



## Palestine update 2012

Standard Note: SNIA/6307

Last updated: 25 April 2012

Author: Ben Smith

Section International Affairs and Defence Section

---

Talks between the Israelis and the Palestinians on a two-state solution have stalled, with scarcely any meetings since 2010, but the Palestinian question has been displaced from the headlines by the crisis in Syria and mounting concerns about the Iranian nuclear programme.

The decision by the Palestinian Authority to seek recognition of Palestinian statehood at the United Nations did not achieve much, although Palestine is now a full member of the UN cultural organisation Unesco. The policy may be revived in 2012, however.

Until the US presidential election is completed, it is unlikely that there will be further movement on either negotiations between Israelis and Palestinians or recognition of Palestine at the United Nations.

Palestinian elections have been postponed because the Hamas and Fatah reconciliation talks have also stalled. An Israeli general election may be held in 2012.

The UK continues to support a two-state solution and to criticise Israeli settlements policy, while opposing boycotts and sanctions aimed at Israel.

This information is provided to Members of Parliament in support of their parliamentary duties and is not intended to address the specific circumstances of any particular individual. It should not be relied upon as being up to date; the law or policies may have changed since it was last updated; and it should not be relied upon as legal or professional advice or as a substitute for it. A suitably qualified professional should be consulted if specific advice or information is required.

This information is provided subject to [our general terms and conditions](#) which are available online or may be provided on request in hard copy. Authors are available to discuss the content of this briefing with Members and their staff, but not with the general public.

## Contents

<b>1</b>	<b>Stalled peace negotiations</b>	<b>2</b>
<b>2</b>	<b>Palestinian elections</b>	<b>3</b>
2.1	Legislative Council election	3
2.2	Composition of the PLC after the 2006 election	4
2.3	Presidential election	5
<b>3</b>	<b>Palestinian statehood</b>	<b>5</b>
<b>4</b>	<b>Economy</b>	<b>5</b>
<b>5</b>	<b>Gaza</b>	<b>6</b>
<b>6</b>	<b>Israel</b>	<b>6</b>
6.1	Israeli parliamentary election	6
6.2	Current Knesset composition:	7
<b>7</b>	<b>UK policy</b>	<b>8</b>
7.1	Economic sanctions and boycotts	8
7.2	Settlements produce	8
7.3	Israeli anti-boycott law	9
7.4	Universal jurisdiction	9
7.5	Post-Holocaust issues	10
<b>8</b>	<b>Other relevant papers</b>	<b>10</b>

### 1 Stalled peace negotiations

In January 2012, a meeting between Israeli and Palestinian representatives was held in Jordan. It was an attempt to revive the peace process, stalled since December 2010, the date of the last meeting.<sup>1</sup> The 2012 meeting was fruitless and no further attempts to revive the process appear to be in view.

The main obstacle to further progress was the continued construction by Israel of illegal settlements in the Occupied Territories, including in East Jerusalem. Palestinians reiterated in April their demands for a resumption of the talks. These were an end to settlement construction and acceptance of the 1967 borders as a basis for the creation of a Palestinian state. Israelis countered that they too had demands, such as the Palestinian recognition of Israel as a Jewish state, but that the Israeli side did not make these preconditions for a resumption of talks.

---

<sup>1</sup> For more on the peace talks up to that point, see the Library Briefing *Middle East Peace Process: historical background and a detailed chronology from 1990 to 2010*, 21 December 2010

On 24 April, there was international condemnation of an Israeli move to legalise under Israeli law three outposts in the West Bank, making them official settlements. British Foreign Secretary William Hague said that this was an obstacle to reaching a two-state solution:

By seeking to entrench illegal settlements in the West Bank, as this decision does, the Israeli government risks sending the message that it is not serious about its stated commitment to the goal of a two-state solution to the Israeli-Palestinian conflict.<sup>2</sup>

The next day, it was reported that the Israeli government had applied to the Israeli Supreme Court for a delay in the order to evacuate and demolish five blocks of flats that had been found to be illegal because they were constructed on private Palestinian land. The government had previously agreed to demolish the settlement but lobbying by pro-settler groups was powerful enough to change the government's mind, according to reports.<sup>3</sup>

Palestinians said these were examples of why there is no peace. Palestinians also point to the number of Palestinians held in Israeli jails, including several members of the Palestinian Legislative Council. 17 April was a day of solidarity with the 4,000 prisoners; about 1200 of them started a hunger strike on that day.

## **2 Palestinian elections**

Both legislative and presidential elections were due in the Palestinian Territories on 4 May this year. Agreement was reached between Fatah and Hamas at reconciliation talks in Egypt in November 2011. If they were to go ahead, this would be the first time that legislative elections have been held since 2006, when the election was won by Hamas. The PLC has not sat since 2007.

The stalling of the reconciliation talks between Hamas and Fatah means that the elections will not now go ahead in May. Unconfirmed reports suggest that they will not happen before the end of 2012.

### **2.1 Legislative Council election**

The Palestinian Legislative Council is a unicameral assembly with 132 seats, elected through a closed-list proportional representation system to serve four-year terms.<sup>4</sup> There is a one percent threshold for parties to gain representation.

On 19 January, Israeli troops arrested Aziz Dweik, Speaker of the PLC, suspected of involvement in terrorist activities and, shortly afterwards, Mohammed Totah, Abdul Jaber Fuqaha and Khalid Ibrahim Tafesh, also members of the PLC. All three men are members of Hamas.

Israel later announced that Aziz Dweik would be held for six months in 'administrative detention' saying, according to his lawyer, it was because he was "liable to be involved in hostile actions against Israel."<sup>5</sup>

Palestinians said that the move was an attempt to undermine the negotiations between Hamas and Fatah, disrupt the forthcoming election and weaken Palestinian self-government.

---

<sup>2</sup> "[Foreign Secretary condemns Israel's legalisation of illegal outposts](#)", Foreign and Commonwealth Office press release, 24 April 2012

<sup>3</sup> "Israel backtracks on demolition of illegal West Bank settlement", *Guardian*, 25 April 2012

<sup>4</sup> Information on electoral systems from International Foundation for Electoral Systems, [Election Guide: Palestine](#)

<sup>5</sup> "Israel detains Hamas MP Aziz Dweik for six months", *BBC News Online*, 25 January 2011

Palestinian rights groups said in January that there were 25 Palestinian MPs in Israeli detention, 20 of them held under ‘administrative detention’ procedures, whereby they can be held indefinitely without trial.<sup>6</sup>

Israel is concerned about the reconciliation process between Hamas, the Islamist party ruling Gaza, and Fatah, the party of the president of the Palestinian Authority Mahmoud Abbas (Abu Mazen). Since Abbas defied Western states and made a unilateral bid for statehood at the United Nations in September 2011, the US and other countries have withdrawn much of their aid from the Palestinian Authority. At the same time, Hamas, taking account of the rise of Egypt’s Muslim Brotherhood, to which their party is affiliated, and the simultaneous difficulties of their present sponsor, the Assad regime in Syria, appears to be interested in a major political re-alignment.

In December, Ismail Haniyeh, the Hamas prime minister of Gaza, left on a tour of Arab and Muslim countries, including some that have traditionally been hostile to Hamas. Haniyeh said on leaving for Egypt: “The Arab Spring has opened a wide horizon for us, and we must take advantage to promote the interests of our people.”<sup>7</sup>

These developments may mean that Hamas and Fatah are no longer on opposing sides of a geopolitical divide and Hamas may ultimately attempt to enter the government of the Palestinian Authority. Hamas has already agreed to join the PLO, the organisation which Fatah dominates and which negotiated the Oslo Accords, recognising the State of Israel. Israel strongly opposes Hamas joining the Palestinian Authority unless the organisation explicitly recognises its right to exist and renounces violence. There have been signs that Hamas is thinking of ways to reduce that opposition. Overall Hamas leader Khaled Meshaal recently agreed with Mahmoud Abbas that “the current phase [of policy towards Israel] be confined solely to peaceful resistance acceptable to the international community”.<sup>8</sup> Commentators think that if Hamas is changing, however, it will be a drawn-out process.<sup>9</sup> It may be that Hamas leaders think that the party’s prospects are so much improved, particularly by developments in Egypt, that it does not need to court Fatah.

**2.2 Composition of the PLC after the 2006 election**

Party	Seats
Hamas (List of Change and Reform)	74
Fatah	45
Popular Front for the Liberation of Palestine	3
The Alternative	2
Independent Palestine (consisted of Palestine National Initiative and some independents)	2
Third Way	2
Independents	4

Source: European Forum for Democracy and Solidarity

<sup>6</sup> “Israel Arrests Speaker of Palestinian Legislative Council”, *IHS Global Insight*, 20 January 2012  
<sup>7</sup> “Hamas Leader Leaves on Tour of Arab Nations to Seek Support”, *New York Times*, 26 December 2011  
<sup>8</sup> “Rivals who may need each other”, *Economist*, 31 December 2011  
<sup>9</sup> For a useful discussion of Hamas’s politics, see Nathan J Brown, “Is Hamas Mellowing?”, Carnegie Foundation for International Peace, Commentary, 17 January 2012

### 2.3 Presidential election

The President is elected by absolute majority vote through a two-round system to serve a 4-year term. A presidential election is due at the same time as the legislative election.

Mahmoud Abbas's decision to seek recognition for Palestine as a state at the UN was in part a strategy to shore up the legitimacy of his and Fatah's leadership before the election. The Arab uprisings have boosted the impact of public opinion across the Arab world and Palestine is no exception. Having appeared to fail to gain benefits from Fatah's engagement with Israel in recent years, Abbas decided to pursue a line more independent of the US and Israel and go to the UN in September, succeeding in becoming a recognised member of UNESCO. The move has shored up Fatah's popularity.

In November, Abbas reiterated his intention not to stand. However, since then conflicting reports have emerged about his possible candidacy. In December a report said that Fatah was not looking for an alternative candidate;<sup>10</sup> in January another was published saying that Abbas would not stand.<sup>11</sup>

### 3 Palestinian statehood

Disillusioned with the lack of progress towards agreeing on a Palestinian state with the Israelis, leaders of the Palestinian Authority decided to seek recognition of their statehood at the United Nations.<sup>12</sup> In September, the UN was approached and, in November, Unesco, the education and cultural body, accepted Palestine as a full member. The US administration said in response that it would withhold payment of some \$60 million to Unesco. There was overwhelming support in the UN General Assembly for a motion declaring Palestine to be a state but, in the event, Mahmoud Abbas, President of the Palestinian Authority, did not force a vote either there or at the Security Council.

In April 2012, the International Criminal Court rejected an application by the Palestinian Authority to accept its jurisdiction. The court said that it was not its job to determine whether Palestine qualified as a state or not.<sup>13</sup>

While Abbas has not given up the UN option completely and may make another move to get a vote in the next few months, the Iranian nuclear problem and the crisis in Syria are far higher on the US agenda. That combined with the impending US presidential election mean that little substantive progress is likely until 2013, after the election.

In January 2012, Thailand became the latest state to recognise the Palestinian state.

### 4 Economy

Unctad, the UN trade and development body, reports that the economy of the Occupied Territories is growing relatively strongly, but that the growth is from a low base and that poverty is "alarming":

While the economy of the occupied Palestinian territory (OPT) grew by 7.4 per cent in 2009 and 9.3 per cent in 2010, unemployment remained high, at 30 per cent in both

---

<sup>10</sup> "Palestinian President Abbas said Fatah's sole candidate in next election", *al-Quds al-Arabi website*, 15 December 2011 (translation provided by BBC Monitoring)

<sup>11</sup> "Can Palestinian Fatah win the election in May without Pres. Abbas at the helm?", *Associated Press*, 20 January 2012

<sup>12</sup> For the legal implications and background, see the Library briefing [Palestinian statehood](#), August 2011

<sup>13</sup> "[ICC prosecutor rejects Palestinian recognition](#)", *BBC News Online*, 4 April 2012

years. The growth was driven by donor support, and reflects an economy recovering from a low base. Economic growth has not altered the reality of worsening long-term development prospects, caused by the ongoing loss of Palestinian land and natural resources, isolation from global markets, and fragmentation. Unemployment, poverty and food insecurity, especially in Gaza, continue to be alarming. The Palestinian Authority's fiscal position remains precarious, despite recent improvements. A large trade deficit and dependence on the Israeli economy persist. New evidence suggests that the trade deficit with Israel is overstated by official data, which mask "indirect imports". The tax revenue on such indirect imports, currently lost, could increase Palestinian public revenue by 25 per cent. Meanwhile, the economic ramifications of the severance of East Jerusalem from the rest of the OPT call for serious attention too.<sup>14</sup>

## 5 Gaza

The situation in Gaza remains highly unstable. In March fighting broke out for four days between Israeli and Islamic Jihad forces. The militant group had launched about 170 missiles into southern Israel in retaliation for the killing of the leader of the Popular Resistance Committees. All but one of the Palestinian missiles landed in unpopulated areas and no injuries were caused. The Israeli air strikes against the rocket launching squads killed about 25 Palestinians, mostly claimed to be militants. A truce was mediated by Egyptian officials.

In April, Hamas executed three men, one for collaborating with Israel and the other two for murder. All three were Palestinians. Hamas has executed 11 since it took over the Gaza strip, mainly for collaboration.<sup>15</sup>

## 6 Israel

### 6.1 Israeli parliamentary election

In the Israeli parliament, or Knesset, 120 members are elected through a closed-list proportional representation system to serve 4-year terms. There is a two percent threshold for parties to gain representation.<sup>16</sup>

An election must be held by October 2013 but the Knesset can be dissolved earlier; some have speculated that the Prime Minister, Binyamin Netanyahu, may choose to hold an election before that, perhaps in October 2012. The prime minister is said to fear that a second term for US president Obama, starting in 2013, might lead to US-Israeli friction and undermine his chances of re-election.<sup>17</sup> An Israeli election during the 2012 US campaign, on the other hand, might boost Netanyahu's prospects given the perceived unpopularity in the US of not supporting Israel.

The outcome of the election is still difficult to predict, not least because of Israel's shifting political scene, where parties come and go quite regularly and governments must be formed by coalitions; the strong proportional representation system in Israel helps ensure that no one party gets a clear majority of seats in the Knesset.

At least two new parties have been proposed for the forthcoming election, one religious and one secular and it has been suggested that these might both take support from parties in the

---

<sup>14</sup> Report on UNCTAD assistance to the Palestinian people: Developments in the economy of the occupied Palestinian territory, UNCTAD, July 2011 [http://unctad.org/en/docs/tdb58d4\\_en.pdf](http://unctad.org/en/docs/tdb58d4_en.pdf)

<sup>15</sup> "Hamas Executes 3 Palestinians in Gaza", *New York Times*, 8 April 2012

<sup>16</sup> International Foundation on Electoral Systems, [Israel Election guide](#)

<sup>17</sup> "Shaking the kaleidoscope", *Economist*, 14 January 2012

present ruling coalition. However, Netanyahu’s Likud party is reported to be well ahead of rivals in opinion polls.<sup>18</sup> A strong performance for Netanyahu in primaries for the Likud candidacy increased speculation that he would call an early election.

The coming election will take place against a background of increasing concern in liberal Israeli circles at what they see as the erosion of democratic standards in the country. *Haaretz*, the liberal newspaper, is running a “black flag over Israel’s democracy”, campaign against this tendency. The newspaper says:

Democracy in Israel is under attack. The Knesset has introduced a number of measures limiting the freedom of minorities, the judiciary and the media. Women face increasing discrimination and curbs are being slapped on political expression.<sup>19</sup>

**6.2 Current Knesset composition:**

Party	Seats
Kadima	28
<b><i>Likud</i></b>	27
<b><i>Yisrael Beiteinu</i></b>	15
<b><i>Shas</i></b>	11
<b><i>Israel Labour Party</i></b>	8
Hatzma’ut	5
United Torah	5
Hadash	4
Ichud Leumi	4
Ra’am-Ta’al	4
<b><i>Habayit Hayehudi - New National Religious</i></b>	3
National Democratic Assembly	3
Meretz	3
New Movement – Meretz	3

Source: Knesset website, [Knesset members by parliamentary group](#)

Governing coalition parties in ***bold italic***. Source: Israeli government website.

In March, Shaul Mofaz defeated Tzipi Livni became the leader of Kadima, the largest party in Israel’s Knesset. As such, he is official leader of the opposition. He is thought to be another ‘hawk’ and left-leaning Israelis thought he might try to join the present governing coalition of Binyamin Netanyahu. In an interview in April, however, he said that he would not take Kadima into the coalition, and criticised Netanyahu for concentrating too much on Iran at the

<sup>18</sup> “Netanyahu’s primary win raises specter of early elections”, *Agence France Presse*, 1 February 2012

<sup>19</sup> [Black Flag Over Israel's Democracy](#), *Haaretz*

expense of dealing with the real threat to Israel: failure to reach a settlement with the Palestinians.<sup>20</sup>

## **7 UK policy**

General UK policy in relation to the Israel Palestine issue is set out on the Foreign Office website:

The British Government is very concerned that peace talks have stalled and calls on the parties to find a way back to negotiations as soon as possible.

We believe there is an urgent need to make progress on a two-state solution to the Israeli-Palestinian conflict before the window to such a solution closes. The British Government is engaged energetically with the Israelis, Palestinians, the US and the EU on this issue.<sup>21</sup>

### **7.1 Economic sanctions and boycotts**

There have been calls for economic sanctions to be imposed on Israel, in view of the Israeli policy towards Gaza. Baroness Tongue, for example, asked recently whether the Government supports such a policy. Lord Wallace replied that the Government strongly opposes any sanctions or boycotts because, he argued, they would lessen rather than increase UK influence:

We are firmly focused on the need to improve the situation in Gaza and continue to call for the full implementation of the relaxation of access restrictions for Gaza that Israel announced in June 2010. Together with our European Union partners we call for a sustained increase in the flow of humanitarian aid, commercial goods and persons from and to the Gaza Strip. Israel's legitimate security concerns are not reinforced by these restrictions, which only serve to undermine Gaza's legitimate economy and to strengthen Hamas. We believe that imposing sanctions on Israel or supporting anti-Israeli boycotts would lessen our influence, not increase it. We therefore strongly oppose both boycotts and sanctions directed at Israel.<sup>22</sup>

### **7.2 Settlements produce**

One of the leading campaigns has been for a boycott of goods produced in Israeli settlements in the Occupied Territories. The government does not support such a boycott, but has called for clearer labelling so that consumers can make their own decision, as set out in another recent answer in the House of Lords:

While there is no ban on importing Israeli settlement goods into the UK, the Government do believe consumers should be able to choose for themselves what produce they buy. In December 2009, the Department for Environment, Food and Rural Affairs introduced voluntary guidelines in consultation with the Foreign and Commonwealth Office to label produce more accurately, allowing consumers to make a more fully informed decision concerning the products they buy. The guidelines state that if traders and retailers wish to indicate whether food originates from an Israeli settlement or from Palestinian producers, they could, for example, label it "produce of the West Bank (Israeli settlement produce)" or "produce of the West Bank (Palestinian

---

<sup>20</sup> "Defying an Image With a Tilt to the Left", *New York Times*, 7 April 2012

<sup>21</sup> FCO website, [Middle East Peace Process](#) [accessed 26 April 2012]

<sup>22</sup> HL Deb 14 February 2012, c151WA



produce)” as appropriate. This was not in support of a boycott, but to provide clarity over the precise origin of products.<sup>23</sup>

Partly in response to the calls in some parts of the academic world for boycotts, the UK government helped set up the British Israel Research and Academic Exchange Partnership (BIRAX) in 2008. This project, supported by the British Council among others, aims to encourage collaboration between research communities in the two countries. The biggest outcome of the project so far appears to be a collaborative work programme on regenerative medicine.<sup>24</sup>

The government has worked to enhance economic and scientific contacts between the two countries in other ways. In October 2011, the Chancellor of the Exchequer launched the Britain-Israel high-tech hub. The Minister for Universities and Science also visited Israel in October with a delegation from the UK’s digital industries, aiming to promote collaboration between the Israeli and UK digital sectors.

The government also plans an initiative to ensure that the UK resumes its former place as the top destination for Israeli students overseas.<sup>25</sup>

### **7.3 Israeli anti-boycott law**

Despite opposing boycotts, the UK government does not support the recent law passed by the Israeli Knesset imposing penalties on organisations that support boycotts of Israel or Israeli organisations. Foreign Secretary William Hague said: “The Government in no way support boycotts but are concerned about this law, which infringes on the legitimate freedom of expression.”<sup>26</sup>

### **7.4 Universal jurisdiction**

In 2009, Tzipi Livni, leader of the opposition in Israel, cancelled a visit to the United Kingdom because she had been threatened with arrest in connection with alleged crimes against humanity.

In 2010, the Government introduced changes to the *Police Reform and Social Responsibility Bill* to amend the rules on universal jurisdiction in the British justice system. The change had the effect of making the issue a warrant for a private prosecution more difficult to obtain, especially in cases like the Livni one, where some suspected that the warrant had been sought more as a political statement than as part of a legal process with a realistic chance of ending in prosecution. The Foreign Office explains:

The UK is committed to upholding international justice and all of our international obligations. Our core principle is clear. Those guilty of war crimes must be brought to justice whether they are Israeli or any other nationality. We are also committed to ensuring that UK systems are robust in meeting its international law obligations.

We have recently introduced some legislative amendments to Parliament with respect to Universal Jurisdiction as part of the wider ‘Police Reform and Social Responsibility Bill’. These amendments are intended to correct an anomaly that allows people to be detained even where there is no realistic chance of prosecution.

---

<sup>23</sup> HL Deb 19 January 2012, c166-7WA

<sup>24</sup> For information on this, see “[First UK Israel regenerative medicine conference](#)”, British Council press release, December 2011

<sup>25</sup> HC Deb 14 December 2011, c302WH

<sup>26</sup> HC Deb 19 July 2011, c782

We must ensure that the UK's systems cannot be mis-used or lead to unintended but serious consequences for international relations. The Government has decided that for a private prosecutor to obtain an arrest warrant under Universal Jurisdiction, they should have the consent of the Director of Public Prosecutions (DPP).<sup>27</sup>

## 7.5 Post-Holocaust issues

In 2010, the UK government appointed the first special envoy for post-Holocaust issues. Sir Andrew Burns, a former UK ambassador to Israel, will lead British efforts on promoting Holocaust education, remembrance and research, in tackling and resolving outstanding issues and claims and in raising public awareness of the continuing relevance of the lessons and legacy of that time. Welcoming the appointment, the Foreign Secretary said:

As a former UK Ambassador to Israel and chairman of the Anglo-Israel Association, Sir Andrew's wealth of experience means he is ideally placed to tackle the challenges this post presents.<sup>28</sup>

## 8 Other relevant papers

- [Palestinian elections?](#) February 2012
- [Palestinian statehood](#), August 2011
- [Middle East Peace Process: historical background and a detailed chronology from 1990 to 2010](#), December 2010

---

<sup>27</sup> FCO website, [Israel and the international community](#)

<sup>28</sup> "UK appoints post-Holocaust Issues Envoy", FCO press notice, 9 June 2010