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**NCCAR**

NATIONAL COUNCIL ON  
CANADA-ARAB RELATIONS

**A Brief To**

The Honourable John Manley,  
Minister of Foreign Affairs and International Trade

**On Middle East Issues of Special Concern**

**From**

The National Council on Canada Arab Relations (NCCAR)

May 4, 2001

## **Introduction**

The National Council on Canada Arab Relations welcomes this opportunity to meet with Mr. Manley, Minister of Foreign Affairs and International Trade and his staff to discuss issues and ideas of concern to the Council and its constituency. We are a non-profit organisation dedicated to building bridges of understanding and co-operation between Canada and the Arab World. Our Board members are recognised academicians, successful businessmen and community leaders with strong commitment to peace, human rights and human security in the Middle East. We are happy to be able to share with you our ideas, concerns and suggestions and welcome the opportunity to do so on a regular and continuous basis.

Please allow us first and foremost to express our delight that you will be visiting the region. We are counting on this visit to give you first hand knowledge and live exposure to the fundamental and complex problems of the area as well as to the great opportunities that can be reaped by Canada on her long investment in peace and human security in the region. We are equally delighted to be part of the dialogue in preparation for the visit. It is our hope that our written submission can shed a clarifying light on some of the most complex and urgent problems that you will have to deal with in the region.

Our suggestions and analysis in this brief are prepared in the spirit that Canada could and should play a leading and more constructive role in removing the impediments to peace in the region. While Canada is a soft strategic world power, it is a formidable moral power that has a long-standing record of peace keeping and building in the region and around the world. It shoulders great moral and legal responsibilities for a more visible and credible role in the region.

The recommendations below are tendered to reflect our desire and commitment to achieve a lasting and durable peace in the Middle East. In our opinion, this is not a difficult or impossible task. Its requirements are actually simple. It is peace that is based on justice, respect of human rights of all parties, mutual security for all and the fundamentals of international law. It simply calls for the application of the very core values of Canadian international relations and principles.

We appreciate that this is also the Canadian government's goal. Canada's actions, however, at present seem seriously inadequate. The Canadian government's position and commitments need to be experienced on the ground. The region's people have received little justice and have experienced little improvement in their lives and conditions since their major investment in peace making in Madrid in 1991. Their basic minimum expectations have been dashed as they suffer daily abuses of their minimum human rights and as their homes are demolished, their jobs vanish and their travel and movement

curtailed. Their economies are in shambles, poverty lines are increasingly enclosing larger shares of their population and live in fear of violence and destruction.

The visit of Mr. Manley to the region couldn't have been at a more opportune or critical time. We would have liked it to be longer and to include more countries. The region provides Canada with a total of \$10 billion in trade and investments, the largest part of which is with the Arab World and Iran. In the year 2000, Canada exported about \$2.8 billion in goods to the region. The Arab World alone accounts for about \$1.8 billion of this total. More important is the fact that Canada maintains a positive balance of trade with almost all of the countries of the region with the exception of Israel. While this trade volume is significant, it under estimates the economic importance of the region for Canada or the potential for Canada to reap. Trade in services is probably multiples of the trade in goods. Suffice it to recall that Canadian Oxy produces more than half of Yemen's oil production and in Abu Dhabi one single local hospital (Sheikh Khalifa) has over 168 Canadian Physicians on its staff and it is one of many hospitals in the area run or will be run by Canadian companies. Canadian companies and expertise are visible in Saudi Arabia, Kuwait, Algeria, Tunisia, Libya, etc.

Canada's interests in the region are not and should not be exclusively political. There are enormous opportunities to be exploited by Canada. We, at the National Council, are dedicated to maximise these mutually beneficial opportunities. We also believe strongly that Canada's economic interests in the region will be enhanced by a more visible and credible political Canadian involvement and sensitivity to the aspirations and concerns of the people of the region.

It seems clear to us that this trip will focus on the Near East part of the region and it is the area that we will focus most upon in this brief to the Honourable Minister. We will begin with the most sensitive issue to us.

At the heart of the problems in the region is the continued Israeli occupation of Arab land—Palestinian, Syrian and Lebanese land since 1967, despite UN Security Council Resolution 242 and other tenets of international law. Unfortunately, until the Intifada and the resistance in south Lebanon are understood in the West as civilian uprisings against colonial oppression, the Palestinians and the rest of the Arabs have no chance of obtaining equality and justice.

Admittedly, since 1993 Israel has withdrawn from some occupied areas in Palestine and from most of the areas it had occupied in South Lebanon in May of 2000. Yet, Israel has continued to deepen its control of many of the Palestinian territories from which it has agreed to pull out and remains in a provocative way on a small piece of land in southern Lebanon. Israel has done so in ways that severely restricts the capacity of the Palestinian people to develop their society, their economy, and their culture. Its continued occupation of Shebba farms and the frequent incursions into Lebanese skies have prevented the

Lebanese people from returning to social, economic and civil peace. The Syrian Golan Heights remain a flash point for a major war in the region. Israeli occupation of Arab land and Arab people has been oppressive and brutal. Some of the salient facts about this occupation and its consequences are presented below organised by country.

## **Palestine**

Palestinian limited self - rule in parts of the West Bank and Gaza Strip, which has taken place in stages since May 1994, engendered high expectations of considerable improvement. Self - government was envisaged to free the country from the harsh conditions of the occupation, and to create a new environment conducive to the expansion of production and trade. Peace and stability were believed to encourage domestic economic activities, attract foreign investment, and open the door to regional co-ordination and integration, with all the benefits of the rationalisation, liberation and reconstitution of economic and social activity under peace. In addition, the international community's commitment to underwrite part of the cost of the Palestinian reconstruction program was looked upon as a great boost, as it promised to supply much needed capital and foreign exchange.

Seven years of limited self - rule, however, have not brought about any of these expected improvements. Quite the contrary. The economic situation in the West Bank and Gaza has deteriorated steadily, and at some point during 1996 - 1997 it reached crisis proportions, featuring a sharp increase in unemployment, a drastic decline in trade, an unprecedented spread of poverty, and a general condition usually associated with economies under siege. Today's economic and social conditions are even worse with more than 50% of the Palestinians living below the poverty line and where over 80% of the population is in need of UNRWA help.

The inability of limited self - rule to deliver on its promises during the seven years of the interim period is due primarily to the fact that it was an outcome of truncated agreements and accords; Oslo I and II, the Paris Protocol, the Wye Understanding and even Sharm ElSheikh. These Accords simply did not deal with the crux of the problem, which is the dispute over sovereignty, nor did they change the colonial - like relation between the Israeli and Palestinian economies. Postponing the resolution of this core problem to a later date of final status negotiations has proven to be pernicious and demonstrate a lack of will to deal with it forthrightly.

At the economic level, despite some improvements in the policy environment brought about by establishing the Palestinian National Authority and dismantling some of the occupation's harmful structures, the increased Israeli activities of confiscating Palestinian lands and building new Jewish settlements as well as expanding old ones, the inability of the Palestinians to claim back their natural resources, the continued separation of the Palestinian economy from its natural milieu, the continuous closures, and the great uncertainty about the likely outcome of peace have created a poisonous atmosphere of strife, uncertainty, frustration, emasculation and truncation. The seeds of the Intifada

were being sown in the wells of bitterness and frustrations the Palestinians had drunk from for the past 37 years under occupation. In addition, the mismatch between authority and responsibility created a multifarious uncertainty that stifled investment and growth. The relapse into the old habits of daily scuffles and clashes between Palestinians protesting Israeli settlements and land policies and the Israeli security forces has suffocated the euphoric mood that had greeted the signing of the peace accord. It brought deterioration in the relations between the two economies and peoples that prevented any serious movement toward reconstruction, reconstitution and development of the Palestinian economy and society. That is why ending the occupation is vital to a just and workable peace.

Below we document some of the most salient features of Palestinian life that requires immediate attention of Canada.

- More than 477 people have been killed and over 20,000 injured so far since the beginning of the Second Intifada last year. The majority of those killed or injured are Palestinians. The patterns of their injuries clearly show that the Israeli army's use of power in response to Palestinian civilian demonstrations has been excessive, disproportionate and indiscriminate.
- After 7 years of negotiation, the Palestinian people remain totally disillusioned by the peace process. The current Intifada shows that the peace negotiations in effect did not change the nature of the Israeli occupation of East Jerusalem, the West Bank and Gaza Strip. The past seven months' events only serve to highlight Israel's de facto control of all entrances, roads and passages in the West Bank and Gaza Strip. Israel's actions have served to transform these areas into clusters of Bantustans, literally imprisoning people within their own towns and villages. The end result is a situation of full military occupation of the whole area with direct Israeli control of no less than 82% of the West Bank and Gaza Strip.
- Since 1993, the Palestinian Authority (PA) governs the major towns and cities in the West bank and Gaza. But Israel has retained full control of almost 60% of the land, in the West Bank giving the PA full control of less than 18% of the total area. In the tiny Gaza Strip, 6000 Israeli settlers and the Israeli military control 40% of the land. The remaining area of Gaza, with 1.2 million Palestinians, many of whom came as refugees in the 1948 and 1967 wars, has become one of the most densely populated areas of the world.
- Israel has built and continues to build massive settlements in the occupied territories, despite the prohibition of international law. Since 1993 it has doubled the number of settlers in the territories, including East Jerusalem, to approximately 400,000. In the year 2000, notwithstanding peace agreements and talks and Mr. Barak's seemingly conciliatory tone, Israel increased its settlement activity by nearly 100% over that of 1999.

- Israel has built over 400 of kilometres of by-pass roads that link the settlements to Israel proper and to each other, but the Palestinian people are not allowed to use them and, in many cases, not even to cross them. This has broken the contiguity of the Palestinian lands and seriously hindered their economic and social development.
- Israel allows the Palestinians in the West Bank (2.2 million) and Gaza (1.2 million), to use only about 10% of their water (120 million cubic metres per year) from these territories. The rest is siphoned off (about 800 million cubic meters) either to Israel proper or to the settlements. Settlers can enjoy green lawns and Olympic size swimming pools while Palestinians often do not have enough water to do laundry or to irrigate gardens and fields. The resulting pressure on the water resources is leading to salinity and contamination. A study financed by IDRC found out that Palestinians can increase their agricultural production and income by 40% if Israel were to allow them to use their siphoned water.
- Israel has demolished some 7000 Palestinian homes so far since 1967, on "bureaucratic and security pretexts". Since September 2000 it has destroyed, by shelling and bulldozers, approximately 500. This month a fresh number of homes were demolished some of which for the fourth time. In early April 2001 Israel destroyed twenty-one homes in the Khan Younis refugee camps in Gaza and another ten in the Jerusalem area. Among the latter was the home of Salim Shawamreh who visited Canada in February 6, 2001. Israel has also uprooted tens of thousands of olive trees and other fruit trees. Its rate of uprooting trees has greatly increased since September of this year.
- Israel maintains an elaborate system of military check-points, roadblocks, and curfews which greatly restrict Palestinian movement. An Israeli permit system has prevented most Palestinians from entering East Jerusalem, be it for economic, social, or religious purposes, since 1991. In one section of Hebron (the H-2 section), a curfew has forced some 40,000 Palestinians to stay in their houses almost around the clock since September. Over 100,000 Palestinians are under a similar curfew elsewhere in the territories. Israel has also built dams and dug ditches across many access roads to Palestinian towns and villages.

- Israel's siege of the territories, intensified under the new government, is doing enormous damage to the economic, political, and social life of the Palestinians. Over 100,000 workers have been prevented from going to their jobs in Israel. Others, perhaps an even larger number, have not been able to get to workplaces in Palestinian centres. Palestinian factories have shut down because of new import and export barriers. Unemployment has skyrocketed to approximately one-half of the total labour force. Palestinian government institutions have been paralysed. Over 50% of the Palestinian population are now below the poverty line. The early estimates of the economic damage so far of the Israeli siege are put at \$3 billion. More than 8 of 10 Palestinians now require food aid from UNRWA.
  
- Several hundred schools have been closed. University students and professors have not been able to get to their classes. Many towns and villages face shortages in food and medicine. It is a major human calamity. The Israeli occupation has violated all international laws and conventions dealing with human rights including the protection of children and of protected civilians in time of war. Article 26 of the Universal Declaration of Human Rights stipulates, "Everyone has the right to education." (p12)
  
- Killings and bombings negatively affect the psychological well being of Palestinians, especially children. As early as Oct 6<sup>th</sup>,2000 UNICEF spokeswoman Lynn Geldof had said, "UNICEF is worried about the long-term impact of renewed violence on children's sound development." Results of the first semester at schools showed a significant decline in students' academic achievements. Reports from schools also indicated an increased hostility of children towards their teachers and parents. Dr. Christian Lachal, a psychiatrist with Medecines Sans Frontiers (MSF) also said: "This situation creates poignant psychological distress which requires rapid and specific action. The current situation is, for everyone, more severe and more traumatic than the first Intifada". MSF has opened a mission of medical and psychological support in Gaza on November 20<sup>th</sup>, and has organised mobile teams of doctors and psychologists in Hebron on December 7<sup>th</sup> to help Palestinians.

In the light of the above conditions and our strong belief in the need of immediate and visible action that Canada can and must do we tender the following recommendations.

## Recommendations

We would like to put forward a set of suggestions that we feel Canada can pursue that may be productive in easing tensions and bringing some remedies to the current intolerable situation in the Palestinian areas.

**We urge Canada first and foremost to increase its humanitarian and economic aid to the Palestinians in excess of the present modest levels. The situation is dire and needs drastic and generous attention.**

**We also feel that the present level of diplomatic representation of Canada in Ramallah is probably too modest and the present circumstances call for raising this representation to a full-fledged ambassadorial level.**

We also see some very important and critical elements in the Egyptian/Jordanian peace initiative that we would like our government to espouse and support. In particular we urge our Government to join and even exceed them in the call for:

- 1) An immediate ending of the military, financial, and economic siege, and the blockade on the free movement of materials, medicines and food supplies, imposed on the West Bank, Jerusalem and Gaza Strip.
- 2) Israel to refrain from the use of internationally prohibited weapons and to withdraw all its military forces, tanks, armoured vehicles, and weapons from their current positions in and around Palestinian cities, villages, and refugee camps to their locations that existed in September 2000.
- 3) The immediate release and transfer of all outstanding arrears to the Palestinian Authority.
- 4) The dispatch of unarmed UN international observers to monitor the implementations of these measures and to insure the safety of civilians.
- 5) The immediate resumption of implementing all articles of previous agreements including total and immediate freeze of all settlement activities inclusive of those in East Jerusalem. The mutual implementation of all security commitments. The protection of all holy places and religious sites.

- 6) The start up of serious negotiations for ending the occupation and the repatriation and compensation of refugees. A definite time schedule must be defined and milestones should be established lest these negotiations falter in the same way previous negotiations have in the past.
- 7) Both parties to adopt measures aiming at restoring trust and confidence between the Palestinians and the Israeli peoples, and the faithful implementation of their commitments as agreed on or stipulated in the signed agreements and a clear commitment from Israel to end the occupation and the repatriation and compensation for the refugees in accordance with the terms and conditions of in the UN Resolution 194.

The European Community is currently preparing to strip Israel of privileged trade access as a response to its use of “excessive force” against the Palestinians. EU diplomats said this week that it was almost certain the 15 EU foreign ministers would agree to punitive action at a meeting on May 21, 2001, when they are expected to clamp down on Israel’s long-standing abuse of Europe’s “Rules of Origin”. This will mean that Israel will no longer be permitted to export duty-free goods made at Jewish settlements in the West Bank and Gaza as if they were Israeli products.

**We would like to urge our Government to join the European Community Foreign Ministers in taking a bold stand by suspending or threaten to suspend Canada’s Free Trade Agreement with Israel until it complies with the Fourth Geneva Convention and other tenets of international law.**

**At least Canada should insist on rules of origin that prevent Israel from exporting to Canada free from duty goods and services produced in illegal settlements.**

## Iraq

The National Council on Canada Arab Relations has condemned the Iraqi occupation of Kuwait. We equally and as strongly feel that the continued suffering of the Iraqi people under the current sanctions regime is unacceptable and inhumane. We cannot comprehend how the world, including our government, can maintain such brutal sanctions that have killed more than a million innocent Iraqis, the majority of whom are children. Below we quote UN Reports on the most recent estimates of the humanitarian disaster the sanctions have created.

- Iraq has experienced a shift from relative affluence to massive poverty. In marked contrast to the prevailing situation prior to the events of 1990-91, the infant mortality rates in Iraq today are among the highest in the world, low infant birth weight affects at least 23% of all births, chronic malnutrition affects every fourth child under five years of age, only 41% of the population have regular access to clean water, 83% of all schools need substantial repairs. *UN Report on the Current Humanitarian Situation in Iraq, submitted to the Security Council, March 1999.*
- The ICRC states that the Iraqi health-care system is today in a decrepit state. UNDP calculates that it would take 7 billion US dollars to rehabilitate the power sector countrywide to its 1990 capacity. *UN Report on the Current Humanitarian Situation in Iraq, submitted to the Security Council, March 1999.*
- The humanitarian situation in Iraq will continue to be a dire one in the absence of a sustained revival of the Iraqi economy, which in turn cannot be achieved solely through remedial humanitarian efforts. - *UN Report on the Current Humanitarian Situation in Iraq, submitted to the Security Council, March 1999.*

The sanctions have failed miserably to bring about the desired response from the Iraqi government. It is about time that a more innovative and humane policy be adopted that is more consistent with Canadian values and interest. The House of Commons Standing Committee on Foreign Affairs and International Trade has already recommended that the Government of Canada lift these sanctions. We join the Committee in asking our Government to implement their recommendation.

## Recommendations:

**We urge our Government to work with other Arab countries to find the best ways to ensure regional stability while removing the inhumane sanctions against the Iraqi population. Sooner or later normal relations with Iraq will resume.**

**We want Canada to be remembered as a country, which has helped alleviate the suffering of the Iraqi people and not a country that was responsible for their hunger and destitute.**

## Syria

There is a popular and true adage in the region that there is no war without Egypt and no peace without Syria. The pivotal role of Syria in the region is not well recognised by our Government.

Syria has accepted the Madrid principle of “land for peace”. Our Government can take the initiative in creating the appropriate conditions for peace negotiations to be started between the Syrians and Israelis. Among the most effective of these conditions is the recognition of Syria’s crucial role in the Fertile Crescent region, accommodating its stance on land for peace and offering it generous economic aid of its new initiatives towards economic liberalisation and reforms.

Syria has embarked on a massive effort to modernise its economy and reform its bureaucracy. Syria has been preparing to shift its economy from a war oriented to an economy, which is structured on modern industry and advanced services. The country is witnessing major changes in its banking and financial sector. This presents a great potential for economic co-operation between the two countries, especially in the educational, banking, agricultural, environmental and technological sectors. Trade, aid and technical co-operations can cement a relationship that can be a corner stone for regional peace and stability.

## **Recommendations:**

**We call on the Canadian Government to continue to insist on Israel's full compliance with UN resolutions 242 and 338 regarding its complete withdrawal from the occupied Syrian territory.**

**We also recommend that Canada should expand trade and economic co-operation with Syria to the fullest extent possible to exploit mutually beneficial areas. Canada can enjoy a ground level entry into developing the untapped Syrian potentials.**

**In addition, we believe that your tour in the Middle East should include Syria due to its vital role in the peace process in the Region.**

## **Lebanon**

Lebanon is still in a precarious situation as a result of the continued Israeli occupation of Shebaa farms and the economic slowdown that is impacting the country. The government understands the need to take immediate action on the economic front and the necessity of modernising its bureaucracy.

Canada has played a significant role in assisting Lebanese NGOs in their magnificent work during the Civil war. This work has reinforced the work of those Lebanese striving for the return of a true civil and democratic society.

In the last few years, Canadian engagement in Lebanon has been growing. There is a genuine desire to see closer artistic, cultural, and literary co-operation between Canada and Lebanon, through direct technical assistance in the communication sector, double taxation, reform of the fiscal system, cultural exchanges, and through the support of local groups that might wish to bridge the two cultures. We urge our government to assist Lebanon through a new Free Trade Agreement that can bring in closer economic ties and joint ventures. Canada has a meagre economic aid package for Lebanon. This is too modest for the needs and requirements of Lebanon and what many Lebanese Canadians feel is warranted. The economic situation in Lebanon is desperate. Debt is over 200% of GDP, the deficit is over 40% of GDP, tax revenues will fall short of debt servicing bills

and represent less than 45% of total expenditures. Poverty is now widespread and economic gloom has gripped the country.

On another front, the Israeli occupation in the South has littered the countryside with large number of land mines. Canada can help the Lebanese government remove these land mines and the construction of a hospital in South Lebanon to deal effectively with the victims of these mines and the occupation.

### **Recommendations:**

**We urge our Government to initiate negotiations that could conclude in a Free Trade Agreement with Lebanon that is no different than the one Canada concluded with Israel.**

**We also urge our Government to help Lebanon clear its border with Israel from Land mines, help establish a hospital to deal with victims of these mines and dispense emergency economic aid that can help Lebanon order its fiscal problems and free itself from its legendary bureaucratic red tape.**

### **Conclusion**

This brief note summarises our ideas and concerns on some of the most critical issues in the Near East region. Our intention is to be helpful and to frank about the complex issues and the anatomy of failure of old solutions. We believe that Canada has a pivotal role to play as Gavel Holder of the Multilateral Working Group on the Refugees, but particularly because of its moral commitment to peace, human security and justice.