

**INTERNATIONAL SECURITY / MIDDLE EAST UPDATE**  
**May 21 - 29, 2013**

1. [Kerry Unveils \\$4 Billion Investment Plan for Palestinians](#) (05-28-2013)
2. [U.S., EU Lead Global Nonproliferation, Biosurveillance Efforts](#) (05-28-2013)
3. [Kerry on Peace, Economic Development in Middle East](#) (05-26-2013)
4. [Obama Outlines Evolving U.S. Counterterrorism Strategy](#) (05-24-2013)
5. [Treasury Announces New Sanctions against Iran](#) (05-24-2013)
6. [Friends of Syria Press for Syrian Peace Conference](#) (05-22-2013)
7. [Pacific Commander: U.S., China Can Build on Common Ground](#) (05-22-2013)
8. [Polish, U.S. Air Forces Working Together](#) (05-21-2013)

-----

**1. [Kerry Unveils \\$4 Billion Investment Plan for Palestinians](#) (05-28-2013)**

By Phillip Kurata  
Staff Writer

Washington — Secretary of State John Kerry has announced a plan for private firms to invest \$4 billion in the Palestinian territories to contribute to a solution for the Israeli-Palestinian conflict.

In a speech at the World Economic Forum in Jordan May 26, Kerry said the investment could expand the Palestinian gross domestic product by as much as 50 percent over three years, cut unemployment from 21 percent today to 8 percent, and increase the median annual wage by as much as 40 percent.

“It is a plan for the Palestinian economy that is bigger, bolder and more ambitious than anything proposed since Oslo, more than 20 years ago now,” Kerry said. The Oslo accord of 1993 provided the framework for a two-state solution to the Israeli-Palestinian conflict.

The business leaders, working under the coordination of former British Prime Minister Tony Blair, are analyzing the opportunities to invest in tourism, construction, light manufacturing, building materials, energy, agriculture, and information and communication technology, Kerry said. The plan holds the potential to double or triple agricultural output, triple the tourism sector and generate more than 100,000 jobs in housing, much of which will have energy-efficient technology, he added.

“Ultimately, as the investment climate in the West Bank and Gaza improves, so will the potential for a financial, self-sufficient Palestinian Authority that will not have to rely as much on foreign aid,” Kerry said.

The secretary said a thriving Palestinian economy will provide the economic underpinning to support political negotiations for a peace settlement between the Israeli and Palestinian political leaders. “I’m happy to say that both Israeli Prime Minister Netanyahu and Palestinian President Abbas support this initiative,” Kerry said.

The secretary said a resolution of the conflict would bring enormous gains in the political and social environment of the region. “With renewed strength, the new neighbor states of Israel and Palestine could actually become another hub in the Middle East for technology, finance, tourism. Israel and Palestine and Jordan together could become an international finance center, attracting companies that simply won’t take that risk today.”

The secretary said the involvement of businesses along with governments in peace and development projects creates a new development model that could be applied to the Sahel, the Maghreb, the Arabian Peninsula and other places.

Kerry said good governance, security and economic opportunity are necessary not only for the resolution of the Israeli-Palestinian issue but also to meet the generational challenges of the future.

“It’s about whether the massive populations of young people, still growing, has hope that there is something better on the horizon,” Kerry said. “The public and private sectors alike have a fundamental responsibility to meet the demands of this moment.”

---

## **2. U.S., EU Lead Global Nonproliferation, Biosurveillance Efforts (05-28-2013)**

By Cheryl Pellerin  
American Forces Press Service

WASHINGTON, May 28, 2013 – As nuclear, biological and chemical threats continue to evolve worldwide, partnership between the United States and European Union countries to counter such threats remains critical, a senior Defense Department official said today in Helsinki.

Andrew C. Weber, assistant secretary of defense for nuclear, chemical and biological defense programs, spoke at a meeting of the Atlantic Council on U.S.-European Union cooperation in countering the use of weapons of mass destruction.

The Atlantic Council is a public policy institution founded in 1961 to promote transatlantic cooperation and international security.

“In the coming years,” Weber said, “our countries must continue to work together to raise safety and security standards, strengthen the Global Partnership and the Treaty on the Non-Proliferation of Nuclear Weapons, detect and report threats in real time, and promote disarmament.”

The Global Partnership Against the Spread of Weapons and Materials of Mass Destruction consists of 25 countries, including 12 members of the European Union, works to reduce the global risk.

Such threats, Weber added, “are evolving in ways that affect all of our countries.”

Increasing globalization, advances in dual-use technologies, and the emergence of new microbes and drug-resistant pathogens are complicating the ability to meet nonproliferation and counterproliferation goals, the assistant secretary observed.

Advances in technology and the work of illicit networks are making it easier for nonstate actors to access materials needed to produce weapons of mass destruction, he added, and the regimes in Syria and North Korea “are proving that we must maintain our focus on state-sponsored programs.”

The European Union and the United States have made firm commitments to addressing the full range of concerns about weapons of mass destruction, Weber said.

“As Finland’s 2012 Security and Defense Policy report points out,” he continued, “In the era of global challenges the EU and the United States, being close strategic partners, are expected to cooperate to achieve lasting solutions.”

Cooperation is especially important in addressing threats of this magnitude and complexity, he said. “As Finland’s defense policy report notes,” he added, “the U.S. administration believes strongly in using partnerships and cooperation to mitigate global threats.”

Weber called this a guiding principle for efforts to counter weapons of mass destruction threats.

In December, he noted, President Barack Obama said the Nunn-Lugar Cooperative Threat Reduction, or CTR, program to reduce nuclear, biological and chemical threats is one of the most important U.S. national security programs and a perfect example of the kind of partnerships needed to meet challenges that no nation can address on its own.

“For two decades, our cooperative threat reduction work focused on the former Soviet Union and on reducing nuclear threats. Since then, it has evolved both geographically and by focus area,” Weber said. That evolution, along with other collaborative efforts, is increasing the cooperative threat reduction focus on biological threats, he noted.

“The United States looks forward to working with international partners to launch, enhance and link global networks for real-time biosurveillance, expanding International Health Regulation capabilities across the globe and developing novel diagnostics,” he said, adding that many European Union countries with advanced biological-science sectors are helping to build global reporting networks.

Weber said that uniting the health, security and emergency-response sectors in the United States and European Union countries is critical to preparedness for any kind of threat.

“By applying this principal to our international partnerships, both the EU and the United States are contributing to more resilient communities around the world,” he added.

The European Union and the United States also lead the world on a path toward disarmament, the assistant secretary said, and strengthening the nonproliferation treaty and other nonproliferation initiatives remains a core principle of their defense strategies.

Weber recognized Finland’s leadership on this and its commitment to moving toward a weapons-of-mass-destruction-free zone in the Middle East. He also commended the efforts of Ambassador

Jaakko Laajava, Finnish undersecretary of state for foreign and security policy, to set the conditions for making this vision a reality.

“For the United States,” he said, “President Obama has set a bold vision for disarmament and continues to prioritize the Nuclear Security Summit process ... and established ambitious goals for a world safe and secure from biological threats.”

The assistant secretary quoted part of Obama’s 2012 address before the U.N. General Assembly: “We must come together to prevent and detect and fight every kind of biological danger -- whether it’s a pandemic like H1N1, or a terrorist threat, or a treatable disease.”

Under the president’s leadership, Weber said, “the United States now has national strategies for countering biological threats and advancing global biosurveillance capabilities.”

Biographies:

[Andrew C. Weber](#)

Related Sites:

[Special Report: Biosurveillance](#)

---

### **[3. Kerry on Peace, Economic Development in Middle East \(05-26-2013\)](#)**

*Remarks by Secretary of State John Kerry to Special Program on Breaking the Impasse, World Economic Forum, King Hussein Convention Center, Dead Sea, Jordan*

SECRETARY KERRY: Klaus, thank you very much for a very generous introduction. And it is wonderful to be here with all of you. I have enjoyed participating in the World Economic Forum for many years, as Klaus said in his introduction. And Klaus, I think everybody here joins me in thanking you for creating this remarkable and important institution. It gives people a great opportunity, and we thank you. (Applause.)

I want to thank – let me say, Mr. President Abbas and Mr. President Peres, thank you so much for those comments. I have an agreement here which you both can come up and sign if you want. (Laughter and applause.) We’ll get there, we’ll get there, we’ll get there.

Your Royal Highnesses and your Excellencies and distinguished many guests, I want to first begin just by expressing a very special thank you to His Majesty, King Abdullah. I think all of us are honored to be in a hall that is named after his father, who fought hard for peace, and I thank him for his leadership. I thank King Abdullah for his leadership on so many issues in the region. (Applause.)

It’s also very special for me to be here with President Peres. He is a great friend. For many years I have been meeting with him in Israel or elsewhere around the world, and I have long admired him for his remarkable, eloquent, and steady leadership. And thank you very much, Shimon, for what you do. (Applause.)

I’m also very, very pleased that President Abbas would be here and share his thoughts with us. He, too, is a friend who I have gotten to know better and better. We meet frequently now, and we all count on him to continue to be the essential partner for peace at this critical juncture. Thank you, Mr. President, for being here. (Applause.)

It's also a great pleasure to be in this remarkable country of Jordan, and I thank my counterpart Nasser Judeh, who had to get back to Amman. But I thank him for his hospitality always, but more importantly for his partnership as we navigate these tricky waters. And I want to say a special thank you to the Quartet Representative, former Prime Minister Tony Blair. (Applause.) He has never lost his passion for or interest in peace in this region. He has labored hard in these last years, and he is working diligently on a special project that I want to share with you in a few minutes.

I also want to acknowledge Chairwoman Kay Granger, who is here from the United States Congress. She is the Chairwoman of the Subcommittee on Appropriations, and believe me, folks, she is critical to all of us here. (Applause.)

I spent the last week traveling through the Middle East and Africa, and I have spoken with national leaders, business leaders, community leaders, and young people. I just had a session with young people at the University of Addis Ababa earlier this morning. And we talked with them, as I have talked with all of these leaders, about the enormous choices that are before us – weighty decisions that confront us in the aftermath of the Arab Awakening – decisions that we need to make and reach before the demographic tipping points just around the corner begin to overwhelm us.

No one doubts that this is a very complex moment in international relations. But still, I don't think that there is any secret about the conditions that are necessary for peace and stability to succeed. Those are: good governance, security, and economic opportunity. And so the real question for all of us, for President Abbas, President Peres, Prime Minister Netanyahu, all of us, is a very simple one: Will we, despite the historic hurdles, have the courage to make the choices that we know we need to make in order to break the stalemate and provide a change of life for people in this region?

How we answer that question will determine whether the popular revolutions that are transforming this region will indeed fulfill their promise. It will determine whether businesses and the booming youth populations across the Middle East and North Africa will realize their potential. It will determine whether we grasp the possibility of peace which I believe is actually within our reach.

I want to thank those who took part and are taking part and will continue to take part in the Breaking the Impasse. My good friends, Munib Masri, whom I have known and worked with and been to some of those private and quiet meetings with him in various places, and Yossi Vardi, thank you, both of you, for stepping up and being courageous. (Applause.) They represent a courageous and visionary group of people, civic and business leaders, Israelis and Palestinians who have I think the uncommon ability to look at an ageless stalemate and actually be able to see opportunities for progress.

And even as they found plenty to disagree on – and I understand they did in the course of their discussions – even as they fully understand the difficult history that is embedded in this conflict – they refuse to underestimate the potential for the future.

And that's because Breaking the Impasse's guiding principle is to respect the freedom and the dignity of all peoples.

I want you to think about that, and I want to put my comments about the peace process in a larger context, if I can for a minute.

As we all remember, it was the lack of that kind of basic respect that ignited the Arab Awakening. It started with a single protest – a street vendor who deserved the right to be able to sell his goods

without police interruption and corruption. And then it spread to Cairo, where young Egyptians used their cell phones and tweeted and texted and Googled and called and summoned people to the cause. And they used the social media to organize and demand more jobs, more opportunity, and the liberty to embrace and direct their own destiny. In doing so, these individuals and these individual acts embraced values that are so powerful that they, against all probability, removed dictators who had served for years. And they did it in a matter of days.

Now, of course, there are sectarian and religious and ideological motivations to many of today's clashes that have followed those events, but those events weren't inspired by religious extremism or ideological extremism. They were driven by motivation for opportunity and a future.

And what is fundamentally driving the demand for change in this region is, in fact, generational. It's about whether the massive populations of young people, still growing, has hope that there is something better on the horizon. It's about opportunity and it's about respect and it's about dignity.

And the aspirations that are driving the extraordinary transformations that began in Tunisia and Tahrir Square – the same ones that sparked what has unraveled into a brutal civil war with some sectarian overtones at this point, those aspirations aren't unique to any one country. They're universal. They have driven all of history.

So we ignore the lessons of the Arab Awakening at our own peril. And with an important part of the world upside down, it is imperative that all of us channel our creativity and our energy into making sure that people actually do have better choices.

The public and private sectors alike – and this is where you all come into this. The public and private sectors alike have a fundamental responsibility to meet the demands of this moment. And one can't do it without the other. We need you at the table, Munib and Yossi and all of you.

In fact, this moment is actually – this moment in history is actually one of the great stories of our time. But the ending remains unwritten, which is why what we're doing here is actually important. Insh'allah, we get to write that ending.

And how we do that is what I want to talk to you about here today. We have to remember that the choices being made – whether they're being made north of here in Syria, or south of here in Yemen, or just across the Jordan River in Jerusalem, or in Ramallah, or further west in Egypt, Libya, Tunisia – they all have something very important in common: They each offer two clear paths that really couldn't be more different one from the other, and they couldn't have more different consequences.

If we don't eagerly grab this moment, we will condemn ourselves to future conflict. We are staring down a dangerous path filled with potential violence, with the capacity to harden divisions, increase instability. And as most here are very, very aware, this will be a path that will be haunted by violent extremists who rush to fill the vacuum filled by the failure of leadership.

As King Abdullah said here yesterday, extremism has “grown fat” on conflict. If we make the wrong choices or no choices at all, dangerous people will come to possess more of the world's most dangerous weapons. We will face huge pressure on states from growing populations of refugees, just like the camps that are metastasizing just over here on the border of Jordan and Syria.

Now, everybody here knows it's not that governments or people will purposefully choose that option. That's not the concern. It's that by failing to choose the alternative and failing to take the risks for peace and stability, those with power will make the worst possibilities inevitable.

So what is the other alternative? Let me talk about that a little bit.

Governments need to pay attention to governance. They need to be open, transparent, and accountable to people. And they need to be seen implementing a vision that addresses the needs of their people – the needs to be able to work, to get an education, to have an opportunity to be treated with that dignity and respect that brought people to Tahrir Square and to so many other causes in this region.

Countries like Egypt, Libya and Tunisia need to make the right choices, and that is a combination of building capacity – capacity for governance, capacity for security which doesn't exist, capacity to provide jobs. They need to aggressively re-emerge into the global economic community.

And in making these choices, a significant part of the outcome of the Arab Awakening for certain will be defined by government, because the choices that government makes clearly will have an impact on the playing field. As Egypt moves toward the acceptance of the IMF and hopefully works to bring the opposition to the table, Egypt will be far stronger than if Egypt doesn't choose to do those things.

But the burden, I want you to know, does not just lie within palaces and parliaments. There is a huge role for business to play here and a huge opportunity for you to share in the success. No one here should underestimate the degree to which the private sector can promote change and force critical choices, as well as impact the actions of government. The fact is that good governance, peace, and economic development necessarily go hand-in-hand.

And that's why I believe it is time to put in place a new model for development. The old model is one that saw government make grants or give money government-to-government or invest directly in some infrastructure, some kind of public sector investment. The private sector pretty much did what the private sector thought was in the best interest of the private sector in terms of the bottom line. They did their own thing. And so while aid was government-to-government, there was a sort of division of responsibility, if you will.

In this new age, when there is such a greater amount of wealth, so much cash on the sidelines, and where we see so much pressure on governments in terms of their budgets, and where there is still such a great amount of great poverty, we need a new model for how we are going to bring order and open up the possibilities to the future. We need to partner with the private sector because it is clear that most governments don't have the money, and in certain places, the private sector actually has a greater ability to move things faster than government does. Government can facilitate. Government can leverage. And in fact, government has gained skills and knowledge about how to do that in ways that we never had 10, 15, 20 years ago. And we can do it with greater skill than ever before.

The greater Middle East and many of the countries experiencing the upheaval at this time need to seize on this new model because the task of building stability by creating millions of jobs is urgent for all of us.

Now, one thing I want to make crystal clear, and President Peres mentioned this in his comments: The Palestinian-Israeli conflict is not the cause of the Arab Awakening. But this fundamental principle of what economics can do to play a profound role in meeting the needs of both peoples is critical.

And that is what we're hoping to do now in the West Bank.

As I mentioned earlier, I have asked Quartet Representative Tony Blair and many business leaders to join together. And Prime Minister Blair is shaping what I believe could be a groundbreaking plan to develop a healthy, sustainable, private-sector-led Palestinian economy that will transform the fortunes of a future Palestinian state, but also, significantly, transform the possibilities for Jordan and for Israel.

It is a plan for the Palestinian economy that is bigger, bolder and more ambitious than anything proposed since Oslo, more than 20 years ago now. And this, the intention of this plan, of all of its participants, is not to make it merely transformative, but frankly, to make it enormously powerful in the shaping of the possibilities of the future so that it is more transformative than incremental and different from anything that we have seen before.

To achieve that, these leaders have brought together a group of business experts, who have donated their time, who have come from around the world over the course of the last six weeks to make this project real and tangible and formidable – as we say, shovel-ready. They have come from all over the world because they believe in peace, and because they believe prosperity is both a promise and a product of peace.

This group includes leaders of some of the world's largest corporations, I'm pleased to say. It includes renowned investors and some of the most brilliant business analysts out there – and some of the most committed. One of these senior business leaders actually just celebrated his 69th birthday in Jerusalem at the Colony Hotel after spending a 14-hour day in the West Bank trying to figure it out.

When others ask them, all of them, why they're here, doing this on their own time, the unanimous answer is: "Because we want a better future for both Israeli children and Palestinian children."

Their plan begins with encouraging local, regional and international business leaders to, and to encourage government leaders in various parts of the world. I raised this issue with the President of China, with the Prime Minister of Japan, with all of our European leaders, and everywhere – with the Brazilian Foreign Minister a few days ago, with the New Zealand Foreign Minister. All of them have on the tip of their tongues the idea that we can make peace in the Middle East and need to, and all of them are committed to be part of this effort in order to change life on the ground.

The fact is that we are looking to mobilize some \$4 billion of investment. And this team of experts – private citizens, donating their time – are here right now. They're analyzing the opportunities in tourism, construction, light manufacturing, building materials, energy, agriculture, and information and communications technology.

This group will make recommendations to the Palestinians. They're not going to decide anything. The Palestinians will decide that in their normal course of governance. But they will analyze and make recommendations on a set of choices that can dramatically lift the economy.

The preliminary results already reported to me by Prime Minister Blair and by the folks working with him are stunning: These experts believe that we can increase the Palestinian GDP by as much as 50 percent over three years. Their most optimistic estimates foresee enough new jobs to cut unemployment by nearly two-thirds – to 8 percent, down from 21 percent today – and to increase the median annual wage along with it, by as much as 40 percent.

These experts hope that with their plan in full force, agriculture can either double or triple. Tourism can triple. Home construction can produce up to 100,000 jobs over the next three years, and many of them would be energy efficient.

Ultimately, as the investment climate in the West Bank and Gaza improves, so will the potential for a financial self-sufficient Palestinian Authority that will not have to rely as much on foreign aid. So just think, my friends – we are talking about a place with just over 4 million people in a small geographic area. When you're talking about \$4 billion or more and this kind of economic effort, you are talking about something that is absolutely achievable.

I am happy to say that both Prime Minister Netanyahu and President Abbas support this initiative, knowing that just as people find the dignity in a good job, a nation finds pride by functioning and growing an economy that can stand on its own two feet. This will help build the future.

Now, is this fantasy? I don't think so, because there are already great examples of investment and entrepreneurship that are working in the West Bank.

So we know it can be done – but we've never experienced the kind of concentrated effort that this group is talking about bringing to the table.

Now, everyone here also knows how much more can be done if we lift some of the barriers to doing business, build confidence, bring people together. I just ask you to imagine the benefits from a new, open market next door, a new wave of foreign investment that could flow into both Israel and Palestine – and Jordan, and all of them share it.

The effect that could echo throughout the region, and if we prove that this can work here, that can become a model for what can work in other places that are facing similar confrontations.

So my friends, as we gather on the shore of the Dead Sea, a destination unlike any other destination in the world, it's worth noting the key role that tourism could play in all of this. It's just one element of the broad sector analysis that I talked about, but it is one of the best opportunities for both countries, for all of the region, for economic vitality and for worldwide use of its reputation.

Today, the Palestinian Authority – the Palestinian Territories attract fewer tourists than Yemen. Even Israel's tourism is not fully met. Until 2011, Egypt, Jordan and Syria all attracted significantly more tourists than Israel. And despite all the incredible rich archaeological and religious sites in Israel, Jordan, the West Bank, Gaza, together they still attract fewer tourists than the United Arab Emirates.

There is just no question whatsoever – ask Tony Blair, ask the people working on this effort – there is no question whatsoever that the powerful combination of investment in business and investment in peace – risks both worth taking – could turn all of this all around. Imagine a welcoming part of the world that boasts the Church of the Nativity in Bethlehem, the site of the Tomb of the Patriarchs and the Ibrahimi Mosque in Hebron, the Western Wall, the Dome of the Rock in Jerusalem, and more of the world's other great sites that have drawn tourists and religious pilgrims for centuries.

Most importantly, the success of this this new approach to development could, in fact, become its own example, its own model for the Sahel, for the Maghreb, for the Arabian Peninsula, and beyond. Foreign direct investment – private investment, leveraged investment, visionary investment – has the ability to be able to change the world.

Now, maybe you can get a sense that I actually believe in the potential that we have the power to unleash. But this effort – and this is critical, critical to what was said by both of our speakers before

– this effort is only part of the answer, and it will not blossom to its full potential without the other critical part of the equation.

As we learned in the Arab Awakening, as long as prospects for economic advancement remain weak, so do the prospects for peace and stability.

But the opposite is true. The economics will never work properly or fully without the political process. The economic approach is absolutely not – Mr. President Abbas, the economic approach is not a substitute for the political approach. The political approach is essential and it is our top priority. (Applause.) In fact, none of this vision – but it's good to have the vision, it's good to know where you want to go, it's good to know what's possible – but none of it will happen without the context of the two-state solution.

And the consequences of prolonging the status quo in the Israeli-Palestinian conflict is simply in no one's interest.

We are compelled to come here today to the Dead Sea in the contexts of Breaking the Impasse to ask: If we don't break the age-old deadlock, if we don't create the conditions for economic opportunity and responsive, representative governments, where does all this go?

The absence of peace is, in fact, perpetual war, even if it's low intensity. Are we ready? Do we want to live with a permanent intifada? Most important, the Palestinian Authority, to its credit and credit to the leadership of President Abbas, has taken great risks and invested deeply in a policy of nonviolence in a region where not a lot of people always adopt that in these circumstances. If this experiment is allowed to fail, what is going to replace it? (Applause.)

The truth is that when considering the security of Israelis or Palestinians, the greatest existential threat and the greatest economic threat to both sides is the lack of peace, and the ugly realities that are festering under the surface, capable of catching fire at any time. To not try to head these off would be tragic and it would be irresponsible.

Now, I have been around long enough and I have heard all the arguments against working for Middle East peace. It is famously reputed to be diplomatic quicksand. I am familiar with the cynicism and the skepticism. And after so much disappointment on all sides, I can understand exactly where it comes from.

So of course now, there is huge cynicism about this journey and it greets any push for peace. But cynicism has never built anything, certainly not a state. (Applause.) It is true that the challenge of peace is formidable. But let me say unequivocally: the necessity for peace is much greater.

Indeed, right now the strategic case for peace based on the two-state solution – a secure state of Israel and a viable, independent state of Palestine – the case for that has never been stronger. We talked earlier about the turmoil in the region. There is a reason for that discussion, because everyone feels the uncertainty and the instability as the Middle East slowly releases itself from the past and tries to forge a new and a democratic future.

It's now clear that the conflict between the Israelis and the Palestinians is not the cause, as I mentioned. But it's equally clear that the resolution of the conflict would bring enormous gains in the political and social environment of the region and help to symbolize and help to crystallize and help to advance the future of the entire region.

Most of all, those who suggest that a two-state solution is already a casualty of years of failed negotiation, and who say that we should search for a new and a different solution, my friends, they have noticeably failed to actually articulate one. And this is for a very simple reason: It is because there is no sustainable alternative solution that exists.

A greater Israel that would end up trying to swallow up the Palestinian people could only possibly survive in a state of institutionalized division and discord, a pale shadow of the democratic vision that motivated and animated the founders of Israel. (Applause.)

And any attempt by Palestinian politicians to wait out Israel in the hope that somehow, some day, the Israelis will just give up and go away, or that somehow they can win a one-state solution, that will only result in decades of futile confrontation and eventual disillusion, and perhaps worse, violence.

So we have no choice but to try again for peace and to find it. We have no alternative to its inevitable difficulty but of challenging and moving down that path. We have to go down that path. And we should negotiate, recognizing that despite all the frustrations, large majorities in the Palestinian Territories and in Israel both support a two-state solution. They support peace. (Applause.) What they need more than anything from all of us is a renewal of hope that peace can actually be achieved. Now, I am well aware that the credibility of anything that is called a “peace process” right now is at a very low base. I know that. I understand that.

But if we give up, we give to those who don't want reform, or who don't have the stomach to make the tough choices, an excuse for their own inaction. And two great peoples could come to be known not just for their proud cultures and their contributions to history, or their entrepreneurial energy, but they could come to be known for what they failed to do – or even worse, what they refused to do.

My friends, beyond all the strategies and all the maneuvering, all the politics, there really are some simple realities.

The second graders I have personally seen and met in Sderot, they shouldn't have to worry about running into a bunker as part of their school day in order to avoid rockets.

And the little girls that I saw playing in rubble in Gaza when I visited it four years ago, they should be able to grow up in a neighborhood where the playgrounds aren't made of debris, and their lives are not determined by terrorists in their midst.

And the shop owners that I met in Ramallah, some just the other day, they should know that their businesses can flourish without the restrictions that are placed on them, or without the threat of violence.

Time is not on anyone's side in this – (applause) – and changes on the ground could rob all of us of the possibilities of peace.

The leaders of the Arab Initiative, as have been mentioned earlier, with whom I met in Washington last month, moved and changed and offered an update of the Arab Peace Initiative, and they are committed to making a dramatic step towards peace.

And we all hope and pray that Prime Minister Netanyahu and President Abbas don't allow this conflict to outlast their administrations.

Negotiations can't succeed if you don't negotiate. We are reaching a critical point where tough decisions have to be made. And I just ask all of you to keep your eyes focused on what can really be done here. Think of all that can change. That's what should motivate us. With renewed and normal relations between Israel and the Arab nations, we could end the regional boycott of Israeli goods. New markets would open up and would connect to one another, and jobs would follow in large numbers.

With renewed strength, the new neighbor states of Israel and Palestine could actually become another hub in the Middle East for technology, finance, tourism. Israel and Palestine and Jordan together could become an international finance center, attracting companies that simply won't take that risk today.

With a bold, fresh approach like the West Bank project that Tony Blair is heading up and that we discussed earlier, other things can develop here.

In the end, the only way for Israel to survive and thrive as a secure, Jewish, democratic and economically successful state is through the realization of an independent and viable Palestine.

And the only way Palestinians will obtain their sovereignty and the opportunity that comes with it is through direct negotiations with Israelis for a solution of two states for two peoples.

And I say to you, President Abbas: No one is talking about temporary borders. We are talking about an end-of-conflict, end-of-claims peace. (Applause.)

So I come here today to say at this important gathering on Break the Impasse that President Obama is deeply committed to this solution. That is why he came to Israel in an effort to try to open up the people's minds and hopes and ideas about those possibilities of peace. And I believe that people in both places responded to his call for action.

The only way that both states can succeed side-by-side is with the kind of work that we're doing here today and the kind of work that must go on in these next months in negotiations.

The true significance of the Arab Awakening isn't about what was torn down, but it's about what the people of this region can now choose to build up.

Similarly, the story of the stalemate between Israelis and Palestinians simply can no longer be about all the times that we have been let down by failed efforts. It has to be about the very real ways that we can lift people up, create opportunity, and create the conditions for peace.

I think everybody here believes in this possibility. And standing here with you at the lowest point on earth, I believe we can actually reach for the heights. And I hope we will get about the business of doing it.

Thank you. (Applause.)

Related Articles:

[Kerry Urges Israeli, Palestinian Leaders to Restart Peace Talks](#) (05-24-2013)

---

#### **4. Obama Outlines Evolving U.S. Counterterrorism Strategy (05-24-2013)**

By Merle David Kellerhals Jr.  
Staff Writer

Washington — Saying that America is at a crossroads, President Obama outlined an evolving counterterrorism strategy aimed at threats that are lethal yet less capable, at threats to U.S. diplomatic and business interests abroad and at homegrown threats.

It means striking a crucial balance, the president said, between the essential mission to protect the American people from attack, which is the core mission of the U.S. government, while also upholding the nation's most fundamental beliefs in an individual's constitutionally guaranteed civil liberties and the democratic foundation of the rule of law.

"With a decade of experience now to draw from, this is the moment to ask ourselves hard questions about the nature of today's threats and how we should confront them," Obama said in a much-anticipated May 23 speech at the National Defense University at Fort McNair in Washington.

"We must define the nature and scope of this struggle, or else it will define us," he said.

As military operations wind down in Afghanistan through 2014, the United States must define its effort not as a boundless "global war on terrorism," but as a series of persistent, targeted efforts to dismantle specific networks of violent extremists that threaten America, Obama said.

A significant aspect of the best counterterrorism strategy in the past 12 years is cooperation that has resulted from the gathering and sharing of intelligence and the arrest and prosecution of terrorists worldwide, the president said. This involved extensive cooperation from partners and allies in every region of the world.

The United States will continue to aggressively counter terrorists and terrorist groups by leveraging effective global partnerships. The U.S. response cannot depend on military or law enforcement actions alone, he said, but an array of actions involving partners and other nations.

Secretary of State John Kerry said the president's clear strategy will help to ensure that the United States is meeting the ever-evolving threats to national security at home and abroad. "The struggle against extremism has evolved enormously in the nearly 12 years since 9/11 the September 11, 2001, terrorist attacks and so too must our defenses," Kerry said.

Obama told the audience of civilian and military leaders in a televised address that no president can promise the total defeat of terrorism: "We will never erase the evil that lies in the hearts of some human beings, nor stamp out every danger to our open society.

"But what we can do, what we must do, is dismantle networks that pose a direct danger to us, and make it less likely for new groups to gain a foothold, all the while maintaining the freedoms and ideals that we defend," he said.

Decisionmaking, the president said, must be made not out of fear, but from hard-earned wisdom learned in more than a decade of struggle and understanding of the current threats.

The first objective, Obama said, is to complete the mission of defeating the threat posed by al-Qaida and its associated forces. A significant part of that is completing the transfer of security operations

in Afghanistan to the Afghan National Army and police forces by the end of 2014 in a mutually agreed transfer.

The United States will continue to build on global networks in intelligence gathering, law enforcement, the prosecution of terrorists, and military measures where needed. At its core, the United States prefers the arrest, trial and imprisonment of terrorists, but at times that avenue is closed to authorities, the president said.

The evolving counterterrorism strategy also contains guidance that imposes stricter standards on the use of airstrikes from remotely piloted aircraft, commonly known as drones. The strategy strengthens clear guidelines, oversight and accountability on their use contained in a new Presidential Policy Guidance Directive that Obama signed May 22 on the use of lethal actions against terrorists and terrorist groups.

The president also emphasized his intention to close the military detention center at the U.S. naval base at Guantánamo Bay, Cuba. The detention center currently houses 166 detainees. About half have been cleared for return to their home countries, and some will face civil or military trials.

When Obama entered the White House in 2009 he transferred 67 detainees to their home countries or other nations that agreed to accept them as part of his stated goal to eventually close the detention center. Congress imposed legislative restrictions that prevented the further transfer of detainees, the president said. Former President George W. Bush, during two terms in office, transferred some 530 detainees from the facility.

“Where appropriate, we will bring terrorists to justice in our courts and our military justice system,” Obama said. “And we will insist that judicial review be available for every detainee.”

As the United States commits to closing the Guantánamo Bay detention facility, Obama said, issues that remain on what to do with those detainees who have participated in dangerous plots or attacks but cannot be prosecuted will be resolved consistent with the American commitment to the rule of law.

Additionally, Obama said, the U.S. strategy involves addressing the underlying grievances and conflicts that feed extremism from North Africa to South Asia. Success, the president said, depends on sustained diplomatic engagement and assistance. Foreign aid amounts to less than 1 percent of the annual U.S. budget and is fundamental to national security, he added.

“For what we spent in a month in Iraq at the height of the war, we could be training security forces in Libya, maintaining peace agreements between Israel and its neighbors, feeding the hungry in Yemen, building schools in Pakistan, and creating reservoirs of goodwill that marginalize extremists,” Obama said. “That has to be part of our strategy.”

Secretary Kerry said diplomacy and security are not at cross purposes. He said building people-to-people relationships is an essential component of U.S. national interests because it means the United States can solve problems before they reach military crises.

Obama said targeted action against terrorists, effective global partnerships, diplomatic engagement and foreign assistance, in a comprehensive strategy, can reduce the chances of large-scale terrorist attacks on the U.S. homeland and reduce threats to Americans living and working abroad. But the United States also must address the challenge posed from terrorist attacks emanating from within the country’s borders, he added.

Defense Secretary Chuck Hagel said in a statement that he has already begun directing the Defense Department to work closely with other U.S. agencies and allies to implement the president's counterterrorism guidance, including efforts to close the Guantánamo detention facility.

Related Sites:

[Transcript](#)

Related articles:

[Obama Delineates Counterterrorism Policy](#)

[Hagel Directs DOD to Implement Obama's Guidance](#)

[Obama Vows to Close Guantanamo Detention Facility](#)

[Facts on President Obama's Speech on Counterterrorism](#)

[Facts on U.S. Counterterrorism Operations Outside U.S.](#)

---

## **[5. Treasury Announces New Sanctions against Iran \(05-24-2013\)](#)**

Washington — The U.S. Department of the Treasury took action May 23 against 20 individuals and entities for their involvement in Iran's nuclear and missile proliferation networks and Iran's continued attempts to circumvent sanctions.

These networks are responsible for moving supplies and providing essential services to Iran's clandestine nuclear and weapons programs, Treasury said in its announcement of the new sanctions. These actions are designed to increase pressure on the Iranian regime by tightening sanctions against Iran's energy sector and exposing key proliferation-related networks that span the globe from Europe to Asia, the department added.

"As long as Iran continues to pursue a nuclear and ballistic missile program in defiance of multiple U.N. Security Council resolutions, the U.S. will target and disrupt those involved in Iran's illicit activities," said Treasury Under Secretary for Terrorism and Financial Intelligence David S. Cohen. "We will continue to work with our international partners to intensify this pressure and tighten sanctions on Iran's energy sector as it provides much needed financial support for the Iranian regime's proliferation activity."

Fourteen of the entities and individuals are part of Iran's international procurement and proliferation operations, the department said. These designations are being made under Executive Order (E.O.) 13382, which targets weapons of mass destruction proliferators and their supporters.

The designations focus on entities and individuals supporting previously designated entities within Iran's proliferation network as well as Iran's Islamic Revolutionary Guard Corps (IRGC), Naftiran Intertrade Company (NICO), and Iran's Ministry of Defense for Armed Forces Logistics (MODAFL). These organizations are at the center of Iran's continued proliferation activities, Treasury said. The designations include companies supporting IRGC attempts to clandestinely ship illicit cargo around the world, including to Syria. They also target the deputy defense minister and dean of Malek Ashtar University, who is responsible for significant contributions to Iran's missile program, as well as companies and individuals supporting Iran's nuclear program, Treasury said.

Treasury also is identifying Seifollah Jashnsaz, chairman of NICO and director of Hong Kong Intertrade Company and Petro Suisse Intertrade Company SA, as well as five individuals holding other leadership positions in Iran's energy sector. Treasury said these individuals have been involved in Iranian attempts to evade international sanctions and work for the National Iranian Oil Company (NIOC), NICO, and previously-identified Iranian front companies. Specifically, Treasury

said they are being identified as subject to sanctions under E.O. 13599, which, among other things, targets the government of Iran and persons acting for or on behalf of the government.

In 2008, the Treasury Department identified NIOC and NICO, both centrally involved in the sale of Iranian oil, as entities that are owned or controlled by the government of Iran. Additionally, NIOC was determined to be an agent or affiliate of the IRGC in November 2012 and NICO was designated in April 2013 for being owned or controlled by NIOC. To prevent the circumvention of the international community's sanctions on oil trade with Iran, the Department of the Treasury later identified, among others, Switzerland-based Petro Suisse Intertrade Company SA, United Arab Emirates-based Asia Energy General Trading LLC, and Hong Kong-based Hong Kong Intertrade Company as front companies for NIOC or NICO.

U.S. persons are generally prohibited from engaging in any transactions with the entities and individuals listed and any assets of those persons subject to U.S. jurisdiction are frozen. Additionally, the May 23 designations under E.O. 13382 carry consequences under the Comprehensive Iran Sanctions, Accountability, and Divestment Act of 2010 (CISADA). Foreign financial institutions that knowingly facilitate significant transactions or provide significant financial services for these sanctioned entities or individuals are exposed to potential loss of access to the U.S. financial system.

The IRGC continues to be a primary focus of U.S. and international sanctions against Iran because of the central role it plays in Iran's ballistic missile and nuclear programs and its involvement in serious human rights abuses, Treasury said. The IRGC was designated under E.O. 13382 in October 2007 for having engaged in proliferation-related activities.

Iran Air was designated under E.O. 13382 in June 2011 for providing support and services to IRGC, MODAFL and Iran's Air Aerospace Industries Organization (AIO). The Treasury Department designated several individuals and entities that have provided support to Iran Air and are part of an Iran Air aircraft procurement and support network. This network is also related to Mahan Air and the IRGC-Qods Force and has provided the support needed by these airlines to continue their operations. These activities have included ferrying military and crowd-control equipment to the Assad regime as it carries out its campaign of violence against the people of Syria, Treasury said. Mahan Air was designated under E.O. 13224 for providing financial, material and technological support to the IRGC-QF.

Three Iran-based companies designated May 23 have an international footprint — Aban Air, DFS Worldwide and Everex — and are actively assisting Iran Air by providing it with financial services, aviation-related procurement and freight forwarding, Treasury said.

Also designated were senior officials of the three companies.

More information on the designations is available on the [Treasury Department website](#).

---

## **6. Friends of Syria Press for Syrian Peace Conference (05-22-2013)**

By Phillip Kurata  
Staff Writer

Washington — Secretary of State John Kerry met in Amman, Jordan, with the foreign ministers of 10 countries in Europe and the Middle East to plot a common course aimed at convening an international conference in Geneva to end the war in Syria.

“All the partners come here to meet this evening with the goal of putting an end to the bloodshed that has cost tens of thousands of lives,” Kerry told reporters in Amman May 22.

Gathering with Kerry were his counterparts from Jordan, Turkey, Saudi Arabia, the United Arab Emirates, Qatar, Egypt, Bahrain, France, Germany and Italy. The 11-member group, known as the Friends of Syria, supports the Syrian opposition in its struggle to drive the Syrian regime of President Bashar al-Assad from power.

More concretely, the members of the Friends of Syria want to convene a conference in Geneva to establish a transitional government “by mutual consent with full executive authority,” Kerry said.

The secretary said the effort to convene the conference and establish a transitional government may fail, but an attempt must be made because of the horrible consequences of continued war.

“There will be more foreign fighters, there will be more extremists, there will be more danger to the volatility to the region. There may be more ethnic cleansing, more massacres. Syria may break up into different parts. Nobody will benefit from that continued struggle,” Kerry said. “The Geneva process is a better alternative than doing nothing.”

Kerry earlier visited Moscow, where Russian President Vladimir Putin said his government would support a Geneva conference. Russia is an ally and supplier of weapons to the Assad regime. Kerry said that fighters from the Lebanese militia Hezbollah and Iranians also are in Syria supporting the regime.

Kerry made it clear that President Obama does not intend to put U.S. forces on the ground in Syria but will support the Syrian opposition in other ways. The Obama administration “has taken no options off the table with respect to how that support may be provided or what kind of support it may be,” he said.

Jordanian Foreign Minister Nasser Judeh said his government has been reluctant to arm the Syrian opposition forces because of fears that some of them may be extremists.

“The presence of extremist organizations and non-Syrian fighters on the ground is of concern to many of us,” Judeh said. He said Jordan wants to avoid the possibilities of the war spilling into Lebanon or causing the breakup of Syria.

“We are indeed concerned of these potential dangers, and we’re certainly trying to resolve them through this diplomatic and political effort,” Judeh said.

Kerry said that if the attempt to convene a Geneva conference fails, then the Friends of Syria will continue to support the opposition in its fight for Syria’s freedom. He said with 70,000 people dead from fighting inside Syria and hundreds of thousands of Syrian refugees in neighboring countries, the humanitarian crisis is among the largest in recent memory.

Related Articles:

[Kerry at Meeting in Jordan on Syria](#)

[State Dept. Official on Friends of Syria Meeting](#)

[Statement from 11 Nations at Meeting in Jordan on Syria](#)

---

## **7. Pacific Commander: U.S., China Can Build on Common Ground (05-22-2013)**

By Donna Miles  
American Forces Press Service

WASHINGTON, May 22, 2013 – The United States and China, by increasing their dialogue and engagement, can build a foundation of trust while fostering regional security and prosperity, the top U.S. commander in the region said yesterday.

“While competition between the United States and China is inevitable, conflict is not,” Navy Adm. Samuel J. Locklear III, commander of U.S. Pacific Command, told members of the National Committee for U.S. China Relations in New York.

“This means identifying strategic areas where our two countries can cooperate, while recognizing frankly and openly the areas where we will continue to differ, and to manage those,” he said. “Our approach is to manage the friction and disruptive competition and increase areas of congruence and cooperation between our two nations.”

Locklear encouraged the China experts to envision a future in which “the U.S. and China collaborate to build upon an existing Indo-Asia-Pacific community of peace and prosperity.”

Reaching that goal, he said, requires recognizing, understanding and managing areas of divergence that could disrupt the security environment. These range from China’s concerns that the U.S. strategic pivot to the Asia-Pacific region is designed to contain China’s rise to differences in how the two countries view the maritime global commons and the lack of common ground on behavior in cyberspace.

Locklear emphasized that the rebalance is a whole-of-government strategy, recognizing that “the United States’ success in the 21st century will, to a large extent, depend on what happens in this critically important region of the world.”

Based on a strategy of collaboration and cooperation, the rebalance acknowledges the reality that the United States’ future is “inextricably linked” to Asia’s, he said. And one of the fundamental goals in implementing it is to build a “stable, productive and constructive relationship with China,” he added.

Despite many areas of divergence between the two countries, Locklear said, he believes they’re outweighed by areas where the United States and China share common interests.

“First, it is my belief that neither of our two nations desire conflict, especially armed conflict,” he said.

But both countries must also recognize the major roles they both play in the region, he said. “The Pacific is big enough for all of us,” Locklear told the group, borrowing a quote from both former Secretary of State Hillary Rodham Clinton and Chinese President Xi Jinping.

Nowhere is this more evident than in the United States’ and China’s economic relationship -- one that Locklear said draws them together and positively affects the entire region.

The admiral noted other promising developments that are solidifying this foundation: China’s growing participation in the international community, its commitment to a denuclearized Korean Peninsula and its efforts to address HIV/AIDS and pandemic diseases, among them.

Meanwhile, China is demonstrating “a real appetite to deepen the military-to-military dialogue and build on those areas on which we converge,” Locklear said. The goal, he said, is to continually improve the channels of communication and to demonstrate practical cooperation on issues that matter to both sides.

Gen. Fang Fenghu, China’s top military officer, identified counterterrorism, antipiracy, humanitarian assistance and disaster relief, logistics and military medicine as potential areas of cooperation during a visit to Beijing by Army Gen. Martin E. Dempsey, chairman of the Joint Chiefs of Staff.

Looking to the future, Locklear said, it’s vital that both China and the United States recognize their responsibilities as regional and global leaders.

“We must move beyond our individual differences to bring consensus to issues that threaten regional stability and future prosperity,” he said. That includes partnering with other nations to address regional security challenges such as piracy, terrorism, proliferation and pandemic disease.

Secondly, he said, the two countries must work together and with the international community to ensure access to the shared domains through universally accepted standards. This extends from the maritime domain -- and territorial disputes in the South China and East China Seas -- to the cyber and space domains, where they can play a role in helping to establish worldwide standards and practices, he said.

Also key, Locklear said, is China’s increasing participation in regional military-to-military engagements. He cited progress in the Military Maritime Consultative Meeting and other forums, and China’s agreement to take part in the next Rim of the Pacific international maritime exercise.

These engagements help to build trust and mutual understanding and, ultimately, reduce the likelihood of miscommunication and miscalculation that could derail forward progress, Locklear said.

“I believe the best hope for sustained bilateral cooperation will come from strategically identifying those areas where our interests overlap and building, over time, greater understanding and trust between our two armed forces,” the admiral said.

Biographies:

[Navy Adm. Samuel J. Locklear III](#)

Related Sites:

[U.S. Pacific Command](#)

[Special Report: U.S. Pacific Command](#)

---

## **8. Polish, U.S. Air Forces Working Together (05-21-2013)**

By Kenya Shiloh  
52nd Fighter Wing Public Affairs

Lask Air Base, Poland — Nearly 100 airmen with the Wisconsin Air National Guard arrived at Lask Air Base, Poland, to train with the Polish air force.

The event is geared toward enhancing the skills of U.S. and Polish F-16 Fighting Falcon pilots as they conduct simulated air-combat scenarios with other aircraft, including MiG-29s and Su-22s.

“We brought six F-16s here to work on a partnership-building opportunity with the Polish air force,” said Lieutenant Colonel Brian Parker, commander of the Wisconsin Air National Guard’s 176th Fighter Squadron.

“We’re doing things like air combat maneuvers, basic fighter maneuvers and tactical intercepts,” Parker said. “It’s a building-block approach, so we’ll start out with the basics and increase the tactics as we go through the two weeks.”

The operations, maintenance and support airmen were able to start flying missions shortly after arrival thanks to the enduring presence of the 10 members of the U.S. Air Force’s Aviation Detachment 1, who are stationed at Lask Air Base.

“We have everything we need,” Parker said. “The support structure is completely in place. Having an aviation detachment here that helps with the long term coordination of rotating fighter units like ours through here is set up to have a seamless operation. ... We were able to start flying operations from Day One flawlessly.”

According to Parker, flying operations are going quite well. After completing the first two missions, U.S. and Polish pilots were able to come together to discuss the differences in their tactics. What they learned was that although each country’s tactics are slightly different, they were able to mesh them together so that they’re transparent as they continue to fly over the next two weeks.

Polish air force Colonel Krystian Zięć, 32nd Tactical Air Base commander, said this is a unique opportunity for the United States and Poland to strengthen interoperability as NATO allies.

“Frankly speaking, the U.S. Air Force, as far as I’m concerned, is the best air force in the world,” Zięć said. “If we have the opportunity to fly and train, we want to do that with the best.”

Zięć said building a partnership with countries like Slovakia, Hungary, Bulgaria, Romania and Croatia will make forces stronger.

“If we need a huge coalition going somewhere to make peace, we’re going to have some good quality aircraft,” he said. “Therefore, what we do here is important, because we are bringing the quality to a higher level.”

This is the first rotation of fighter aircraft for Aviation Detachment 1, or Av-Det, and its second visit overall since it was established in late 2012. The first unit to train here under the Av-Det was a U.S. Air Force cargo aircraft unit based at Ramstein Air Base, Germany, which arrived in February.

“What we want to do is lay the foundation with one of our staunchest allies,” said U.S. Air Force Major Matthew Spears, the Av-Det commander. “We’ve trained together and we’re now prepared to fight together. It’s this type of training that takes place, having airmen on the ground interacting day-in-and-day-out, that really strengthens that partnership.”

The next fighter rotation is scheduled to take place in July, when a U.S. Air Force F-16 unit from Aviano Air Base, Italy, will travel to Poland to conduct air-to-ground training with their Polish counterparts.