is also important as it creates a platform around which start-ups can grow and attract more funds."

"The development of the information and communication technology sector in Gaza is dependent on the entry of telecommunication equipment and the upgrading of existing infrastructure. The growth of the telecommunication sector also requires greater access to the electromagnetic spectrum and to particular geographic markets for rolling-out infrastructure. Developing the IT sector would require the establishment of a full "eco-system" including accelerators for IT start-ups, specialized training for the local workforce, and early-stage financing."

### **Light manufacturing**

"Light manufacturing is an important growth sector for the Palestinian economy. Over the past two decades, countries in the region succeeded in expanding their light manufacturing sectors and export activities. Palestinian light manufacturing, by contrast, registered negligible improvements and was hindered by poor infrastructure, movement and access restrictions, and a low level of investment."

"The predominance of small-scale family businesses has also limited the scalability of Palestinian manufacturing rendering it unable to compete with regional and international competitors."

"The potential for growth in light manufacturing hinges on the competitive wages of a young and educated Palestinian workforce, low operating costs and a positive investment climate. Geographical proximity to Israel and Arab markets, as well as attractive bilateral trade agreements with major global markets, could provide unique incentives for multinational companies to set up competitive production plants in new Palestinian special economic zones."

"The Palestinian Economic Initiative foresees the scaling up of investment in several sub-sectors with high growth potential (e.g. domestic appliances, motor vehicle parts, pharmaceuticals). An important element of the strategy would be to attract multinational companies and target important export markets in the region. The initiative also focuses on enhancing existing local small and medium enterprises to supply complementary products to multi-national companies and to expand export (and transfers) in certain sub-sectors."

"In Gaza, exports and transfers in this sector have fallen substantially since 2005, but local players retain key advantages and could contribute significantly to Palestinian GDP and employment. If Gazan manufacturers were granted access to Israeli and West Bank markets, Gazan manufacturers would likely retain specific "niche" advantages over competitors in Turkey and China..."

## **Building materials**

"Although building materials are not in themselves a high impact contributor to Palestinian GDP or employment growth, expanding this sector will help unlock the economic potential of other sectors. The economic initiative aims to ensure that necessary building materials are available to meet the planned increase in the construction, tourism, water and energy sectors. Stone and marble has also been identified as a source of increased export revenue. Currently, the Palestinian economy relies heavily on imports, specifically cement, steel and sand. The main issues facing the industry in the present are the lack of modern machinery, deficiency in international market knowledge, and limited access to new quarry land."

"This initiative focuses on increasing domestic production capacity, diversifying import sources and improving capabilities. These improvements are achievable through a combination of steps and measures including: conducting a geological survey to determine potential stone and aggregate reserves, the construction of a cement mill for local Palestinian production, setting up a dedicated cement export terminal for Palestinian use, access to the controlled use of explosives in gravel quarries to boost production, and access to advanced machinery in the stone and marble industry."

## **Energy**

"[Energy] and electricity supplies are critical for all sectors of the Palestinian economy. A larger volume of electricity should be made available in both the West Bank and in Gaza to adequately address current and future demand for electricity as the Palestinian economy and population continue to grow."

"The Palestinian Economic Initiative aspires to increase, over the short-term, the supply of electricity from the Israel Electricity Corporation and from independent power producers. At the same time, capacity for local electricity generation needs to expand through conventional power plants and the development of a robust renewable energy sector. These new sites will need to be fueled by natural gas, which requires finalizing long-term gas supply contracts with either Israeli or Palestinian gas companies. The development of the Palestinian Gaza Marine Gas Field will play an important part in this latter effort to expand the energy sector."

"In Gaza, households, businesses and infrastructure struggle under conditions of uncertain electricity supply. This initiative aspires to enhance power supply by importing more electricity from Israel through new and improved high-voltage transmission lines, upgrading the distribution network, expanding electricity generation in Gaza using renewables such as small to medium scale solar installations, and the scaling up of the current Gaza power plant capacity..."

## **Water**

"To match the ever-growing need for water by Palestinian households and business, major efforts in infrastructure are required to generate new sources of water. This economic initiative aims to secure the volume and quality of water necessary for rapid Palestinian economic growth, particularly in agriculture and industry, as well as for growing household consumption. The focus will be on facilitating the implementation of large infrastructure projects (e.g. a large desalination project in Gaza and sanitation projects in Gaza and

the West Bank). The initiative also aims to ensure that aquifer sources remain sustainable and Palestinian water rights are protected."

"The water sector in Gaza remains in deep crisis due to the deterioration of the underground coastal aquifer. The over-pumping of groundwater resources in Gaza has led to salt-water infiltration and a significant decline in the quality of drinking water. The construction of Palestinian desalination facilities in the Gaza Strip (with small scale plants in the short-term and a large plant in the longer term) and increased purchases of water from Israel are important in redressing this worsening situation. Donor financing of the larger desalination plant is contingent upon the successful operation of other critical infrastructure in the water sector particularly the North Gaza Emergency Sewage Treatment Plant (NGEST)."

"The development of wastewater treatment facilities in the West Bank and in Gaza are important not only for health and sanitation - but also to enable the re-use of treated water for agricultural irrigation. The initiative also envisions access to additional water from aquifers by developing springs and wells in locations in the West Bank, including the rehabilitation of existing wells for both domestic and agricultural water purposes, and highlights the potential for developing dam infrastructure to capture rainwater for use in agriculture. These plans require improved coordination on water infrastructure projects between Palestinians and Israelis, as well as improved Palestinian institutional capacity in the water sector."

Foreign Affairs

## **China's Real and Present Danger**

Avery Goldstein

September/October 2013 -- Much of the debate about China's rise in recent years has focused on the potential dangers China could pose as an eventual peer competitor to the United States bent on challenging the existing international order. But another issue is far more pressing. For at least the next decade, while China remains relatively weak compared to the United States, there is a real danger that Beijing and Washington will find themselves in a crisis that could quickly escalate to military conflict. Unlike a long-term great-power strategic rivalry that might or might not develop down the road, the danger of a crisis involving the two nuclear-armed countries is a tangible, near-term concern -- and the events of the past few years suggest the risk might be increasing.

Since the end of the Cold War, Beijing and Washington have managed to avoid perilous showdowns on several occasions: in 1995–96, when the United States responded to Chinese missile tests intended to warn Taiwanese voters about the danger of pushing for independence; in 1999, when U.S. warplanes accidentally bombed the Chinese embassy in Belgrade during the NATO air assault on Serbia; and in 2001, when a U.S. spy plane collided with a Chinese fighter jet, leading to the death of the Chinese pilot and Beijing's detention of the U.S. plane and

crew. But the lack of serious escalation during those episodes should not breed complacency. None of them met the definition of a genuine crisis: a confrontation that threatens vital interests on both sides and thus sharply increases the risk of war. If Beijing and Washington were to find themselves in that sort of showdown in the near future, they would both have strong incentives to resort to force. Moreover, the temptations and pressures to escalate would likely be highest in the early stages of the face-off, making it harder for diplomacy to prevent war.

### THIN RED LINES

It might seem that the prospects for a crisis of this sort in U.S.-Chinese relations have diminished in recent years as tensions over Taiwan have cooled, defusing the powder keg that has driven much Chinese and U.S. military planning in East Asia since the mid-1990s. But other potential flash points have emerged. As China and its neighbors squabble over islands and maritime rights in the East China and South China seas, the United States has reiterated its treaty commitments to defend two of the countries that are contesting China's claims (Japan and the Philippines) and has nurtured increasingly close ties with a third (Vietnam). Moreover, the Obama administration's "pivot," or "rebalancing," to Asia, a diplomatic turn matched by planned military redeployments, has signaled that Washington is prepared to get involved in the event of a regional conflict.

Also, the United States insists that international law affords it freedom of navigation in international waters and airspace, defined as lying beyond a country's 12-mile territorial limit. China, by contrast, asserts that other countries' military vessels and aircraft are not free to enter its roughly 200-mile-wide

“exclusive economic zone” without express permission -- a prohibition that, given Beijing’s territorial claims, could place much of the South China Sea and the airspace above it off-limits to U.S. military ships and planes. Disputes over freedom of navigation have already caused confrontations between China and the United States, and they remain a possible trigger for a serious crisis.

It is true that China and the United States are not currently adversaries -- certainly not in the way that the Soviet Union and the United States were during the Cold War. But the risk of a U.S.-Chinese crisis might actually be greater than it would be if Beijing and Washington were locked in a zero-sum, life-and-death struggle. As armed adversaries on hair-trigger alert, the Soviet Union and the United States understood that their fundamentally opposed interests might bring about a war. After going through several nerve-racking confrontations over Berlin and Cuba, they gained an understanding of each other’s vital interests -- not to be challenged without risking a crisis -- and developed mechanisms to avoid escalation. China and the United States have yet to reach a similar shared understanding about vital interests or to develop reliable means for crisis management.

Neither China nor the United States has clearly defined its vital interests across broad areas of the western Pacific. In recent years, China has issued various unofficial statements about its “core interests” that have sometimes gone beyond simply ensuring the territorial and political integrity of the mainland and its claim to sovereignty over Taiwan. Beijing has suggested, for example, that it might consider the disputed areas of the East China and South China seas to be core interests.

Washington has also been vague about what it sees as its vital interests in the region. The United States hedges on the question of whether Taiwan falls under a U.S. security umbrella. And the United States' stance on the maritime disputes involving China and its neighbors is somewhat confusing: Washington has remained neutral on the rival sovereignty claims and insisted that the disputes be resolved peacefully but has also reaffirmed its commitment to stand by its allies in the event that a conflict erupts. Such Chinese and U.S. ambiguity about the "redlines" that cannot be crossed without risking conflict increases the chances that either side could take steps that it believes are safe but that turn out to be unexpectedly provocative.

#### MORE DANGEROUS THAN THE COLD WAR?

Uncertainty about what could lead either Beijing or Washington to risk war makes a crisis far more likely, since neither side knows when, where, or just how hard it can push without the other side pushing back. This situation bears some resemblance to that of the early Cold War, when it took a number of serious crises for the two sides to feel each other out and learn the rules of the road. But today's environment might be even more dangerous.

The balance of nuclear and conventional military power between China and the United States, for example, is much more lopsided than the one that existed between the Soviet Union and the United States. Should Beijing and Washington find themselves in a conflict, the huge U.S. advantage in conventional forces would increase the temptation for Washington to threaten to or actually use force. Recognizing the temptation facing Washington, Beijing might in turn feel

pressure to use its conventional forces before they are destroyed. Although China could not reverse the military imbalance, it might believe that quickly imposing high costs on the United States would be the best way to get it to back off.

The fact that both sides have nuclear arsenals would help keep the situation in check, because both sides would want to avoid actions that would invite nuclear retaliation. Indeed, if only nuclear considerations mattered, U.S.-Chinese crises would be very stable and not worth worrying about too much. But the two sides' conventional forces complicate matters and undermine the stability provided by nuclear deterrence. During a crisis, either side might believe that using its conventional forces would confer bargaining leverage, manipulating the other side's fear of escalation through what the economist Thomas Schelling calls a "competition in risk-taking." In a crisis, China or the United States might believe that it valued what was at stake more than the other and would therefore be willing to tolerate a higher level of risk. But because using conventional forces would be only the first step in an unpredictable process subject to misperception, missteps, and miscalculation, there is no guarantee that brinkmanship would end before it led to an unanticipated nuclear catastrophe.

China, moreover, apparently believes that nuclear deterrence opens the door to the safe use of conventional force. Since both countries would fear a potential nuclear exchange, the Chinese seem to think that neither they nor the Americans would allow a military conflict to escalate too far. Soviet leaders, by contrast, indicated that they would use whatever military means were necessary if war came -- which is one reason why war never came. In addition, China's official "no first use" nuclear policy,

which guides the Chinese military's preparation and training for conflict, might reinforce Beijing's confidence that limited war with the United States would not mean courting nuclear escalation. As a result of its beliefs, Beijing might be less cautious about taking steps that would risk triggering a crisis. And if a crisis ensued, China might also be less cautious about firing the first shot.

Such beliefs are particularly worrisome given recent developments in technology that have dramatically improved the precision and effectiveness of conventional military capabilities. Their lethality might confer a dramatic advantage to the side that attacks first, something that was generally not true of conventional military operations in the main European theater of U.S.-Soviet confrontation. Moreover, because the sophisticated computer and satellite systems that guide contemporary weapons are highly vulnerable to conventional military strikes or cyberattacks, today's more precise weapons might be effective only if they are used before an adversary has struck or adopted countermeasures. If peacetime restraint were to give way to a search for advantage in a crisis, neither China nor the United States could be confident about the durability of the systems managing its advanced conventional weapons.

Under such circumstances, both Beijing and Washington would have incentives to initiate an attack. China would feel particularly strong pressure, since its advanced conventional weapons are more fully dependent on vulnerable computer networks, fixed radar sites, and satellites. The effectiveness of U.S. advanced forces is less dependent on these most vulnerable systems. The advantage held by the United States, however, might increase its temptation to strike first, especially against

China's satellites, since it would be able to cope with Chinese retaliation in kind.

## COMMUNICATION BREAKDOWN

A U.S.-Chinese crisis might also be more dangerous than Cold War showdowns because of the unreliability of the existing channels of communication between Beijing and Washington. After the Cuban missile crisis, the Soviet Union and the United States recognized the importance of direct communication between their top leaders and set up the Moscow–Washington hot line. In 1998, China and the United States also set up a hot line for direct communication between their presidents. But despite the hot line's availability, the White House was not able to contact China's top leaders in a timely fashion following the 1999 Belgrade embassy bombing or the 2001 spy-plane incident. China's failure to use the hot line as intended might have reflected the reluctance of its leaders to respond until they had reached an internal consensus or until they had consulted widely with their military. The delay might also have reflected China's difficulties in coordinating policy, since China lacks a dependable counterpart to the U.S. National Security Council. Whatever the reason, experience suggests that frustrating delays in direct communication are likely during what would be the crucial early moments of an unfolding U.S.-Chinese crisis.

Instead, communication between the two countries might initially be limited to either public statements or tacit signals sent through actions. But public statements are aimed at multiple audiences, and nationalist passions in either China or the United States, as well as pressure from allies, might force either side to take a more aggressive public stance than it actually felt was

warranted. Absent direct and confidential communication, the two countries might be unable to discuss politically sensitive proposals. They might also be unable to share information that could help head off a disastrous escalation, such as classified details about military capabilities or military maneuvers already under way.

Communicating through actions is also problematic, with many possibilities for distortion in sending messages and for misinterpretation in receiving them. Chinese analysts seem to overestimate how easy it is to send signals through military actions and underestimate the risks of escalation resulting from miscommunication. For example, the analysts Andrew Erickson and David Yang have drawn attention to Chinese military writings that propose using China's antiship ballistic missile system, designed for targeting U.S. aircraft carriers, to convey Beijing's resolve during a crisis. Some Chinese military thinkers have suggested that China could send a signal by firing warning shots intended to land near a moving U.S. aircraft carrier or even by carefully aiming strikes at the command tower of the U.S. carrier while sparing the rest of the vessel. But as the political scientist Owen Coté has noted, even a very accurate antiship ballistic missile system will inevitably have some margin of error. Consequently, even the smallest salvo of this kind would entail a risk of inadvertent serious damage and thus unintended escalation.

A final important factor that could make a U.S.-Chinese crisis more dangerous than those during the Cold War is geography. The focus of Cold War confrontations was primarily on land, especially in central Europe, whereas a future confrontation between China and the United States would almost certainly

begin at sea. This difference would shape a U.S.-Chinese crisis in a number of ways, especially by requiring both sides to make some fateful choices early on. China's small fleet of nuclear-armed ballistic missile submarines (SSBNs) and its much larger fleet of conventionally armed attack submarines are most secure when they remain in the shallow waters near the Chinese mainland, where poor acoustics compromise the effectiveness of U.S. undersea antisubmarine operations. Their proximity to Chinese land-based aircraft and air defenses also limits Washington's ability to rely on its airpower and surface ships to counter them. For China's submarine forces to play a role in a showdown with the United States, however, they would have to move out of those safer waters.

The prospect of China's submarines breaking out would dramatically increase the instability of a crisis. Although U.S. antisubmarine warfare technology would be more effective against China's submarines operating in less noisy open waters (where the United States also enjoys air superiority), it would not be perfect: some U.S. naval assets that came within range of surviving Chinese submarines would be at risk. Early in a crisis, therefore, the United States would be tempted to minimize this risk by sinking Chinese attack submarines as they tried to leave their home waters. Especially because there are only a few narrow routes through which Chinese submarines can reach deeper waters, the United States would be tempted to strike early rather than accept an increased risk to U.S. naval forces. Regardless of the U.S. decision, any Chinese attack submarines that managed to reach distant deeper waters would face a "use them or lose them" dilemma, thanks to their greater vulnerability to U.S. antisubmarine forces -- one more potential trigger for

escalation.

China's nuclear-armed SSBNs present other risks. Under its no-first-use policy, China has clearly stated that any attack on its strategic nuclear forces would justify nuclear retaliation, making a U.S. strike against its SSBNs seem unlikely. Early in a crisis, therefore, Beijing would probably believe that it could safely deploy its SSBNs to distant, deeper waters, where they would be best positioned to execute their launch orders. Such a deep-water deployment, however, would introduce new dangers. One is the possibility that U.S. naval forces might mistake a Chinese SSBN for a conventional attack submarine and fire on it, inviting Chinese nuclear retaliation. Another is the danger that a Chinese SSBN could escalate the conflict without explicit orders from Beijing, owing to the limited communication such submarines maintain with the mainland in order to avoid detection.

## MANAGING THE RISK

The chances of a U.S.-Chinese crisis in the coming years are low, but they are not negligible, and they are made more troubling by the risk of such a confrontation escalating. The most important steps Beijing and Washington can take are those that might help prevent crises from developing in the first place. Since uncertainty about the scope of each side's vital interests would be a trigger for such crises, the two countries should deepen political and military exchanges that focus closely on this problem. Even if they cannot achieve full clarity, discussions can help draw attention to what each side believes poses the greatest risks.

Although it will be difficult to eliminate the possibility of U.S.-Chinese confrontations, both countries can do more to address the sources of potential instability and improve their ability to manage the risks they would face during a crisis. Leaders in Washington could share their rich experience in crisis management with their Chinese counterparts, emphasizing the importance of policy coordination. In addition, the United States should stress the need for China to use the existing hot line for prompt, direct communication between the countries' top leaders during a crisis.

China and the United States should also deepen their currently modest military-to-military exchanges. Without compromising essential secrets, increasing familiarity with each other's military systems and practices would reduce the risk of inadvertent escalation during a showdown. Both sides would be wise to foster greater personal familiarity among the two countries' commanding officers, which, in the event of a crisis, would establish a modicum of trust that would be helpful if political leaders sought to de-escalate the conflict.

Getting Beijing and Washington to tackle the difficult task of containing a future crisis will not be easy. In the end, it might take the experience of living through a terrifying showdown of the kind that defined the early Cold War. But it should not have to come to that.

*Avery Goldstein is David M. Knott Professor of Global Politics and International Relations and Director of the Center for the Study of Contemporary China at the University of Pennsylvania.*

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