



*Iran's Case for the UN Security Council*

[Lavizhan 2 – Another Red Herring?](#)

*Hamas's Bid for Palestinian Government*  
[Washington and Tehran Fight It out on Palestinian Turf](#)

*Mubarak Welcomes Assad's Enemy*  
[Rifat Assad Gets His First Opposition Base on Arab Soil](#)

*Iran Beset by Scary Rumors*  
[Tehran's Rulers Try to Quell Unrest by Calling up National Unity around the Nuclear Program](#)

**HOT POINTS**  
[A Digest of DEBKAfile Round-the-Clock Exclusives in Week Ending February 2, 2006](#)

Vol. 5, Issue 240, February 03, 2006

*Iran's Case for the UN Security Council*  
**Lavizhan 2 – Another Red Herring?**



Two names were bandied in the murmured behind-the-scenes discussion at the International Atomic Energy Agency, when its board met in emergency session in Vienna this week. One was **Dr. Oili Heinonen**, Deputy Director General of the agency, and the second was a top-secret Iranian nuclear facility called Lavizhan 2.

The two are connected, as **DEBKA-Net-Weekly** reveals.

Dr. Heinonen is responsible for verifying that nuclear material placed under safeguards is not diverted to nuclear weapons or other nuclear explosive devices, and that there is no undeclared nuclear material or activities in non-nuclear weapons states party to the Non-Proliferation Treaty.

Lavizhan 2 is situated east of Tehran near the Malek-a-Shtar University campus.

According to our nuclear experts, US intelligence believes it was – and may still be – the site for turning out nuclear weapon components for bombs or missile warheads.

A third name also current in the Vienna conference hall is that of the Alburz Mountains, in the Moahlem-k-Alayem province east of Tehran, because deep inside that range, contractors hired by the Revolutionary Guards Corps are digging a giant tunnel, named Hormuz, for the concealment and use of Iran's stock of advanced P2 centrifuges. Once they are stored there, the bunker will become Iran's main uranium enrichment center.

Tehran was alert to its peril when the foreign ministers of the five UN Security Council permanent members and Germany gathered in London Sunday and agreed for the first time to ask the UN nuclear watchdog to report Iran's nuclear case to the world body. It was then the Iranians made a gesture, one of its typical maneuvers, in the hope of deflecting the blow; it announced for the first time that inspectors would be allowed to visit Lavizhan 2. Their condition was: no referral to the Security Council.

**Still no ironclad proof of bomb-making**



Our sources reveal that the IAEA director **Dr. Muhammad ElBaradei** decided there and then to call Tehran's bluff and send his deputy Dr. Heinonen, who is known for being tough on the Iran's nuclear program, to check out the offer.

ElBaradei calculated that if it was on the level and Tehran allowed the visit to take place within days, Washington might be persuaded to opt for the inspection as a chance to catch the Iranians red-handed and prove once and for all that they are building a weapon. This might be worth postponing the report to the Security

Council.

Circles of the IAEA and US intelligence assume that, even if the Iranians cheat and remove incriminating equipment and materials from the site,

radioactivity and other ineradicable clues will remain to give the game away. There will then be ironclad proof of Iranian's illegal activity.

There was a similar instance in 2004, when Lavizhan Shian was opened to watchdog inspections. At that site, the Iranians went to vast lengths to clean up the site and leave no trace of its use. They even planted over its surface a large amusement park with grass and trees. They also brought to the site a highly sophisticated instrument for detecting radioactivity on the bodies of people and small animals, to make sure the inspectors found no sample traces of the work performed there. The samples they collected did carry some radioactivity but not enough to prove anything.

American intelligence takes it for granted that, to avoid being reported to the Security Council, the ayatollahs are playing the same trick at Lavizhan 2 – removing the entire plant to another place, possibly the Hormuz bunker, and scouring the site clean of any incriminating traces.

Dr. Heinonen was due to report on the outcome of his trip to Iran to the IAEA board session in Vienna due to end Friday, Feb. 3. Whatever his findings, the Iranians will continue to try and play the Lavizhan 2 card again and again to win delays as the long haggling still ahead proceeds on their nuclear program.

[\*Back to top\*](#)

---

### *Hamis's Bid for Palestinian Government*

## **Washington and Tehran Fight It out on Palestinian Turf**



The Bush administration was poised Tuesday, Jan 31, for the final touches to its strategy for sidelining the Hamas terrorist group, despite its election win in last month's Palestinian legislative elections. The plan was to force its triumphant leaders to accept that a parliamentary majority was not automatically the ticket to government.

It was based on the following compilation of polling analyses placed before US secretary of state

**Condoleezza Rice** and director of the national security council **Stephen Hadley**:

*The Hamas party took 74 of the 132 seats available at the Jan. 25 general election. This is equal to 56%. The seats were divided between 29 won on the national list and 45 from the district lists.*

*But the hidden statistics paint a different picture.*

*On the national list Hamas won 43.82% of the vote which means that 56.06% of Palestinian voters did not opt for Hamas on this list. Furthermore, on the district lists Hamas gained 68.18% of the seats, while non-Hamas candidates took 31.82%. But in reality, Hamas district candidates received 36.45% of the votes, while non-Hamas contestants ended up with 63.54%.*

**According to this reckoning, a clear majority of Palestinians voted against Hamas!**

That it won the election, nonetheless, was thanks to its unified lists in each district in contrast to Fatah and the smaller parties, which ran a multiplicity of lists, so fragmenting their support.

While this calculus does not change the election results, it demonstrates to those in need of comfort that the Palestinian electorate did not after all give Hamas such massive support as appeared.

For the Bush administration in Washington, this breakdown was better than a source of comfort; it was the key to a plan for arresting the Hamas dash to government and scoring points in a battle of wits with the ayatollahs of Tehran.

This week, a strong reciprocal tie-in surfaced between the steps to prevent the Hamas takeover of the Palestinian Authority and moves to stall Iran's nuclear aspirations.

The link was clinched for US strategists by an ominous arrival in Damascus.

### Help for Hamas arrives from Tehran

**DEBKA-Net-Weekly's** intelligence sources reveal the man who slipped in from Tehran was **Ali Akbar Mohtashami-Pour**, chairman of the Iranian Commission for the Support of the Palestinian Uprising and an old hand at anti-American terror machinations.



His mission now is to punish the United States should the IAEA emergency board meeting in Vienna Thursday and Friday, Feb. 2-3, vote to refer Tehran's nuclear activities to the UN Security Council. His claim to notoriety dates from the 1980s when as Iranian ambassador in Damascus

he invented the Lebanese Shiite Hizballah as Tehran's surrogate for action against Israel. He retains the title of Hizballah's supreme commander on behalf of Iran for emergency situations.

The Iranian terror master arrived in Damascus with two guidelines:

1. Through Hizballah, he was to design terrorist attacks against US and Israel targets in the Middle East and Europe for execution immediately after the UN nuclear watchdog votes for referral. Hizballah will also strike at targets deep inside Israel from Lebanon.

2. To employ countermeasures for defeating US-Israeli moves to block Palestinian government against Hamas rule. Installing a Hamas government in Ramallah to rule a pro-Iranian state in the West Bank and Gaza Strip would be fitting retaliation for America's campaign against Tehran's nuclear program. This state would connect with Iran's proxy arm in Lebanon.

Instead of sending a high-level official to the Middle to handle the new situation, the White House decided to let Rice and her top team run the moves against Mohtashami-Pour from Washington, enlisting Egypt and Jordan for the field work.

President **Hosni Mubarak** and his intelligence chief **Gen. Omar Suleiman** are deemed useful by virtue of their close ties with Hamas and also their strong motivation.

The Mubarak regime knows that the rise to power of a Hamas-led entity in the Palestinian areas would give its parent, Egypt's Muslim Brotherhood, an undesirable boost and increased leverage against the government.

Saudi Arabia, despite its equally intimate ties with Hamas, was ruled out as point man by Washington because Riyadh remits to the Islamic terrorists an annual stipend running into tens of millions of dollars. Its motivation is the reverse of Cairo's. The Saudis believe it is in their basic interest to have a strong Hamas-led state established in the Gaza Strip and West Bank. They want the same thing as Tehran – but from the opposite perspective: the wish for a radical Sunni counterweight to the Hizballah's Shiite power.

The Americans built their Hamas maneuver against this background and in close consultation with president Mubarak and General Suleiman.

It was scheduled to go into effect Tuesday and Wednesday, Jan. 31 and Feb. 1.

### The Jordanian factor



Jordan's **King Abdullah** was the first player on the scene.

When Palestinian Authority chairman **Mahmoud Abbas (Abu Mazen)** arrived in Amman Tuesday,

the king opened a discussion on joint action to isolate Hamas (while offsetting Iran's scheme) and also to prevent Jordan's Muslim Brotherhood, known as the Muslim Jordanian Action Front, from getting together with the victor of the Palestinian election.

The two leaders had enough concerns in common to engage them.

Because Hamas is weaker on the West Bank than in Gaza, the Americans as well as Abdullah and Abbas fear the Islamic terrorists will recruit the Jordanian Brethren to bolster their West Bank wing. The Jordanian Action Front is sufficiently well-connected and influential on the West Bank to represent Hamas. Abu Mazen has no wish to boost Hamas' strength on the West Bank, while the king is deeply reluctant to see Hamas and Iranian influence seeping across the West Bank border into his realm.

Therefore, the Hashemite king willingly acted at Washington's behest to seek a pact with the Palestinian leader in three areas:

1. He persuaded Abu Mazen to back away from his earlier stated intention of entrusting Hamas to lead the next Palestinian government. **DEBKA-Net-Weekly's** Amman sources disclose that the king said to him: "What's the hurry? Don't let Hamas make you run scared. Your policy should be to shrink the Hamas lead, to reduce it to a parliamentary majority instead of a majority for government."

This in a nutshell was Washington's master plan for limiting the damage wrought by the Hamas contretemps. Formally, US officials declared Hamas disqualified from government by its refusal to recognize Israel and renounce terror. But the truth is that even if Hamas disavowed its principles, Washington would find another way of keeping the terrorist group from attaining power because of the tactical advantage that would accrue to Tehran.

2. The Jordanian king assured Abu Mazen he would not let Hamas open a mission or even a liaison office in Amman lest permission be taken as royal recognition of the radical Islamic organization. Abdullah himself certainly has no interest in facilitating access between Hamas and the local Muslim Brethren.

3. Abdullah guaranteed the Islamic Action Front would not be permitted to organize any activity to aid Hamas in Jordan, be it fund-raising, demonstrations or sponsoring support groups in the Palestinian camps.

His business in Amman finished, Abu Mazen moved on to Cairo Wednesday.

### **The Egyptian factor**

According to the original American plan, Suleiman was to have used the time of Abu Mazen's tete-a-tete with Abdullah, to fly aboard a special plane to Damascus and collect the Hamas senior operational chief **Khaled Mashaal** after roping him in for a deal.

The Egyptian intelligence minister and the Islamic terrorist executive were to have conferred on terms for the launch of talks in Cairo with Abu Mazen on forming a new Palestinian government and determining Hamas's share.



Suleiman was supposed to have flown back to Cairo with Mashaal aboard together with the entire Hamas operational leadership: **Mussa Abu Marzuk, Osama Hamdan, Imad Alami**, Intifada commander **Mustafa Lidawi** and **Muhammad Nazal**.

Once on Suleiman's plane bound for Cairo, the entire Hamas leadership would have been lifted out safely out of the clutches of the Iranian terror master Mohtashami-Pour and transferred to the Egyptian-US aegis.

That was the immediate goal.

But behind the tactic was the assumption that the negotiations between Abu

Mazen and Hamas entailed so many tough issues that they would drag on for long, weary months before anything was agreed. They would need to settle such questions as Hamas' attitude on future negotiations with Israel, whether to continue the informal ceasefire, who would control Palestinian security and intelligence services, future policy vis-a-vis the United States and Europe. At some point, Hamas would give up and abandon its hopes of heading a government.

At the same time, the Egyptians explained that Hamas holds genuine positions that are far more realistic than its public statements. They claim, and this is borne out by British and French interlocutors, that the organization's leaders have grasped that their victory at the polls is not an unmixed blessing. They understand they are high and dry in three respects:

**First:** They have no independent sources of funds sources excepting aid remittances from Saudi Arabia and some of the Gulf emirates, which do not cover their needs. If European and other revenues dry up as a result of the US and Israeli campaign against a Hamas-led Palestinian government, they will be badly short of the wherewithal for running a government administration.

**Second:** Hamas is outgunned by the defeated Fatah. Therefore, Hamas would have to depend heavily on its rival in its very first steps in office.

### **Hamas cannot assume power without Abu Mazen's support**



**Third:** Assuming Mahmoud Abbas assigned Gaza's Hamas leader **Ismail Haniya** the task of forming a government and the legislative council endorsed his line-up that would not be the end of the road. Under Palestinian law, the president, namely Abbas, must sign the government's mandate for it to be legitimate.

That is why Hamas is pressing for Abu Mazen to select the ministers of the new government. Both agree to appoint experts rather than party representatives. This formula would serve to alleviate the enmity between

Hamas and Fatah and keep foreign assistance revenues flowing to the Palestinian government. While foregoing ministerial portfolios, Hamas wants to reserve the ministerial directors-generalships, so controlling the day-to-day conduct of ministerial business.

The Palestinian Islamic radicals are not asking for control of the Palestinian Authority's security bodies either, accepting the president's role as commander in chief. It is asking for one ministry, internal affairs, to gain control of the Palestinian police force and the Gaza Strip's Preventive Security service.

Suleiman assured the Americans that Hamas' positions were not carved in stone. They were amenable to negotiation, for which purpose he had sought to collect the entire Hamas leadership in Cairo to kick off talks with Abu Mazen.

But the Egyptian minister never did take off for Damascus. There was no point.

The Iranian envoy, Mohtashami-Pour, who was standing by in Damascus, checkmated the US-Egyptian plan in two moves:

A. He pledged sufficient Iranian funds for Hamas to set up a government and exercise control over the Palestinian Authority, provided the group jumped into the pro-Tehran camp and turned its back on any American-Egyptian orientation. The funds would not match the \$1 billion plus pledged annually by the European Union, the Americans and others, but several hundred million dollars would be made available, enough if prudently managed to meet "honorable Islamic" standards, as the Iranian official put it.

B. Mohtashami-Pour brokered a pact between Hamas and Jihad Islami leaders in Damascus after chairing several bargaining sessions between them.

Mashaal and Jihad chief in Gaza **Muhammad al-Hindi** agreed to put their hatchet on ice and work together to place Hamas in government.

### **Iran can afford to replace Western aid to the Palestinians**

The Americans were at a loss to explain how al-Hindi, who tops several lists of wanted Middle East terrorists, managed to slip out of the Gaza Strip and reach the Syrian capital.

A brief investigation by **DEBKA-Net-Weekly's** counter-terror sources disclosed that Egypt's intelligence chief, who was supposed to be assisting the American plan to keep Hamas out of Palestinian government and block Iranian maneuvers, had ordered Egyptian border officials to let the Jihad chief through the Rafah crossing into Egypt. From there he had no trouble catching a plane to Damascus.



That was the point at which the Bush administration team understood that Iran was not the only obstacle to its plans. Egypt too made a habit of keeping several aces up its sleeve for action independent of Washington.

But meanwhile, American Iran experts were employed for some fast number-crunching this week to see if Iran could on its own meet the expense of supporting Palestinian government for any length of time; and, if so, how the ayatollahs profited from the deal. They were surprised to find that Iran can well afford to bankroll Hamas in government. For an investment of no more than \$400 million, a drop in the Islamic Republic's ocean of petrodollars, it can pick up its second territorial sphere of influence after Hizballah and its second outlet to the Mediterranean Sea. The further benefit for Tehran is the chance to drive wedges between Israel and Jordan to the east and Israel and Egypt to the south.

Because Suleiman had lost the ball to his Iranian adversary, who had got to Hamas leaders first, he had no news for Abu Mazen and Israeli foreign minister **Tzipi Livni** when they arrived in Cairo Wednesday.

The Egyptian intelligence chief contented himself with a warning to the Israeli minister that if acting prime minister **Ehud Olmert** chose to freeze funds to the Palestinian Authority because of the Hamas victory, Iran would make up the difference. In no time, the government in Jerusalem would find it had a new neighbor next door in Ramallah.

Washington and Cairo have not thrown in the towel after their initial setback and further moves are in store shortly.

[\*Back to top\*](#)

---

### **Mubarak Welcomes Assad's Enemy**

#### **Rifat Assad Gets His First Opposition Base on Arab Soil**



Like his father, Syrian president **Bashar Assad** has always regarded **Rifat Assad** as the family's foe. Out of respect for the Assad family feud, no Arab government has ever given Bashar's wicked uncle an invitation to stay – until now.

**DEBKA-Net-Weekly's** sources disclose that Egyptian president **Hosni Mubarak** has granted multimillionaire Rifat a base in Cairo, a home from home from his sumptuous residences in Paris and other choice locations.

This act will be seen as just short of a declaration of war on Damascus and,

indirectly, its ally Tehran.

According to our sources, the Egyptian dispensation allows dissident Assad to transfer his base of opposition operations to his nephew's regime and his business affairs from Europe to Cairo. The terms of this transfer were agreed in two weeks of discussions between representatives of Egypt's intelligence minister **Gen. Omar Suleiman** and Rifat Assad in London, Paris and Marbella, Spain. His sons and grandsons who run his businesses sat in on the negotiations.

They agreed that -

**First**, Rifat will run his political operations and financial empire from Cairo for several months of each year.

**Second**, the family-owned ANN television will relocate from London to Cairo. His son **Somar** and grandson **Durayed**, who run the station and determine its content, will move to the Egyptian capital with their families.

This deal has three important aspects:

1. ANN TV broadcasts harp on the refrain that Rifat Assad is the only man capable of rescuing Syria from the "idiot" (the mildest epithet used for president Assad); and call on the people to rise up and overthrow his regime. Since under the deal, Egypt may not to interfere in the broadcasts, Cairo acquiesces to being used as the center of anti-Bashar resistance in the Arab world.

2. The Egyptians, who have developed a thriving film industry, have never succeeded in building a popular television station that can compete with the Qatar-based Al Jazeera. They hope Rifat's ANN will take off as a mass-audience station that attracts Middle East and Persian Gulf viewers and spreads Egyptian influence. ANN's directors have begun job interviews with Egyptian broadcasters, anchors, reporters, cameramen and editors after sending out letters firing the London staff.

**DEBKA-Net-Weekly's** Cairo sources report that the Mubarak government is so keen on the project that it has allocated ANN special channels on Egypt's Nile satellites.

For Rifat, another advantage is the huge saving in running costs. Payroll and maintenance are far more costly in London than Cairo. The millions of dollars saved by the station's transfer will be released for Rifat's campaign to unseat his nephew.

3. Egypt too has a financial incentive in hosting the Syrian president's rival: the relocation of his billion-dollar business empire, his broad investment base and his abundant personal financial connections in the Arab world and Persian Gulf. This is expected to attract more Arab tycoons of his caliber.

**DEBKA-Net-Weekly's** sources stress the Egyptian government's burning ambition to transform Cairo into the financial hub of the Middle East, to which end they do not miss any political or military crisis that can contribute to this goal.

In the last two weeks since Hamas won a majority in the Palestinian legislative council, the high-ranking Egyptian military mission stationed in Gaza is under orders to woo Palestinian ministers and other Fatah leaders and intelligence chiefs expecting to be displaced and hold up Rifat's example to tempt them to transfer their families and assets to Cairo.

**DEBKA-Net-Weekly's** Middle East sources disclose that Saudi **King Abdullah** is supportive of Mubarak's anti-Syrian steps.

During his visit to New Delhi last month (**See last DNW issue 239 of Jan 27: King Abdullah's Failed Mission**), Abdullah confided to his Indian hosts that, for him, Syria and its president are no better than Iran and its president. In other words, he has finally cast Bashar Assad out and relegated him to the camp of Saudi enemies.

[\*Back to top\*](#)

---

### *Iran Beset by Scary Rumors*

## **Tehran's Rulers Try to Quell Unrest by Calling up National Unity around the Nuclear Program**



Rather than putting down the rumors sweeping the country of approaching Israeli bombers and American cruise missiles homing in to strike national nuclear installations, Iran's rulers are fanning the hysteria in the hope that a patriotic surge will quell the rising unrest.

President **Mahmoud Ahmadinejad's** fiery speech at the Bushehr atomic reactor Wednesday, Feb. 1, was an attempt to whip up pride in the national nuclear program and hysteria against international persecution and threats.

According to the scenario painted by the rumor-mongers, at precisely 5 am on February 11, the 27<sup>th</sup> anniversary of the proclamation of the Islamic republican regime, Israel warplanes will fly over Isfahan and drop missiles capable of penetrating the underground nuclear installations. They will set off pinpoint explosions that leave the population living around the plant unharmed.

American cruise missiles will then zoom in to blow up the uranium enrichment installations at Natanz and the heavy water reactor going up at Arak.

These rumors are settling like a black cloud over a country beset by domestic ills grave enough to weaken the government.

A partial strike of municipal bus drivers which broke out in Tehran two weeks ago, seriously handicapping its 12 million inhabitants, threatens to spread to the rest of the country. Labor unions all over the world and the International Confederation of Trades Unions have sent protests to the Tehran government over the way the drivers are treated. The Tehran bus system is operated by 17,000 drivers and personnel, of whom 8,000 are members of an independent union. Its leader **Mansour Osanlou** was arrested on Dec. 22 and not been seen since.

This week, the union idled several Tehran bus lines, but the government was ready with thousands of replacement-drivers drafted from the Revolutionary Guards and the volunteer Bassi militia.

The secret police bore down savagely on the striking drivers, arresting more than a thousand. They were freed on January 31, but then security forces stormed the homes of the union leaders and arrested their wives and children.

The women and children when released bore marks of abuse and torture. Their mistreatment has unleashed a wave of fury against the government and the threat of the bus drivers' stoppage spreading to all the main cities.

The provinces are also troubled. In Ahwaz, capital of oil-rich ethnic Arab Khuzestan, where last month two bombs killed 9 people, continuing anti-government restiveness has forced the president to call off a visit.

A month ago, he was the target of a failed assassination attempt on his way to Zahedan province in the Sistan-Balochistan province. His bodyguards and driver were killed. Since then, security measure have become so harsh that three Baluchi boys aged, 15, 16 and 18 riding motorbikes were killed for failing to halt when hailed by security forces. The entire region is up in arms over this incident.

Affecting the country is the protracted imprisonment of the journalist and thinker Akbar Ganju, who has languished for more than a year in prison despite appeals from human rights organizations the world over.

The mystery-crashes of two military jets last month are another source of disquieting rumors. Following the **DEBKA-Net-Weekly** report, Iran's

interior minister **Hojjat-ol Eslam Mohammadi** accused the United States, Britain and Israel of engineering the air disasters to wipe out senior Revolutionary Guards commanders and the group of pro-government journalists aboard one of the aircraft. This charge amazed members of the majlis. Some inferred from the allegation, if true, that all three enemies had achieved deep penetration of Iran's ruling bodies. The parliament's national security committee will be holding a closed session in a few days time to hear a report on the investigation into the causes of the crashes.

### **Iranian military deployed to fight domestic terror attacks**

This week, Iran deployed six combat units of the crack Revolutionary Guards in the southern oil center of Arab-speaking Khuzestan, plus an Iranian army armored brigade along the Shatt al-Arb waterway that is divided between Iran and Iraq.

The brigade is positioned opposite the southern Iraqi port of Basra in a region for which the British army is responsible.



This is reported by **DEBKA-Net-Weekly's** military sources.

The RC units have been placed around Khuzestan's main towns including Ahwaz, the capital, and also near the regions inhabited by the Bakhtiar tribes. According to our sources, Iranian intelligence has discovered that Bakhtiar nationalist groups are conspiring against the government with Arab underground groups in Khuzestan, stirring up fears of the terrorist attacks spreading.

The way the contingents are deployed indicates Iranian strategic thinking for combating the terrorist offensive in the country. The RC units are assigned to fight internal terror while the regular army has been placed on the border to sever routes used for the smuggling of fighters, weapons and explosives from British-controlled Iraq. The lining up on the Shatt al Arb border of armored forces broadcasts a warning to the British and Americans that Iran will not tolerate any more incursions into Khuzestan or other parts of Iran and are poised ready to strike back against shipping in that waterway.

[\*Back to top\*](#)

---

### ***HOT POINTS***

#### **A Digest of DEBKAFfile Round-the-Clock Exclusives in Week Ending February 2, 2006**

#### **Hamas leader Khaled Mashaal promised Tehran an Iranian embassy in Ramallah very shortly after its victory – five days before the Palestinian election**

**28 January:** DEBKAFfile Exclusive: The promise, indicating that Hamas was not surprised by its victory at the Jan 25 poll, was delivered at a secret meeting in Damascus on Jan. 20. On that day, Iranian president Mahmoud Ahmanidejad interviewed 11 Palestinian terrorist leaders based in the Syrian capital with cameras flashing. Not so, Mashaal's half-hour absence for a secret down-to-earth discussion with the Iranian Republic Guards Corps' al Quds division commander Gen. Qassam Suleimi, who was in the presidential party.

DEBKAFfile's counter-terror sources know Gen. Suleimi as the Islamic Republic's supreme commander of Iran's terrorist activities in Iraq, the rest of the Arab world, the Palestinian Authority and Israel. His meeting with the

Hamas leader was the follow-up to their talks in Tehran last December, when Mashaal spent three weeks making the rounds of Iran's terror executives. The Hamas leader intends arriving in Palestinian territory in the wake of the victory his movement snatched from the Fatah. One of his first plans is to hoist the Iranian flag over Ramallah's Manara Square. If he sets foot in Israel-controlled territory, he will be arrested, but he can easily reach Gaza through Egypt.

### **Syrian president Bashar Assad persuades radical Palestinian groups to line up with Hamas**

**29 January:** He received 11 terrorist chiefs based in Damascus Sunday, Jan. 29, and convinced the Popular Front for the Liberation of Palestine to line up its 3 seats in the 132-member legislative council behind Hamas's majority of 74. Together with 4 independents, the Hamas will control an 81-strong alliance.

### **A Fatal Misconception Rather than Intelligence Failure**

**29 January:** A relatively junior intelligence officer has been mandated to establish why Israeli intelligence missed predicting the Islamist terrorist Hamas takeover of Palestinian government by the ballot. His task has been limited to an internal intelligence probe rather than a broad inquiry. Within this limit, there is no way he can truly explain how Israel came to find itself face to face with a strategic calamity on the scale of the 1973 Yom Kippur War; quite simply, there are too many questions he is not authorized to articulate. Here are a few:

1. Why did no military intelligence authority warn the government that evacuating the Gaza Strip would be present Hamas with the gift of territory and fuel its claim that Palestinian terror had Israel on the run?

2. Why did Israel pull its troops back from the Philadelphi border enclave, knowing their removal would open up the Gazan-Egyptian border to a flood of terrorists, including dozens of Hizballah specialists and instructors, thousands of guns and tons of explosives – all destined for Hamas?

This was how Hamas built itself up as the dominant political, military and financial power in the eyes of Palestinian security personnel and the voting public. Was this lost on Israeli intelligence?

3. Why did no military, security or intelligence authority sound the alarm about the real motive behind the Hamas willingness to call an informal ceasefire? Did they not notice it was designed to hoodwink Israel into standing idly by as Hamas, Hizballah, Tehran and Damascus laid the groundwork for the Hamas grab of Palestinian government?

There are two answers to these questions.

The first is a conundrum. Since the Palestinian-Israeli confrontation erupted five years ago, DEBKAF's sources have noted an incomprehensible dwindling of Palestinian experts at the top level of IDF intelligence, AMAN.

The second reason was Israeli security chiefs' dogged adherence to a misconception.

All the spokesmen of Ariel Sharon's government harped on the same theme: the Palestinian Authority under Mahmoud Abbas must be left to crack down on terror and disarm Palestinian terrorist organizations like Hamas as per his commitments. Another tenet was that any problems arising in this regard could be safely left to the international community to sort out. A large-scale Israel military operation to break up the terrorist strongholds of the Gaza Strip was therefore superfluous.

This soothing syrup poured out by Israeli officialdom during and after the evacuation of the Gaza Strip.

### **Palestinian financial assets begin fleeing West Bank**

**30 January:** DEBKAFfile's Palestinian sources reveal that senior Palestinian Authority officials, including ministers and security chiefs, have begun transferring their West Bank assets overseas. One source estimates that some \$45 million were shifted in one day, Monday, Jan. 30. Businessmen, doctors and lawyers, worried by the regime change from Fatah to Hamas, are moving their businesses and assets to Europe and Gulf emirates. This flight of funds is a symptom of how little confidence the business community and elite have in Mahmoud Abbas' ability to limit the Hamas drive to grab full control of government and its organs. Above all, the moneyed classes fear the property of prominent figures will be impounded to make a show of the corruption and thieving practiced by the defeated Fatah.

Hamas leaders came forward Monday with an assurance that private businesses and investments would be safe under the new administration. This reassurance had the opposite effect; it stepped up the drain of money. The small Nablus Stock Exchange, the Al Quds Index, reacted to the uncertainties by slumping 2% Monday, which would be comparable to a 25% dive for regular-sized bourse.

### **Europe on Slippery Slope to Recognizing Hamas-ruled Palestinian Government**

**30 January:** After a series of muddled statements and zigzags, wishful thinking prevailed in London and Brussels after all. The European Union, led by the Middle East Quartet, agreed to release financial aid to a Palestinian government taken over by a terrorist organization.

"We give them three months to assess the situation. We don't want chaos and we want to go on with the peace process," said EU foreign executive, Javier Solana at the end of the foreign ministers' meeting in Brussels Monday, 30 Jan.

Hamas, which is responsible for at least 60 bombing attacks on Israelis and countless deaths, did not have to fight too hard or too long for a reversal of the short-lived boycott on funding.

The Islamist terrorists were not required to give up a single principle for the sake of Western aid. The stakes are high. The EU gave the PA \$615 million last year. The US had budgeted \$234 for 2006.

The West and Israel too are clearly clinging to Mahmoud Abbas, whose Fatah was trounced in the Palestinian election last week, as a fig leaf to cover the true shape of the new Palestinian government.

The Israeli position is as two-faced as the Europeans'. On the one hand, acting prime minister Ehud Olmert announced the NIS200 million (\$44 million) of revenues due to the Palestinians will be frozen so that they do not reach the hands of murderous terrorists determined to destroy Israel. But then he went on to say: "At this stage, we are studying the situation and following developments."

### **Moscow believes Iran has developed a large nuclear device in its "preliminary stage."**

**31 January:** DEBKAFfile reports exclusively: Russian FM Sergei Lavrov put this information before the five permanent UN Security Council and Germany which Tuesday night, Jan. 30, agreed for the first time to haul Iran before the UN body over its nuclear program. Until then, Moscow and Beijing had stood out against the UN nuclear watchdog' referring the Iran dossier to the Security Council. Tehran hit back Wednesday by saying the decision was unconstructive and the end of diplomacy

According to Lavrov, Russian intelligence estimates that Iran is now capable

of detonating this non-weaponized nuclear device, or in other words carrying out its first nuclear test.

DEBKAFfile sources add: This estimate which Russian president Vladimir Putin passed to President George Bush some weeks ago is challenged by US and Israeli nuclear experts, who do not believe Iran is up to the stage of a nuclear device. However, on Jan. 21, the opposition FDI claimed Iran would carry out its first nuclear test before the Iranian new year, which falls on March 20.

### **Two days after Chancellor Merkel's visit, Deutsche Bank lowers its rating of the Israeli market**

**1 February:** Deutsche Bank is reported by DEBKAFfile's financial analyst as having lowered its recommendation for the Israeli market on Jan. 31, advising investors to devote a smaller percentage of their portfolios to Israeli companies. They explain this by concerns over the political and security situation in Israel and the region as a whole.

In contrast, Switzerland's UBS Bank maintained its "neutral" rating for the Israeli market and Standard & Poor left unchanged its A credit rating and stable forecast for Israel.

Deutsche Bank does not make decisions of this nature without being briefed by senior official circles in Berlin. Its decision was most probably influenced by the chancellor, Angela Merkel's impressions from her visits to Jerusalem and Ramallah earlier this week.

Another negative indication this week was the rise of the dollar past NIS 4.65, as foreign banks bought dollars and foreign investors withdrew shekels.

### **Olmert in Show of Strength against Amona**

**1 February:** Instead of letting litigation take its course and seeking common ground, the Olmert government deployed the toughest police anti-terror units in anti-riot mode to make an example of the unauthorized West Bank outpost of Amona on Wednesday, Feb. 1.

The brutality of the confrontation for demolishing nine houses was seen by all, hour by hour, over live television. Four-fifths of the 250 injured were protesters, many of them minors, and three parliamentarians who joined them. One-fifth of the injuries were suffered by police officers, who were pelted with stones, mud, paint-filled balloons and eggs.

Most of the injuries – head wounds and broken limbs - were inflicted by police when they stormed the barricaded houses, drove their horses against the demonstrators and laid about them with night sticks, hitting mostly 14-15-year old boys and girls and beating them to the ground.

All the reporters present noted the police had employed excessive, often unnecessary, force.

The Supreme Court in Jerusalem could have averted this brutal showdown.

The Binyamin Council offered a compromise whereby the home-owners would dismantle their own homes and relocate them at Ofra or alternatively raze them voluntarily. It might have provided a peaceful precedent for at least some of the 100 West Bank outposts declared unauthorized. However the Supreme Court dismissed this compromise appeal and upheld the state's case as it has done routinely since the summer evacuation of the Gaza Strip.

[\*Back to top\*](#)

---