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(Foreign Affairs Subcommittee)

Reference: Australia's relations with the Middle East

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JOINT STANDING COMMITTEE ON FOREIGN AFFAIRS, DEFENCE AND TRADE

Foreign Affairs Subcommittee

Monday, 24 July 2000

Members: Senator Ferguson *(Chair)*, Senators Bourne, Calvert, Chapman, Cook, Gibbs, Harradine, Sandy Macdonald, O'Brien, Payne, Quirke and Schacht and Fran Bailey, Mr Baird, Mr Brereton, Mrs Crosio, Mr Laurie Ferguson, Mr Hawker, Mr Hollis, Mr Jull, Mrs De-Anne Kelly, Mr Lieberman, Mr Martin, Mrs Moylan, Mr Nugent, Mr O'Keefe, Mr Price, Mr Prosser, Mr Pyne, Mr Snowdon, Dr Southcott and Mr Andrew Thomson

Subcommittee members: Mr Jull *(Chair)*, Senator Gibbs *(Deputy Chair)* Senators Bourne, Calvert, Chapman, Ferguson, Quirke and Schacht and Mr Brereton, Mrs Crosio, Mr Laurie Ferguson, Mr Hawker, Mr Hollis, Mr Lieberman, Mr Martin, Mr Nugent, Mr Price, Mr Pyne, Mr Snowdon, Dr Southcott and Mr Andrew Thomson

Senators and members in attendance: Mrs Crosio, Mr Jull and Mr Pyne and Senator Quirke

Terms of reference for the inquiry:

To inquire into and report on Australia's relations with Middle East nations and the Gulf states, with particular reference to:

- Opportunities and impediments to expanding Australia's trade relationship with the Middle East and the Gulf states;
- Australia's contribution to the Middle East peace process, and the prospects for resolution of the Arab-Israeli conflict;
- The role of the United Nations, and Australia's involvement, in promoting regional stability for the Middle East and the Gulf states, including consideration of the United Nations weapons inspection program and the impact on Iraq of internationally-applied sanctions;
- Australia's defence relationship with the Middle East and the Gulf regions, and the scope for promoting Australia's strategic interests;
- The impact of destabilising influences in the region including the potential production of weapons of mass destruction;
- Progress on the adoption of human rights principles in the region; and
- Social and cultural linkages, given the levels of migration to Australia from the Middle East and some Gulf states and with particular reference to the Australian aid program towards the Middle East and the training programs for students from the region.

WITNESSES

Subcommittee met at 9.15 a.m.

TASHKOFF, Ms Stephanie Fern, World Mission Development Officer, Uniting Church in Australia (Victoria)

ZIRNSAK, Dr Mark Andrew, Social Justice Development Officer, Justice and World Mission Unit, Uniting Church in Australia (Victoria)

CHAIR—On behalf of the Foreign Affairs Subcommittee of the Joint Standing Committee on Foreign Affairs, Defence and Trade, I declare open this public hearing in Melbourne. Two hearings of the subcommittee's review of Australia's relations with the Middle East were held in Canberra in June, and today we begin two days of hearings in Melbourne followed by two days of hearings in Sydney. In today's evidence, we will hear from a range of organisations whose representatives will discuss Australia's links with the Middle East from a variety of perspectives. On behalf of the subcommittee, I welcome the Uniting Church in Australia, represented by Dr Mark Zirnsak and Ms Stephanie Tashkoff. The subcommittee prefers that all evidence be given in public but should you at any stage wish to give any evidence in private you may ask to do so and the subcommittee will give consideration to your request. Although the subcommittee does not require you to give evidence on oath, I should advise you that these hearings are legal proceedings of the parliament and therefore have the same standing as proceedings of the House itself. I now invite you to make a short opening statement, if you wish, before we proceed to questions.

Ms Tashkoff—First of all, I would like to thank the subcommittee for inviting us to have this opportunity and for meeting with us. I will begin by simply providing a little information that has developed since the submission. One of the references I made in the report was to the Sabeel Ecumenical Liberation Theology Center in Jerusalem. I am referring specifically to the Israeli-Palestinian peace process in this regard. Just recently, they have published a document, which I have made copies of for the benefit of the subcommittee, which they believe gives principles for a just peace. I simply want to draw that to the subcommittee's attention and give the examples I have referred to within the report, given today's information about the Pope's wishes for international involvement in the sharing of Jerusalem between the various parties, particularly pertaining to the holy sites of not just the Christian faith but the three faiths in Jerusalem.

One of the particular points to make in this regard is about the international legitimacy of these arguments—that in fact the principles which both Sabeel and the Uniting Church have noted are consistently repeated in United Nations General Assembly resolutions. They call for the right of return, for Palestinian refugees who have left that area to go back to Jerusalem and other areas of Palestine, as well as for Palestinians and Israelis to share the land of that area. Given that the two leaders of those particular bodies, both the Palestinian Authority and the Israeli state, are continuing their attempts to find some sort of resolution, I think it is pertinent to both this inquiry and our submission that I bring this before the subcommittee.

Dr Zirnsak—I will discuss the issue of Iraq sanctions. As you would be aware from our submission, we strongly urge the Australian government to remove its support for the economic sanctions that are being applied to Iraq. We do not oppose sanctions which would strictly target

those items intended solely for military purposes but merely the economic sanctions being imposed that are causing such death and suffering within Iraq among the civilian population. We think the subcommittee should consider only two questions on this issue. The first is: are the economic sanctions on Iraq causing substantial suffering and deaths within Iraq? The second is: is it ever justifiable to kill civilians as leverage on a rogue state in order to seek compliance with the wishes of the international community?

The answer to the first question, we would put to you, is that clearly there is no doubt about the level of suffering and deaths that is occurring in Iraq. By the UN's own figures, perhaps one million to 1.5 million civilians have died as a result of the sanctions, and we would suggest that both the United Nations Security Council and Saddam Hussein's regime bear responsibility for those deaths and that suffering. The point we wish to make is that, if the United Nations Security Council were to completely remove the economic sanctions, it would therefore remove its part in that suffering and those deaths. We believe that could happen without any substantive additional risk of Saddam Hussein's regime being able to develop weapons of mass destruction through the maintenance of sanctions which would target only military goods.

As for the second question, 'Is it ever justifiable to kill civilians as a means of leverage?' we think the answer has to be a clear, 'No.' It is clearly a violation of both international human rights standards and international humanitarian law. Therefore, any argument about whether the sanctions are effective or whether they are assisting in preventing weapons of mass destruction really does not need to be considered, because even to entertain such an argument works on the basis that you could possibly answer 'yes' to the notion that it is justifiable to kill civilians as a means of leverage. We also would hope that the majority of Australians would reject the notion of world security built upon such measures. We believe very strongly that the majority of Australian civilians would not support the deaths of hundreds of thousands of Iraqi civilians as a means of trying to secure world security. That said, the sanctions appear to have had a minimal impact upon getting Saddam Hussein's regime to comply with UN Security Council resolutions, especially when some members of the Security Council have made it quite clear publicly that they are using the sanctions as a means of trying to overthrow Saddam Hussein's regime directly. This does not give his regime much incentive to work with the Security Council on that issue.

CHAIR—Stephanie Tashkoff, you in fact have spent some time in the Palestinian territories. Have you much hope for their future?

Ms Tashkoff—That is a question that makes me pause and think. One of the issues for me is that while I was there, there were some quite dreadful incidents, including the killing of a national leader, Israel's Prime Minister. There were bus bombings and deaths in prisons under both the Palestinian Authority's and the Israeli state's control. But, at the same time, there were many efforts by people on both sides of the equation to find some way of living together, and I think the reality is that there has to be an acknowledgment on both sides of what has happened and what has gone before. There also has to be a recognition that some sort of binational state or two states sharing some sort of federation or confederation can be the only solution. At one stage, I thought there would have to be a complete separation in order for people to have some sense of moving ahead but the Oslo process has not led to the establishment of a self-sufficient Palestinian entity. I think the reality—and it is a hopeful one—is that there needs to be a way

forward to separate entities that do have some sort of confederation, and Jerusalem needs to be a shared entity. In reality it is already. It is simply that the Palestinians living in East Jerusalem are under the military control of the Israeli state.

CHAIR—Economically though, the future for the proposed Palestinian state would not be regarded as terribly bright. I noticed in your submission that one of the things you are pointing to is the establishment of some reasonably major trade links between Australia and the proposed Palestine. I wonder if you can expand on that. What areas of opportunity are there?

Ms Tashkoff—Before I answer that, I would like to specifically point out that Israel and Palestine have a mutual dependency, with workers being required by the state of Israel from within the Palestinian Authority, the Gaza Strip and the West Bank. A ready supply of cheap labour has been a longstanding need. I will go back to your question about the areas of trade. In the area of Melbourne that I live in, Moreland City Council, they have developed trade links simply in terms of acknowledging the intellectual and academic exchanges that can take place. That has been one way that IT developments can come out of such exchanges. One of the realities about the Palestinian people is that, while they have not had a country per se, they have been able to put a huge amount of resources into developing their intellectual capacity, so in a small group of people you will find an overwhelming proportion of PhDs and higher academic qualifications. That is one area, although it is not trade per se, where there can be that sort of exchange.

Mrs CROSIO—Can I take you back to one of your previous answers. When were you last there?

Ms Tashkoff—I last visited there in January 1999. I lived there for two years between 1995 and 1997.

Mrs CROSIO—So you had the opportunity to see first-hand all the settlements that are still being built around the perimeters of the different areas?

Ms Tashkoff—Indeed. It is very clear—and I think I refer to this in my submission—that Jerusalem has been strategically surrounded by settlements that are still increasing. The services that are provided by the municipality within the Jerusalem settlements are much greater than, say, those provided to the Palestinian villages within the Jerusalem boundaries.

Mrs CROSIO—You were also able to witness what is a continual complaint from the Palestinians on the outside: that their obligations of building and everything like that are much worse than they were in the inner part of it.

Ms Tashkoff—Indeed.

Mrs CROSIO—Can I take you back a little bit. I was rather disturbed that you mentioned on page 14 of your submission the mental health of the people of Gaza, particularly children. Would you like to elaborate a little bit on that? I, too, visited the Gaza, but I am wondering, as you were concerned, where you found that and how that occurred.

Ms Tashkoff—One of the realities is that, when you have a whole population of people who are basically, as they say, in a big prison, there is initially the whole sense that you do not have any freedom of movement. You can move around within the Gaza Strip, but only in the 60 per cent that is under Palestinian control. Of the one million Palestinians within the Gaza Strip the vast proportion, something like 60 per cent of the population, is under the age of 20. They have only known either Israeli occupation and the violence of the military occupation of the Gaza Strip or the attempts of the Palestinian Authority to exert its influence, which also involves some human rights violations.

Mrs CROSIO—Did you also find in your time there that the right of return of the refugees is going to be one of the biggest problems? It is one of the biggest problems we have now with both President Arafat and Barak, I would suggest, because people are not going to give up the homes that they have occupied. They say that they have been there for 50 years and yet the refugees are saying that they want the right to return to those homes that were occupied 50 years ago. Do you see any solution to that problem, from your experience there?

Ms Tashkoff—Yes. An organisation based in Bethlehem named Badil is looking specifically at the issue of the right of return and has suggested some possible solutions in terms of financial compensation or in terms of simply the opportunity for some people—much as some of the indigenous Australian population would love to be able—to return to their home country before they die, the opportunity for older Palestinian refugees to simply go and visit the lands that they used to have. There are some issues that resonate with us as Australians in that regard. They are some ways of working out a solution, but there needs to be a willingness on both parts to say, 'We have to move on from the issues that have kept our political machinations going for so long in order to find a political future. The political game is going to be different from the one we have played in the past.'

Mrs CROSIO—Can I suggest we on the outside can look in and say that. Those who are involved emotionally will find it very difficult to come to an agreement.

Ms Tashkoff—Indeed. But those people—particularly from the Christian perspective—who are trying to find a way, are saying that foremost there needs to be recognition of the pain, trauma and accountability on both sides. But then they can move on to say, 'We need to, having acknowledged what has gone before, go to a place where we have a future for our children, not simply something for our own current benefit.'

Mrs CROSIO—I will come back to that later. Can I ask you about page 15 of your submission—with a footnote to *Human Rights Watch*—where you have highlighted the Palestinian Authority's mushrooming security agencies and arbitrary detention practices. Is that still going on?

Ms Tashkoff—In terms of the Palestinian Authority?

Mrs CROSIO—They are virtually tampering with the media, secret proceedings and all that.

Ms Tashkoff—Indeed. Just last year there was an example where the independent human rights commissioner, who was also the head of the mental health organisation in Gaza, made a

comment to *Washington Post*, which was obviously published, and was imprisoned by Arafat. Only after international public influence and considerable lobbying from outside, particularly amongst those organisations that had supported his nomination to that position and donor countries who had some financial leverage, was he released. But he had been tortured while he was inside. The problem is that—and on the ground Palestinians will acknowledge this and it has been acknowledged by Israeli, Palestinian and international human rights organisations' reports—the Palestinian Authority is trying to operate in a way that will encourage and increase the President's power and his control. If there are people who are speaking out against what he is wanting to do then they will be censored in some way.

Mr PYNE—Do you deal with Palestine exclusively?

Ms Tashkoff—In my report, yes.

Mr PYNE—In your submission you talked about deaths in prisons and detention by the Palestinians. Janice has asked a couple of questions about that. Why do you think Yasser Arafat and the Palestinian National Authority engage in those sorts of practices? What is the reason behind their very hard line on dissent?

Ms Tashkoff—First of all, one of the issues for the prison authorities is that a lot of people who are engaged as guards had previous experience of prison as prisoners under the Israeli system. Some of those models of prison management, or how to behave as a guard, they have learnt from the sort of behaviour that they experienced through their time in prison previously. That is just one point to note. In terms of the Palestinian Authority, the President is in the situation where he has fought very hard but he is ageing rapidly, and as he goes through that process he still wants to retain his authority. I am sure you know his history, what he has gone through and what he has done in order to lead a fairly disenfranchised people to where they are now. The President's system of control is very much one of a central power and, although the Legislative Council is meeting and making decisions, his style of leadership is still very much a centralised one. Any dissenting voice is seen as a direct threat to that authority. That is again documented and reported on. There has been no deliberate—

Mrs CROSIO—Did you experience that first-hand while you were there? Could you give examples where you actually felt it on the ground?

Ms Tashkoff—The brother of a colleague of mine mentioned that down a street in Bethlehem he had heard that Arafat was very unwell. I cannot remember exactly what the rumour that was going around was—whether it was that he was suffering from cancer or something else. My colleague's brother had heard from someone else that that was the case. That evening, he was taken away to the local Palestinian Authority prison and questioned in a fairly intimidating fashion, simply because there was the expectation that if he was engaging in that sort of rumour mongering then he was against the Palestinian Authority. That is just one very small instance of someone whom I knew personally being impacted upon because of a statement that they made fairly naively.

Mr PYNE—Do you think Mr Arafat might be concerned that, with some of the extremist groups like Hamas and other Jihad organisations, it might be necessary for him to take a hard

line to ensure that he can protect the security of the other Palestinians as well as the Israelis? It does seem that politically Mr Arafat is under pressure from more extremist groups who do not want to have any sort of negotiation with Israel. I would have thought that perhaps some of the hardline stance is because he actually needs to ensure the more extreme people do not come to power. Do you agree that that might be one of the reasons?

Ms Tashkoff—I think he is under a great deal of pressure certainly to show internationally and to show the other negotiating partner, the Israeli government, that he is not listening to the hardline extremists. That is evidenced by the fact that he has, after certain security incidents, gone and closed down some of the Hamas organisations within Gaza in particular and imprisoned—the phrase used is 'rounded up'—people for questioning. When he is wanting to again show that he has that degree of control over the population, it is not so much about wanting to deal with Hamas or with the Jihad but more about showing the international community, particularly the donor community, that he is attempting to do something to deal with those people.

Mr PYNE—Mr Arafat also has to prove to Israel that a semi-independent Palestinian state would be able to protect the security of Israel. I think one of the major reasons why Israel keeps control of the West Bank and Gaza is that it sees it as necessary for its own security to do so, and Mr Arafat needs to be able to prove to the Israelis that he would in fact be able to control elements that would seek to damage Israel. He is in a bit of a catch-22 situation, and of course his own history as a terrorist does not give a lot of comfort to the Israelis or show that he would be able to control organisations that he would have encouraged and been part of only 10 short years ago.

Ms Tashkoff—One of the issues, though, with regard to that point about security and what is put into place, is the system of closure, whereby people from the West Bank are separated from, and cannot go to, Jerusalem and, similarly, people from Gaza cannot go through Israel to the West Bank itself. It has been documented by human rights organisations that security advisers to the Israeli Prime Minister have acknowledged that closure is a fairly pointless procedure to put into place: that people, if they have a will, will have a way; that bombings have occurred despite the closure; and that the impact of the closure system upon the mental wellbeing of the people and upon the sentiment towards Israel is increasingly negative because of the fact that they cannot access hospitals, income from employment and so on when the closure system is in place. So the whole issue of security is one that needs to be looked at—not in terms of the attempts of the Israeli government to say to their people 'we are doing something' simply by installing a closure system but in terms of looking at the best way to negotiate on what groups like Hamas are looking at.

This morning's news mentions something about Hamas saying that they would be willing to negotiate a truce if the system of going back to the West Bank—the 1967 borders—as well as East Jerusalem went into place, although they still would be wanting to extend the borders to the pre-1948 borders. They have been saying all through the Oslo process that it is not sufficient, and I think a lot of the Palestinian community, including the Christian community, agree with that.

CHAIR—So the PLO's magic date of 13 September is just a bit of rhetoric?

Ms Tashkoff—I think it is important for the PLO to acknowledge to the Palestinian community that they are taking the needs and wants of the community seriously, and part of that is a recognition that what has been put in place in terms of the formalities of the Oslo agreement has failed. So whether or not 13 September is followed through depends, to be crude, on what is waved around in front of Arafat's nose before then.

Senator QUIRKE—What would be a success for the Palestinians?

Ms Tashkoff—What they are looking for—and it is in the document I am going to pass on to the committee—is a return to the 1967 boundaries: the West Bank and Gaza. Because, as it is, the West Bank has almost come to mean something like the South African bantustan system, where communities can be very easily divided from each other and have control over only a small percentage of the land. Consequently, the community talks about the situation before Oslo as being better than now because they do not have the ability to move between areas. So if you are a doctor living in Hebron and you practise in Bethlehem and there is closure between the two, you cannot engage in your practice. So they want to go back to those borders. They also want the right of refugees to return and just settlement. Obviously, if there is still a situation where water is being adequately supplied to the settlements in the West Bank for swimming pools and such things when the people in villages nearby do not, even on the hottest days of summer, have access to water, that is a situation in which people will not be content and that will lead to further tension and, of course, further violence. So I think a just settlement of those issues in terms of equitable access and a viable future is necessary.

Senator QUIRKE—But if all of those issues were settled tomorrow, or yesterday, a number of other issues would surface. Ultimately what the Palestinians want is their own self-rule—their destiny. I would suggest to you that they want all those lands back. They want all of those settlements out of there and, obviously, they want the eastern half of Jerusalem as the capital of a future Palestinian state. Would that be right?

Ms Tashkoff—Indeed, and that is what the majority of the population will be calling for.

Senator QUIRKE—Even though we have discussed a number of these issues this morning—the way people on both sides have been dealt with in Israeli prisons and now the Palestinian prisons, the water issue, and a whole range of other things—ultimately the Palestinians want their own state, control of their own lands, the eviction of the settlements that have gone on since post 1967, which I take it from your submission have accelerated in recent times, and they are not going to be happy until they get those. Would that be fair enough?

Ms Tashkoff—There certainly will not be stability until there is something that can be the basis for a viable future.

Mr PYNE—I have one quick question on trade. You say in your submission that you want to encourage trade between Australia and the Palestinian Authority. In what areas can you see Australia trading with the Palestinian Authority? What sorts of industries and products would we be able to trade with the Palestinians?

Ms Tashkoff—Particularly in terms of the future possibilities for the Palestinian Authority, the potential for trade has not been able to be realised because of such a closed market. At the moment they deal predominantly with Israel—and that has reduced—as well as Jordan and other areas in the Middle East. However, formerly they were able to trade more specifically in produce, including markets for other forms of produce such as cut flowers, et cetera, and concrete products—simple areas which seem very small in terms of supporting a fledgling economy, which will perhaps be more tokenistic to start with, but which can be some semblance of support. I think that is the area that the world economies will need to engage some support in to begin with, while other areas of technology, et cetera, are able to develop.

CHAIR—Dr Zirnsak, in your opening statement, you made specific reference to the lifting of the economic sanctions against Iraq. How much evidence is there that the international community are really wanting to see this?

Dr Zirnsak—I would have thought the evidence was pretty overwhelming. At the back of our submission we have a long list of organisations, particularly of the non-governmental organisation sector, but increasingly we are seeing more and more governments coming on board. I note that very recently following the visit of Denis Halliday to New Zealand, New Zealand has reversed its policy and has publicly stated that it no longer supports the economic sanctions. It would like to see a review of that situation and a lifting of those economic sanctions. We have seen France, Russia and China as permanent members of the UN Security Council express concerns with regard to the sanctions regime. They have all made attempts to have them lifted, but they are largely being blocked by the US and UK.

I make reference to the petition that collected 18 million signatures through Europe and the Middle East in support of lifting the economic sanctions. We see 70 Congress people within the US itself signing an open letter asking for the delinking of the military and economic sanctions. That is what we are talking about as well within that area. I notice that coming up on 6 August there are actually going to be within the media around the US public statements released that have been signed by a number of celebrities, key people and prominent people within the US itself. That is coming up as well. I think there has been a growing awareness of the situation in Iraq—the suffering the Iraqi civilian population has had inflicted upon them—and of the lack of sense in the maintenance of these economic sanctions in terms of achieving the supposed goal of limiting Iraq's capacity to develop weapons of mass destruction.

CHAIR—Does the church have any links to Iraq, or do you personally?

Dr Zirnsak—No, I do not personally. Our link would come through the World Council of Churches, which would then link in with the Middle East Council of Churches. The Middle East Council of Churches runs a number of humanitarian projects within Iraq, and you will notice in our submission that we draw upon their reports. They themselves have been very vocal in calling for a delinking of the sanctions and a lifting of the economic sanctions as opposed to the military sanctions. I should also point out that the Catholic Church has had very strong links in Iraq. There are Dominican sisters whose order exists within Iraq. They have had on the ground experience of this. You would note that the Pope has called more than 50 times since 1991, I believe, for the lifting of the economic sanctions against Iraq. So, yes, the church does have strong links but I do not personally, no.

Mrs CROSIO—Do you believe it is the sanctions, or do you think it is the way the humanitarian aid is being distributed? Is there a massive problem there? In other words, is the assistance that is being supplied not being distributed to people in an adequate and fair way?

Dr Zirnsak—That has been an allegation raised before and I address that within the submission. Basically, the UN officials on the ground as well as the Iraqi authorities themselves admit that there has been some incompetence on the part of the Iraqi authorities. But I have not heard anyone yet who has been on the ground suggesting that this is a malicious intent. Part of it is simply inefficiency. Part of it is the impact of the sanctions themselves. For example, there are reports of refrigerated trucks not being provided, so certain medicines simply cannot be transported. There are also signs that the sanctions committee itself has often operated in a fairly inefficient manner in the way it has provided medicines.

For example, the case that was brought forward was insulin. Iraq requested a supply of insulin plus the needles to actually use the insulin. The sanctions committee approved the insulin and it went through. They held back on approving the needles. By the time they approved the needles, the insulin was out of date and could not be distributed. Also, the UN officials themselves report that they have recommended to Iraq that Iraq maintain a stock of medical supplies for the purpose of being able to follow through on courses. There is no point providing people with the introduction to a medical treatment and then not having sufficient stock to actually follow that treatment through. In other words, the medicine is wasted then. It does not actually have the impact you are seeking. I think that issue has been addressed very well by the UN officials on the ground, who are saying, 'This is not a malicious ploy by Saddam Hussein's regime,' even though it is a violator of human rights. It is not seeking to use this maliciously as a means of trying to get the sanctions lifted. I do not think there is sufficient evidence of that.

Mrs CROSIO—You would put it down to inefficiency and not the regime of Saddam Hussein?

Dr Zirnsak—Inefficiency and—

Mrs CROSIO—You would put it down to inefficiency in the distribution of the humanitarian aid?

Dr Zirnsak—Yes, in the distribution and also in the impact the sanctions themselves have had. There is talk about a lot of Iraqis attempting to leave Iraq as well. I note in my submission that—

Mrs CROSIO—I think there are about 1,500 in Port Hedland at the moment.

Dr Zirnsak—Yes. A lot of the professional and more capable people have left. The people who are left working in that system are not necessarily the pick of the crop to do that. I think the inefficiencies are driven both by the Iraqi government being inefficient in the way it is operating and by the impact the sanctions themselves are having on that distribution system.

Mrs CROSIO—I did not want to be flippant, I suppose, but in looking at statistics given by the Minister for Immigration and Multicultural Affairs, particularly on those people who have been coming in by boat from both Afghanistan and Iraq, and the amount of money that they have been paying, there is obviously money coming from somewhere that is allowing those people to pay these people movers and get out. That has to be one point. Another point I am rather concerned about is that you talk about some people who have access to Iraq and come back out again. This shows that there seem to be now two definite levels of living: the haves and have-nots. The have-nots are down here suffering but the haves seem to be restoring their lifestyles.

Dr Zirnsak—Yes. You would have heard that. I am not sure how many members of this subcommittee met with Denis Halliday when he was up in Canberra. He expresses that very clearly. In terms of the economic sanctions, the elite or those in the inner circle of Saddam Hussein's regime are really not being substantially affected as the sanctions are being imposed. It is the ordinary Iraqis, particularly those at the bottom levels of society, who are suffering. They are obviously the people with the least power and the least ability to influence Saddam Hussein's regime on these issues of weapons of mass destruction and changing the regime altogether. Denis Halliday and other UN officials would make the case that Saddam Hussein's regime has been strengthened under the economic sanctions.

The intellectual class has had the mobility and the finances—as you point out—to leave, meaning that the ability to actually politically challenge Saddam Hussein's control of the country has been eroded. It has also allowed him to demonise the West, to point out that the West are the people who are causing this suffering, and therefore galvanise more support for his existing regime. In terms of weakening his regime, it is quite clear. I agree with you. I think there are two classes of Iraqis—those who are clearly suffering under the sanctions regime and those who are clearly almost unaffected in terms of a substantive lifestyle.

CHAIR—Your references are particularly to medical supplies and equipment. Is it the same story with food? Australia, for example, is selling a fair bit of wheat to Iraq. Is that getting through?

Dr Zirnsak—Yes. My understanding, certainly from the reports coming from the UN, UNICEF, Denis Halliday—who coordinated the Oil for Food Program—and Dr Hans von Sponek, is that the food is being adequately distributed. The arguments there have been about the slightly inadequate level of calorific value that is being provided within these rations, but also, particularly, that the food ration itself has been inadequate in proteins. That has been an issue raised by UNICEF and the World Food Program, from memory. The Middle East Council of Churches has also raised that. So the longer term health effects on people are being undermined by the kind of diet that is being provided with the food. But I have not seen any evidence from those reputable UN bodies that the food is not being adequately distributed.

Mrs CROSIO—Has any talk been given from groups such as yours as to what other action, if the economic sanctions were lifted, should be taken against the regime of Saddam Hussein?

Dr Zirnsak—The action we would suggest is the maintenance of those sanctions that target purely military items.

Mrs CROSIO—But in the past that has been very difficult to do. It does not seem to be effective.

Dr Zirnsak—If that is the argument then you would say, 'How does that differ from the current regime?' The notion that you have to ban everything going into a country in order to effect military sanctions seems fairly inappropriate. I would suggest that there is a wider issue here about the whole issue of global arms trade. That is something the international community needs to deal with. I do not think the Iraqi civilian population should be punished for the international community not having been able to address the whole issue of the global arms trade. Obviously, the diplomatic links have already been cut off but, by allowing those economic sanctions to be lifted, there would be an ability to allow the intellectual class of Iraq to come back and to allow for the building up of a genuine internal opposition that might eventually challenge Saddam Hussein's regime. There is no way there can be a short-term solution to this issue. But the question we have to be asking—which I raised in my opening statement—is, 'Is it ever justifiable to use the deaths of civilians as leverage on this regime?' The answer to that always has to be, 'No.'

So I think those alternatives certainly need to be explored. I am not an expert in those areas, but there is the ability to stop any increased substantive risk of Iraq developing further weapons of mass destruction. We have to remember that the evidence coming out of the previous UNSCOM puts the case that the only stuff they are still chasing are some research papers, and there may be some things like biological stock—which could be jars at the back of a fridge somewhere. It is going to be extremely difficult for Iraq to prove it has given up all those things—even if there is a willingness on its part to do so. To continue to inflict death and suffering on the Iraqi civilian population seems unjustifiable in those circumstances. Scott Ritter has made it quite clear: Iraq does not possess any substantive capability in nuclear, chemical or biological weapons of mass destruction at the present time, and it has no delivery systems with which to effectively deliver those weapons even if it had them.

Mr PYNE—Do you think Saddam Hussein has a desire to have a chemical weapons capacity and delivery systems? Do you think he also has a desire to have a nuclear weapons capacity and delivery systems?

Dr Zirnsak—It is very difficult for me to make an assessment on that, but you could say that, on past experience, because he has attempted to develop such capabilities, the answer would seem to be, 'Yes,' on the basis of the balance of probabilities. But the issue we are addressing is whether or not it is even justifiable to impose the economic sanctions; and I think the answer to that has to be, 'No.' But even if you were to accept for some reason that it was okay, you would have to be saying that the sanctions are having a really minimal impact upon that whole issue of whether he is able to develop that capacity.

Mr PYNE—Can you remember whether the Uniting Church had a policy of opposition to or support for sanctions against South Africa when it was an apartheid regime?

Dr Zirnsak—The Uniting Church had a position of supporting the sanctions against South Africa. The Uniting Church has in the past taken a position of supporting sanctions where the people on the ground have asked for them and where the church, in its wisdom, has assessed

that the impact of the sanctions is outweighed by the benefit in terms of applying pressure. The church has been very mindful of the humanitarian effects. I do not think one could show that the sanctions in South Africa were responsible for the deaths of even hundreds of people, let alone thousands or tens of thousands or hundreds of thousands in the scale we are talking about in Iraq. Yes, sanctions caused suffering for the African population of South Africa, but it was largely at their own request because it was a means of moving the apartheid regime on; and it was not responsible for the deaths of thousands of people. That is my understanding.

Our national assembly that just took place in Adelaide has just considered the issue of sanctions against Fiji. It was very cautious as to whether or not it should support sanctions and wished for further consultation with the people of Fiji as to whether they thought that was appropriate in terms of their needs and how best to solve the situation. So, no, the church does not have an ideological position of opposing sanctions across the board, but it believes that they need to be very targeted and their impact considered very carefully. The World Council of Churches, of which we are a member, actually issued a statement—which is right at the end of the submission—which says, in effect, that sanctions should have a clear and limited purpose, and may not be used for punitive purposes, et cetera.

Mr PYNE—Isn't that a rather subjective analysis—to apply sanctions or not to apply sanctions? Let us take Fiji as an example. The Speight supporters are largely made up of the Christians of Fiji amongst the indigenous population. The Indians are largely a Hindu population—they would not be part of the World Council of Churches; therefore, they would be asking for sanctions and the Christian Fijians would be saying, 'We don't want sanctions.' And yet they are the very perpetrators of the crime that has occurred in Fiji. In South Africa, the ANC would be asking for sanctions because they would see it as a tool to overthrow the white apartheid regime. If you look at Iraq, I am sure you could find opposition people in Iraq who oppose Saddam Hussein who are either in jail or living underground who would be delighted to say, 'Yes, we want sanctions,' if they could actually be heard. I would have thought the northern Kurds in Iraq would be the sort of people that would say, 'Yes, we would like sanctions if they are going to overthrow the Saddam Hussein regime.' So with respect to being asked whether to have sanctions, I am sure you will find somebody who will say, 'Yes, we'd like to have sanctions,' because they might overthrow a dictatorial, terrorist regime. I think it is a bit cute for the Uniting Church to be in favour of sanctions against the apartheid regime of South Africa but to be against sanctions against the warmongering, dictatorial and murderous regime of Saddam Hussein.

Dr Zirnsak—If I can address each of those issues in turn. On the issue of South Africa, as I pointed out, our aim in deciding whether or not to support sanctions—yes, I agree there is some subjectivity applied there—is the humanitarian impact of those sanctions. As I pointed out, with South Africa there was no evidence, as far as I understand, of hundreds or even thousands of people dying as a result of the application of those sanctions. The church would also consider even more widely than simply its own affiliates in terms of whether or not to apply sanctions. In terms of Fiji, there would certainly be much more consideration than just simply talking to our church compatriots. I should also point out that many of our church affiliates did not support George Speight, and I can provide you with the statements that came out from various churches not supportive of his actions. It is far from the case that the Christians somehow completely supported George Speight in his activities. I think that is completely erroneous.

The church does not take a partisan view and simply say, 'We will support only Christians, therefore it is okay if others suffer.' I have not heard anyone, even out of the opposition leaders, in support of the current economic sanction regime imposed upon Iraq—you mentioned the Kurds, maybe there are Kurdish leaders there but they are not the ones who are going to suffer as a result of the sanctions. The sanctions regime, as you would be aware, is implemented differently in northern Iraq—they have more access to the borders with Turkey. You also need to consider what basis the international community is applying the sanctions under. What are the purposes being applied there?

CHAIR—We have been concentrating very much on food and medical supplies. Do you get any feedback on the infrastructure of Iraq and what has happened there and what is required?

Dr Zirnsak—As my submission deals with, there are substantial infrastructure needs.

CHAIR—How much has been achieved though in bringing some of that back?

Dr Zirnsak—Particularly recently there have been moves towards allowing for more development of that. One of the major needs has obviously been in the oil producing industry because with resolution 1284 the ceiling on the amount that can be spent through the Oil for Food Program has been lifted, so there is no longer any ceiling. So the ceiling is now effectively limited by Iraq's ability to produce oil. The effect of the sanctions on that oil production have been quite severe, so that is now forming the limitation. There have been moves to allow for spare parts to move in and for that situation to improve. So we are accepting that there have been improvements there.

We can go through that there are needs in agriculture, needs in education and particularly very strong needs in sanitation—the whole treatment of sewage and the way sewage is getting into the water supply system, spreading disease and being responsible for a large number of the deaths that have reportedly occurred. But the UN's own expert panel that provided reports to the UN Security Council at the end of March 1999 pointed out that remedial humanitarian aid was not going to be substantive enough to achieve and meet the needs of the Iraqi civilian population—more was needed. I have listed the recommendations they came to, which do not go as far as we go in terms of totally lifting the sanctions but they are certainly a massive improvement on what currently exists. I note resolution 1284 did adopt at least part of their recommendations, particularly in terms of the removal of the ceiling of the allowable oil exports. I think the UN Security Council's own expert committee points to the need to allow infrastructure to be repaired and that the current Oil for Food Program has been inadequate in achieving that.

Mr PYNE—You talked in your submission about limiting sanctions to military hardware and goods. How would you differentiate between military hardware and goods and other economic goods and hardware which can be almost interchangeable these days in respect of terrorism and military adventures?

Dr Zirnsak—The UN Security Council resolutions deal strictly with the imposition of sanctions for the purposes of weapons of mass destruction. I think that has to be the key focus with regard to military equipment. Our concern stems from the current large category of dual

use items. That means there is ridiculous imposition upon the kinds of items that cannot be provided. For example, there are reports of ambulances not being permitted replacement tyres on the basis that these are dual use items. If that is the way the sanctions committee is going to operate, there clearly needs to be a much more strict definition of what is military hardware.

We would argue for erring on the side of allowing civilians their basic needs and basic infrastructure over some concerns about these items perhaps being of military dual use, particularly when the concern should be around weapons of mass destruction. That equipment is largely quite specific in terms of what is needed for complete development. Sure, there will be certain components that are obviously of dual use that are needed in development of weapons of mass destruction. For example, you obviously need plutonium or uranium to produce a nuclear weapon so, clearly, you would not allow imports of that material. But to suggest that we should block all imports of steel into Iraq because the bomb casing can be made from steel would be a ludicrous position to take.

Senator QUIRKE—With all due respect, I think that is a bit simplistic. You might be correct that the economic sanctions are causing a great deal of damage there. But I have been waiting now for the last couple of years—including during the time of Mr Halliday's visit to Canberra—for somebody to come up with something a bit better because, once you lift those sanctions, it is almost impossible to determine in a broad sense what could be of military use and what could not. In fact, Iraq is on a program of building various types of weapons of mass destruction. They are probably already well advanced now since the Butler group left there some 18 months ago. But the plain fact of the matter is that a large number of things have been shipped to Iraq over many years—and I am going back now into the 1980s before the Gulf War—and many of those things were parcelled up as parts of cars. I seem to remember that they were building a gun there that was going to reach Israel and most of that was comprised of just plain steel, as you say, that was being imported. It was steel pipe and all the rest of it. When it came down to certain bits of it, the West realised what was going in there.

I am curious as to what you think we can do about this regime. I agree with you in a sense that the broad application of sanctions has done terrible damage to the people of Iraq and the regime seems as strong as ever. But what else can we do to slow down this process of them acquiring weapons of mass destruction? That is their stated aim and, once they have got those, the problems will be much broader than for the people who are currently affected by sanctions.

Dr Zirnsak—There are a few issues there. You raise that, in your assessment, Iraq has developed further down the path of weapons of mass destruction since UNSCOM left. If that is the case, then that is clear evidence that the economic sanctions are not achieving the stated aim of stopping the development of weapons of mass destruction. So if that is the assessment that is there, then there is no reason for even maintaining the economic sanctions.

Senator QUIRKE—They could have been even further down the track, couldn't they, if there were no sanctions there?

Dr Zirnsak—Then, clearly, what needs to happen is an erosion of the will to develop those weapons of mass destruction. As stated earlier, I think that there would be much greater potential by allowing the development of an effective opposition within Iraq, which can only

really happen if the economic sanctions are lifted and if the people's standard of living improves and if the West is no longer demonised as the imposer of the suffering that is occurring there. I would also suggest to this committee in that case, if there is such concern about what constitutes dual use military items, that you seek the advice of experts within that area. Perhaps talk to the military—not only to our own, which may be more partisan on the basis of supporting the sanctions, but get a range of views in terms of what would constitute sufficient safeguards and what are the kinds of things that may constitute legitimate concerns about dual use items. I have seen allegations that things like pencils have been denied to Iraq on the basis that they are dual use items. I have not been able to verify whether that is true.

Senator QUIRKE—Graphite is used in a reactor core.

Dr Zirnsak—But that gets to the point of saying that you are going to prevent the Iraqi population from having virtually anything that will constitute the ordinary reasonable standard of living that may be expected of anybody. How would you pursue education if you are not even permitted to bring pencils into the country? You can argue that they can use paper to publish their research into weapons of mass destruction, so should we ban paper from entering into the country?

Senator QUIRKE—They do not publish it—that is the problem.

Dr Zirnsak—They must publish it internally if they are developing such programs. It is virtually only Richard Butler who is out there beating the drum, saying that there is a huge threat. His own colleague Scott Ritter argues that Iraq has no effective weapons of mass destruction capability at the moment. It is difficult to see how Iraq could develop that in the absence of there being another power willing to help it to develop those items.

Senator QUIRKE—Are you seriously telling me that you believe that this regime is not about the business of building these weapons?

Dr Zirnsak—I am suggesting to you that they have a will to do so but the evidence seems to show the capability to do so is not currently there and the economic sanctions are not being of benefit in terms of stopping that capability. I go back to the original question I was asking. Are you suggesting it is justifiable to kill thousands of civilians as a means of leverage in order to stop the development of weapons of mass destruction? Is that an acceptable thing to do?

Senator QUIRKE—You are asking me the question so I will answer it. I put this to you: a rogue state of the type that is run by Saddam Hussein with weapons of mass destruction will do a lot more damage. The difference between your position and mine on this is a simple one. You seem to have this naïve notion that Iraq is going to go off there and become a good citizen if we lift all of the barriers on it and everything is going to be dinky poo into the future. I do not share that view. I will answer your question. No, I do not like the sanctions and I do not like what they have done. We have a clear manifestation here in Australia of what the sanctions policy has done in Woomera, Port Hedland and a number of other places. But there is a far worse scenario that I believe is a haunting spectre and is correct. I part company with you on this. A nuclear armed and biologically armed or chemically armed Iraq will cause destabilisation at that end of

the world and in other parts of the world as well. Unfortunately, I cannot countenance that. That is my answer to you on that.

Dr Zirnsak—I raise with you then: what evidence is there of the level of weapons of mass destruction Iraq had prior to the Gulf War? During the Gulf War there was no substantive evidence that Iraq attempted to use any weapons of mass destruction during that war. If Iraq had that capability in 1990-91, why didn't they use it? If they chose not to use it at that stage, and they were not developed enough to use it at that stage, have they been able to develop it further under the existing sanctions regime? If they have been able to do so that shows that the economic sanctions have not worked. The fact that they did not have the capability during the Gulf War suggests that it is not the easy task that seems to be being portrayed here of a state wishing to go off and develop weapons of mass destruction being easily able to do so.

Senator QUIRKE—I will just give a quick response and leave it at that. In 1981, the French supplied nuclear technology to Iraq which the Israelis bombed comprehensively. Under the then French regime, it was not re-instated. They built various other weapons, including a million-man army, the third biggest army in the world. After that they went down the road of neutron concentrators which were all pulled out during the Gulf War.

You are right. They did not have the kind of weaponry there that they could use because they did not have the training for it. They had things like fuel air explosive technology that they had acquired from various European powers. They had all sorts of other things they would like to have used, such as the scud missiles, and they did use them against Israel, and other innocent targets. I may be a bit darker on human nature than you. Possibly that is the theological chasm between yourself and me. But I am not going to trust these people with this sort of equipment. Until somebody can show some other way of putting controls over this regime, unfortunately, the sanctions are probably going to have to stay there.

Dr Zirnsak—Can I point out that in your own answer you have actually highlighted that Iraq's development of weapons of mass destruction occurred only with support from outside states. They had support from outside states in developing all the weapons you have listed. So the risk is more the states who are supplying these weapons, and that goes back to my point earlier. The real issue that needs to be addressed is the global arms trade and how the international community can stop those kinds of interactions occurring and that kind of development. In the meantime, we would not support the notion that the Iraqi people should be forced to pay with their lives to the tune of thousands per month, which is what the reports coming back from the UN itself say is happening. Yes, we will part company if what is being suggested is that, in order to maintain world security, the UN Security Council needs to violate its own charter and international human rights standards by killing thousands of civilians per month.

CHAIR—Dr Zirnsak, thank you very much indeed for your evidence today. Just before you go, if there are any matters on which we need any additional information, the secretary will contact you. The secretary will also send you a transcript of the evidence, to which you can make corrections of grammar or fact.

Resolved (on motion by **Mrs Crosio**):

That the document relating to the Jerusalem Sabeel Ecumenical Liberation Theology Center, presented by Ms Stephanie Taskoff, be included in the records of the subcommittee as an exhibit for the inquiry into Australia's relations with the Middle East.

[10.21 a.m.]

MITCHELL, Ms Pauline, Secretary, Campaign for International Cooperation and Disarmament

CHAIR—Welcome. Although the subcommittee does not require you to give evidence on oath, I should advise you that these hearings are legal proceedings of the parliament and therefore have the same standing as the proceedings of the House itself. I invite you to make a short opening statement, if you wish, before we proceed to questions.

Ms Mitchell—I am going to cover much the same ground as the previous submission. The Middle East is a region with many problems that concern the Campaign for International Cooperation and Disarmament, but we have chosen to focus on Iraq because the situation in Iraq can be changed now. It does not need a political solution; it needs only a humanitarian decision. I am referring to the sanction regime on Iraq, which is now entering its 10th year. These sanctions have been imposed by the countries on the Security Council of the United Nations, and the United Nations has been diminished and compromised by this act being carried out in its name. The Charter of the United Nations is dedicated to promoting higher standards of living and conditions of economic and social progress and development, but these sanctions have reduced a once prosperous society to Third World country status. To deliberately impose such conditions on a country and its people is against all the United Nations stands for. The Security Council can take measures not involving the use of armed forced to give effect to its decisions, and such measures are laid out in article 41 of the Charter of the United Nations. It states:

> These may include complete or partial interruption of economic relations and of rail, sea, air, postal, telegraphic, radio, and other means of communication, and the severance of diplomatic relations.

An interruption of economic relations, complete or partial, that withholds food, medicine, agricultural aid and the essentials necessary to repair infrastructure destroyed during the Gulf War and to clean up the debris from that war, especially the depleted uranium, is contrary to all the purposes and principles of the United Nations in international law.

One of the excuses used to explain the keeping on of sanctions is that it is Saddam Hussein's fault, as he could have the sanctions lifted at any time by cooperating with the weapons inspectors. On the one hand, the allies say that Saddam Hussein cannot be trusted, that he is a villain and that he does not care for his people. On the other hand, the allies have put their trust and reliance in him to create the conditions which will allow the sanctions to be lifted. That simply does not make sense.

Statistics produced by the United Nations specialised agencies, such as the United Nations Children's Fund and World Health Organisation, have shown the results of the sanctions and their dramatic effect on the Iraqi people. More than one million Iraqis have died since the Gulf War as a result of the sanctions, and the victims are mainly the elderly and the children. It has been estimated that 5,000 children under five years of age die each month, plus 2,000 others—teenagers, adults and other children.

The sanctions have in fact become a weapon of mass destruction. Denis Halliday, former senior UN official in charge of the Oil for Food Program for Iraq, resigned in 1998 from the UN because of the inadequacy of the scheme and because he could no longer endure being part of an act which inflicted such miserable conditions on the whole population. Since then, other senior UN officials have resigned. Denis Halliday described what is happening in Iraq as genocide. Maybe that is a bit strong, but according to the Genocide Convention Act, article II, 'genocide' means:

... any of the following acts committed with intent to destroy, in whole or in part, a national, ethnical, racial or religious group ...

... ...

(b) Causing serious bodily harm or mental harm to the group

(c) Deliberately inflicting on the group conditions of life calculated to bring about its physical destruction in whole or in part.

So it is pretty clear that it is genocide because the sanctions are deliberate, but it could be argued that there is no intent to destroy. Whether there is intent or not, it is happening, and the powers that be are keeping the sanctions in place—namely the United States and the United Kingdom. They are fully aware of the suffering of the population and the statistics the suffering produces, because it has been brought to the attention of the Security Council many times. Keeping the sanctions on with that knowledge surely is genocide, as depicted in the Genocide Convention Act 1949.

Last month, the sanctions were extended again for another six months, so thousands more Iraqis have been condemned to death. The treatment meted out to Iraq is also against the Universal Declaration of Human Rights, the International Covenant on Economic, Cultural and Social Rights, the International Covenant on Civil and Political Rights, the constitution of the World Food and Agricultural Organisation, the International Labour Organisation and the International Rights of the Child, plus the Geneva conventions and many other conventions and constitutions of the United Nations and all its specialised agencies. This must not be allowed to continue. Out of the five permanent members of the Security Council, three of them—China, Russia and France—want the sanctions lifted. We urge that the Australian government withdraw its support of these sanctions and uses its influence to persuade the United States and the United Kingdom to join France, Russia and China and the growing opinion throughout the world to make the humanitarian decision to lift the sanctions on Iraq.

CHAIR—Thank you very much indeed. We seem to be getting some conflicting evidence in terms of the Oil for Food Program. The suggestion has been made to us that distribution may be a problem. We also get the story that food is getting through fairly well. You have been fairly open in your condemnation of the whole Oil for Food Program. I am just wondering what sort of feedback you get and what in fact can Australia do in terms of trying to alleviate the situation.

Ms Mitchell—First of all, it could withdraw its support for the sanction regime, but the Oil for Food Program was never meant to mend the situation; it was just so it would not deteriorate

further. It has been distributed, as the previous speaker said, but it has been distributed in such a way that things are deteriorating because Iraq was never allowed to fix up its water and sewerage problems and all sorts of things that were damaged during the war. The deaths are mainly related to diseases from drinking contaminated water and having sewage running through the streets.

The birth weight of babies now is about two kilograms, and that is a famine birth weight. So, while food is getting through, not enough is getting through and not enough of the right type is getting through and, having to contend with all of these other things, the situation is deteriorating.

CHAIR—So in fact infrastructure may be a bigger problem than food.

Ms Mitchell—I would not put it that way, but it is certainly a problem.

Mr PYNE—Obviously we are as concerned about the birth weight of newborn babies and the health of Iraqi civilians as anybody else is, but it is very difficult to blame the West and countries that support sanctions for the fact that Saddam Hussein is not looking after his people. It is very difficult to blame the West and the United Nations for Saddam Hussein's regime being the sort of regime that would rather spend money on programs like chemical weapons and nuclear weapons than actual crops and agriculture and the sorts of things that would feed their people. So we are starting to get a bit of dislocation of who is responsible or not responsible for the situation in Iraq out of the evidence we have had this morning. I mean, you could be forgiven for thinking that in fact Saddam Hussein is this rather put upon, badly treated dictator of a rogue nation and the West are the bad guys who are not allowing all the goods and necessary manufactures and things through to Iraq. We have to get some perspective about that, don't we, because we are only reacting to the actions that Saddam Hussein took in murderously dealing with his minorities, whether they be Muslim minorities or others.

You talked about genocide in your opening statement and you said that perhaps the West lacked the intent to be able to be guilty of genocide, but certainly Saddam Hussein does not lack the intent to be guilty of genocide, does he? He wants to commit genocide against the Jewish people, against the Kurds living in his country and against Muslim minorities. So really the West is only trying to protect the countries in the Middle East and around the world which would be the target for a Hussein led Iraq that had the power to destroy their countries, which he has already proved he wishes to do through his invasion of Kuwait. So what would you advise the governments of Western countries like Australia to do to try and bring down the Hussein regime if you do not believe that sanctions are the way to go?

Ms Mitchell—First of all, as I said, sanctions should be lifted because I do not think that a people suffering hunger and so on under these sanctions cannot organise to get rid of anybody. I think they are too anxious to have food on their own table. As the previous speakers said, if you want to build up an opposition, you do not disable the people so much that they do not have the capacity to do so. I think that is the first thing to do.

Mr PYNE—In your evidence earlier you mentioned a number of figures for thousands of children, elderly people and others who are dying every month because of the United Nations

sanctioned sanctions on Iraq. Where is the evidence for all these thousands and thousands of deaths?

Ms Mitchell—The United Nations specialised agencies themselves have provided that evidence, and it has been to the Security Council several times.

Mr PYNE—The previous speaker said there are 1,000 month and you said thousands and thousands a month—

Ms Mitchell—It is 5,000 under five years.

Mr PYNE—That seems to be a larger number than the previous speaker.

Ms Mitchell—That is documented, yes.

Mr PYNE—I wondered whether there were any specific facts in respect of that.

Ms Mitchell—That is documented in the UN documents that they have produced at the Security Council.

Mr PYNE—Senator Quirke made some interesting comments earlier to the previous witness along the lines of what responsibility do you think the West would have if we lifted sanctions and Saddam Hussein was allowed to continue in his regime, and he built weapons of mass destruction through the various triggers and other things that you need for tractors in the same way as you need them for nuclear weapons and bombs and then bombed his neighbouring states? Do you think the West would bear any responsibility for that, given that we knew that he had the intention to do that all along?

Ms Mitchell—They would have to come to some kind of military agreement, but the West seems to be quite adept at prohibiting armaments or anything that could be used in armaments—except food and pencils, as the previous speaker said. I am sure that they could come to an agreement if they were in a position to do so. Could you repeat the question; I forget what you originally asked.

Mr PYNE—I asked whether we would bear some responsibility for the deaths of hundreds of thousands of people if Saddam Hussein were able to get into a position where he could deliver weapons of mass destruction on his neighbours. Would the West bear some responsibility for that, given that we knew that he wanted to do so and then lifted the sanctions anyway? One could argue that by allowing his people to starve he is putting pressure on the West to lift the sanctions to allow him to continue his war. You could put that argument.

Ms Mitchell—I suppose you could, but it is a very spurious argument.

Mr PYNE—It seems to be working.

Ms Mitchell—The sanctions are still on and no-one is blaming Saddam Hussein for putting them on; they are blaming the West, and that is not going to help matters any. The population

that is coming up in Iraq at the moment is going to have very ill feelings towards the West because they see it as putting the sanctions on. Under the United Nations resolutions, a short-range missile—which has just been tested—is allowed. So the inspectors will have to go back and that will have to be arranged, but meanwhile I think the sanctions should be lifted. If the sanctions were lifted, perhaps the inspectors could go back—that has been said before.

Mr PYNE—I think you are very brave to come and give evidence, given that you listened to the previous speaker and the questioning that he received. You are very courageous.

Senator QUIRKE—Do you think that the sorts of states that deliberately supply weapons materials to this regime should be internationally condemned? As I understand it, the Iraqi air force is wholly equipped by the Russians, the Iraqi missile fleet is wholly equipped by weapons that travelled through Russia from North Korea and there are limited Western countries that are also involved in this. Earlier in the piece, the French gave some military technology to the Iraqis, and as I understand it—and I could be wrong here; no doubt the German ambassador will be down to see me if I am wrong on this—early on there was some German technology in there. But primarily Russian equipment and North Korean equipment have gone in there—equipment both for weapons of mass destruction like scud missiles and for the Iraqi air force. Do you think that is where we should be concentrating our efforts rather than employing the present embargoes?

Ms Mitchell—As the last speaker said, the arms trade is causing havoc throughout the world and it should be stopped or at least, at the very best, monitored to a great degree. The Middle East is being destabilised because of weapons in other countries, so I suppose you cannot blame Saddam Hussein or any other person in that area for wanting to get some weapons. For instance, Israel has nuclear weapons—that has a destabilising effect on the whole of that region. Any country might want to have not only nuclear but biological and chemical weapons—which may be easier to get because, after all, any chemical factory can be classed as being able to manufacture chemical weapons. Perhaps even in our own kitchens we can get chemicals that could be classed as dangerous. All of that is very destabilising, but I agree that the arms trade is a very destabilising influence.

Senator QUIRKE—If Israel is responsible for this particular regime and the other regimes there are, as you say, protectively or defensively arming themselves, why do you think he went into Kuwait the way that he did and created the damage that he did there? You seem to think that this man and this regime are fairly benign. This guy, in his life, has caused a lot of damage to Iran and to Kuwait and would, no doubt, do the same to a lot of other places if he got the opportunity.

Ms Mitchell—I agree. I do not think he is benign at all—I do not know whether I gave that impression. There was oil at the bottom of the invasion of Kuwait. That was more of a political thing; I am talking about the humanitarian side of the sanctions. So I do not want to go into that. That was another story, if you like.

Mr PYNE—Some would argue that, if the Israelis possessed nuclear weapons—and, of course, there is no evidence to suggest they do—that could be a stabilising influence in the Middle East because it would make other countries less inclined to want to have a war with

Israel as they may come off second best. So some would argue that nuclear weapons in the state of Israel would be a stabilising influence rather than a destabilising influence. Previous evidence was that, when countries thought they could beat Israel in a war—and, remember, they have faced five wars since 1948—they were quite inclined to invade Israel. Now that there is a nuclear weapon capacity, of course, that would be very unlikely. One could perhaps say the Golan Heights could go back to Syria because Syria would be disinclined to ever invade Israel, given that they would have the capacity to defeat Syria without the need to have the Golan Heights. That is just one of the subjects that is discussed as part of the process.

Ms Mitchell—I do not call nuclear weapons a stabilising influence in any country.

Mrs CROSIO—Hear, hear!

Ms Mitchell—If you have a regime where some can have them and some cannot, it is a destabilising situation.

Mrs CROSIO—I could not agree more with you, Ms Mitchell: I do not call nuclear weapons a stabilising influence, either, on any particular country. I would like to come back to your submission where you were talking about Iraq and the problems we have. Dr Mark Zirnsak's submission noted that it has now been recognised that one of the worst droughts affected Iraq in 1999, affecting something like 60 per cent of their wheat crop and 67 per cent of their barley crop. So, naturally, a lot of lives have been affected by that drought. Why do you believe that Saddam Hussein has refused the entrance of the United Nations modification and verification commission to do an inspection? Why has he always said, 'No, you're not coming in'?

Ms Mitchell—There were some conflicting views as to why they left. Some said that they spied for the United States and they left before the bombing started. Others say that Saddam Hussein ordered them out. He has always said that the inspectors can come back if the sanctions are lifted. Perhaps some other agreement will have to be made to get those inspectors back. But, right now, the sanctions should be lifted. As you say, the drought is becoming very acute. There is also foot and mouth disease killing the cattle. All these things have been denied under the sanctions regime and the ban on pesticides and vaccines to help the cattle. So Iraq is suffering in that way.

Mrs CROSIO—We seem to have a problem because of the fact that sanctions will be lifted after the inspections are completed and Saddam is saying, 'No, you're not going to come in to complete your inspections. Therefore, the sanctions cannot be lifted. It seems to be one against the other at the moment.

Ms Mitchell—Yes. That is why I am saying that it is more a humanitarian problem than a political one.

Mrs CROSIO—You would have heard Dr Mark Zirnsak say that the humanitarian aid is being distributed rather fairly. One of the problems mentioned to me by people who live in my community and who have fled Iraq and the regime over there is the fact that, even if things are available to be bought on the open market, they do not have the means by which to buy it because there is no employment there. Have you heard any contrary evidence or been supplied

with any contrary evidence— in other words, that the growth of the country is being suppressed because of the regime of Saddam Hussein?

Ms Mitchell—I do not know about Saddam Hussein but I think that the sanctions are depressing the country even more. Although oil for food is allowed, there is not that much money that can be spent on the food, because 30 per cent of that goes to reparations in Kuwait and another portion has to go to the United Nations for their peacekeeping efforts, sanction regimes or something.

Mrs CROSIO—But we have to also acknowledge the fluctuation in the price of oil. If the sanctions are lifted, it depends upon how much they can manufacture and how much they can get in.

Ms Mitchell—Yes. They are also suffering because they have not been able to put all the money into the oil producing areas as well.

Mrs CROSIO—Have you any evidence—I asked this question of Dr Mark Zirnsak previously—of what people are now saying, that there are two distinct lifestyles over there, the haves and the have-nots? The underprivileged are the ones that you are referring to in your statistics, with young people losing their lives, but now we seem to have an increasing population who seem to have a lot more than what they had in the past and their lifestyle is now going along very well.

Ms Mitchell—I suppose it is the same with the rich in any country: they have more to sell to get the food and the life-giving things that they need. But certainly there is that strata that is not getting anything and that is the ordinary people.

CHAIR—You gave the United Nations a fair belting in your submission particularly in terms of its human rights record in Iraq. You accused it of failing to uphold the universal declaration; you hit the World Health Organisation. In those terms, is there anything that Australia could do or should do to uphold your suggestion of maybe bringing the UN back on track a bit?

Ms Mitchell—First of all, it has to withdraw its support for the United States and the United Kingdom, which are the ones that are keeping the sanctions on. I think Australia can play a great role in getting the sanctions lifted.

CHAIR—As there are no further questions, thank you very much indeed, Ms Mitchell, for your attendance today. If there are any matters on which we might need some additional information, the secretary will certainly contact you. We will send you a transcript of your evidence to which you can make corrections of grammar of fact.

[10.47 a.m.]

FLEISCHER, Mr Tzvi, Editor, Australia/Israel and Jewish Affairs Council

MANDEL, Dr Daniel, Associate Editor, Australia/Israel and Jewish Affairs Council

RUBENSTEIN, Dr Colin Lewis, Executive Director, Australia/Israel and Jewish Affairs Council

CHAIR—The subcommittee prefers that all evidence be given in public, but should you wish at any stage to give your evidence in private you may ask to do so and the subcommittee will give consideration to your request. Although the subcommittee does not require you to give evidence on oath, I should advise you that these hearings are legal proceedings of the parliament and therefore have the same standing as proceedings of the House itself. I invite you to make a short opening statement, if you wish to do so, before we proceed to questions.

Dr Rubenstein—Thank you very much, Mr Chairman. Thank you for the opportunity to be here. I will take advantage of your offer and make a very brief opening statement for a couple of minutes. I will then ask my colleagues to do the same for an equal measure of time if that is acceptable. I would like to briefly update you on developments since our submission was made several months ago, because as we sit here we are really on the cusp of a potentially historic breakthrough in the Middle East, hopefully not a breakdown in the key Middle East talks between the Palestinians and the Israelis at Camp David. I want to briefly address that as well as continuing, destabilising developments in the region. My colleagues will pick up on those problems as well as on the opportunities specifically for Australian policy and in possible trade relations with the Middle East, in the short opening statements that we will make.

What I would like to say initially about Camp David is that right now the possibility of a package deal, an agreement on fundamental principles and an end to the conflict—or at least an end to claims by the Palestinian side—is within reach. Certainly it seems, from what we know about these talks, that maximalist Israeli concessions seem to be on the table, and they straddle the key issues of borders, settlements, the right of return and, of course, the most difficult issue of all, Jerusalem. What seems to be the key issue, as we point out in our submission, is whether Chairman Arafat can move sufficiently to soften his position to strike a bargain to satisfy his basic interests while accommodating the basic interests of the Israeli side. We would say that there are obviously severe risks on the Israelis' side that the maximalist peace that they are offering will lead not to a real peace but to the continuation of intimidation, threats of violence and, indeed, violence and terrorism.

I say that regrettably because, in essence, the end of the conflict was part and parcel of Oslo, the agreement of September 1993. As we document in our submission, there has been a recurring pattern, on and off, in the subsequent years of Palestinian intimidation and violence, and indeed terrorism. As a result of the demands of reciprocity of the Israeli government over the last three years, the record of Palestinian compliance and cooperation in terrorism has improved remarkably in the last 18 months. It is not heartening that continued threats of

violence continue to be an undercurrent surrounding even the current talks and even as recently as May—just two months ago—fatal riots occurred.

I think a key item that we have referred to in our submission is the need for a genuine end—and this is a process, of course—to incitement and, frankly, anti-Semitism from elements in the broader Arab world and the threat of violence and terrorism. When we see that happening in a sustained and comprehensive way, the process and the actuality of genuine reconciliation between Arab and Jew and Palestinian Israeli will certainly be well-advanced to the benefit of all parties.

On the Syrian front, it was a great disappointment that the late President Hafez al-Assad was unable to accept the offers of four successive Israeli prime ministers to hand to him virtually the whole Golan Heights. That was clear in the breakdown in the meeting with President Clinton at the end of March. What we have seen is a transition in Syria and it is critical to the completing circle of peace in the Middle East that that Syrian Israeli rapprochement and settlement does take place as soon as possible. With the Israeli withdrawal from Lebanon thankfully completed, with the minimal costs in human life, the focus on continued, effective Syrian occupation of Lebanon has been sharpened. As we sit here today, the United Nations forces are also taking up their positions at last on the border, although one looks at the continued plight of Christians in southern Lebanon and one is concerned about the continued aspirations and likely activities of the Hezbollah group in southern Lebanon and not only its links with Syria, as a Syrian proxy, but also the fact that it continues to be supplied with ever more sophisticated middle range missiles by Iran.

Let me say briefly that we continue to be concerned by the destabilising influences in the Middle East. In the Iranian case, the successful tests of the Shahab 3 last week underline that, even now, Iran remains on a full court press in terms of its desire to acquire weapons of mass destruction. It is pursuing this ballistic missile program with full energy, with cooperation from countries in our region, North Korea and also Russia. This represents a serious worry. Its links with Hezbollah, as I have just mentioned, is also of great concern as is its involvement in international terror and its rather problematic attitude towards the peace process.

Similarly, we remain concerned by its repression of minorities such as Baha'is and in particular the Jewish community. The conviction of 10 Iranian Jews indicates the fundamental violation of human rights still perpetrated in Iran on a daily basis today. Therefore, while Australia's record in protesting these violations of human rights and in particular the case of the imprisoned and now convicted Iranian Jews is blemish free and completely commendable, it is a matter of concern that we balance our legitimate trade aspirations with Iran, which should not of course include anything of a dual use variety, with the continued protestation and concern about human rights violations. In that regard, we suggest our vote in support of a World Bank loan just one month ago is an aberration and perhaps gets the balance wrong on this particular issue.

Finally, in the Iraqi case, the testimony just last week of the former chairman of UNSCOM, Richard Butler, that Iraq is back in business should greatly concern us. While UNSCOM had reasonable success in implementing UN resolutions to disarm Iraq, the basic problem in that tragic country is the complete and utter failure of Saddam Hussein to comply with the UN

resolutions and to cooperate with the UN inspectors, and his unwillingness to sacrifice his determination to rebuild his weapons of mass destruction. On the altar of that goal and the maintenance of power at all costs, he has inflicted grievous suffering on his own people. We acknowledge the suffering of the Iraqi people and we acknowledge laudable concern at that suffering and we share that concern, but proposed resolutions such as lifting sanctions are misguided. They may worsen the suffering rather than alleviate that suffering.

The problem confronting the Iraqi people is Saddam Hussein. The beginning and end of the story, he is the problem. I would have thought efforts to depose him should garner the support of all people concerned about that suffering. From any angle of humanitarian concern, any empathy for the Iraqi people, one would have to look at the record of this brutal tyrant since his accession to power at the end of the 1970s—from the initiation of the war against Iran to the annexation and attempted elimination of another sovereign Arab state, Kuwait; from his scorched earth policy in leaving that country; from the infliction of the most grievous suffering on his people; and, indeed, from the failure to take advantage of the continued softening of the sanctions, allowing Iraq to be the second largest oil exporter after Saudi Arabia, with massive revenues and with an income last year higher than Syria's. The true test of this is that in parts of Iraq not under Saddam Hussein's control—the Kurdish controlled north of Iraq free from Saddam's tyranny—living standards have improved dramatically. The distribution of the food and medicine has proceeded apace. The simple contrast between the position of people in Kurdistan, essentially, free from Saddam's tyranny and Iraq proper, put the lie to the cause of that suffering.

In conclusion, as for Australia's policy on, and actions in, the Middle East, Australia is a well-regarded country in the Middle East. We have contributed in a limited way very constructively and positively to the peace process. I think we should not forget Australia's brave and effective contribution to the multinational force of observers that have monitored the Egyptian-Israeli peace treaty successfully over such a long period of time and Australia's contribution to UN peacekeeping in Lebanon, as well. There are genuine interests that Australia has in doing anything it can to impede the proliferation of weapons of mass destruction, especially to dictatorial and tyrannical states, like Iraq, which have used those weapons in the past. We also of course share efforts to enhance genuine arms control, to prevent drug trafficking and people smuggling. We have an interest in looking at the necessity for innovative defence technologies, such as ballistic missile defences. Talk and rhetoric are cheap, but the necessity for such defences against rogue states is very obvious and necessary for countries like Israel that confront not only rogue states but organisations equipped with missiles that may go to the heart of its very wellbeing and national security. There is a variety of such missile defences of course, such as the THEL, and Israel's successful Arrow missile program is in place, and I commend that to the committee's evaluation.

We also would like to compliment the Australian government's support to prevent the undue politicisation of the United Nations and other international bodies in resolving the Middle East problem. In particular, we greatly appreciate Australia's support of Israel's limited admission—but nonetheless a breakthrough admission—into the Western European and Others Group with the United Nations. There are many other positive dimensions of Australia's relationship with the Middle East. On the trade front, it is changing character and it is both positive and

challenging. I will end my comments there and ask my colleagues to make a brief contribution, as well.

Dr Mandel—I will address, if I may, the issue of Iraq and sanctions. I do not want to rehearse history. You already know of course that the Special Commission on Iraq, now defunct, was created by UN Security Council Resolution 687 in April 1991. Its operation was expected to last for only a matter of months, perhaps six months to a year, and that was 10 years ago. The reason for that is that the compliance on disarmament questions that was part of the Gulf War cease-fire settlement was not honoured by the regime of Saddam Hussein. As a result, sanctions have not been lifted and the international security situation has not improved. In fact, there seems to be every evidence to suggest that the Iraqi dictator is in the business of rebuilding and re-establishing his chemical, biological and nuclear research and weapons development programs and facilities. As you know, UNSCOM and its successor body have not been in Iraq for almost two years. It is the opinion of the monitoring body's former head Richard Butler that Iraq is definitely in the business of restoring its weapons program and also that it is developing missile delivery systems which could, of course, threaten Middle East peace and stability. He also confided recently—this is post our submission; I am trying to bring matters up-to-date to some extent—that Tariq Aziz of Iraq informed him that Iraq had weapons to strike what he called the 'Zionist entity', and he left Mr Butler in no doubt as to his intention to use those weapons at the first available opportunity.

I want to address as briefly as I can the main results of the fact that there is no arms monitoring inspection regime in place and what this really means. The first thing is that sanctions are generally imposed as a necessary instrument to enforce compliance with an international settlement where non-compliance would endanger international peace and security. Saddam Hussein is one of the very few leaders in the world today who has actually used every weapon he has ever got his hands on, so we are not discussing anything that is notional. He has actually used every weapon he has had, including chemical weapons, on his own people. It is clear that a present danger exists to international peace and security, and there is no mystery as to the intended targets for these weapons.

In Saddam's case, given his record of development and use of such weapons, the need for compliance is clearly compelling, I think, in a way that few other cases could be. Additionally, the sanctions are the result of relevant United Nation's Security Council resolutions. It is quite clear what was required in order for the sanctions to be lifted, and it was indeed originally expected that compliance would be forthcoming. It has always been within Saddam Hussein's means to comply and to convince the relevant authorities that Iraq is no longer in the business of developing and using unconventional weapons. This he has failed to do. Not even his allies within the United Nations Security Council suggest that he has indeed properly complied. Therefore, any termination of sanctions would enable Saddam to rearm quickly in defiance of the whole post-Gulf War peace settlement.

What are these sanctions exactly? They are not in themselves actually particularly draconian. Iraq at present is the second largest oil exporter in the world, after Saudi Arabia—not an unimportant fact. There is a ban on the transfer to Iraq of any and all dual use technology—anything that could double for making weapons of mass destruction. Iraq is also basically allowed to export agricultural products, which it does, to the extent that it deems appropriate. The only result therefore that one can see—and Dr Rubenstein referred to this earlier—is that in

result therefore that one can see—and Dr Rubenstein referred to this earlier—is that in that part of Iraq that is not under Saddam's control, that part of Kurdistan to which Dr Rubenstein referred, life is really looking up. There is no mass poverty. Indeed, if one looks at the amount of Oil for Food that has been permitted by the United Nations to enable Iraq to gain revenue, it is quite clear that this virtually amounts to a development program rather than crippling sanctions.

Now I must address the issue of the suffering of the Iraqi people. Firstly, it is undeniable and it is acute, and I think it also induces despair as to the prospects for an alleviation of their suffering that the lifting of sanctions would allegedly bring. I have detailed to you the true economic situation of what is produced by the sanctions. The aim of the sanctions was to remove the surplus revenue of Iraq that could be earmarked for the weapons of mass destruction. This revenue was surplus in the sense that one would assume that ordinary revenues are used for the ordinary administration of government and the feeding of the population on an everyday basis. In fact, it is that money that has been put towards developing chemical, biological and nuclear weapons since then, with the result that food, medical aid, humanitarian aid—all things sanctioned and approved by the UN—have gone into Iraq and have not reached the people. They have been deliberately warehoused. So this is a case of famine and starvation that are policy induced. They are not sanction induced. Therefore, unfortunately, one must have the gravest doubts as to whether the lifting of sanctions is going to produce the desired effect. After all, sanctions are not the real problem in the first instance. Why is the lifting of the sanctions going to actually alleviate a situation that has been produced not by chance, not by whim, but by deliberate Iraqi state policy? The reasons for Saddam inflicting this hardship on Iraqis are of course obvious—to put pressure on the Western world to take the leash off Iraq entirely so that it can proceed unhindered with its aggressive policy.

To reiterate, the Oil for Food exports and the supplies of foods and medicines for the Iraqi population deemed adequate by the United Nations and by relevant aid and humanitarian agencies are actually reaching Iraq but they are not reaching the Iraqi people because of a deliberate Iraqi state policy. The Iraqi government has been conclusively demonstrated as deliberately warehousing and withholding from distribution necessary humanitarian supplies. The fact that the Oil for Food revenues are adequate for Iraq is also evidenced by the fact that several countries of lower per capita incomes than Iraq—such as its neighbour Syria—suffer far less malnutrition and shortage than the Iraqi people presently experience. That would have to lead to the conclusion that we rendered in our original submission—namely, that under current conditions, in the current circumstances and under current Iraqi policy there cannot really be a case for removing the sanctions that could be mounted on legal, strategic or genuinely humanitarian grounds.

Mr Fleischer—I will not take too much of your time. I just want to make a couple of quick comments about policy in the aftermath of the Israeli withdrawal from Lebanon after our submission. It has been a very successful withdrawal. I am hoping it will lead to a peaceful border between Israel and Lebanon in the future. But there are a couple of issues that I hope the international community, and particularly Australia, can help further in the interests of Middle East peace. There is, firstly, the importance of the Lebanese government gaining control over the entire country. At the moment, because of the massive Syrian intervention in Lebanese

affairs, Lebanon is not maintaining control of the border area between Israel and Lebanon. It is leaving a private, radical militia to control that border area.

The second thing is that now Israel has left Lebanon there can be no conceivable purpose for Syria to maintain its 30,000-plus troops plus 30,000-plus intelligence officers in Lebanon. There is no reason why Lebanon and Israel should not now be at peace. The only reason there is no peace between Israel and Lebanon is because Syria desires to use Lebanon as a pawn in its own conflict with Israel. The international community now has a responsibility to push for the conditions in Lebanon so that Israel-Lebanon peace can occur. I will not take any more of your time.

CHAIR—I will open things up by going back to something that Dr Rubenstein said on the Australian contribution to the Middle East. In particular, you made a reference to peacekeeping forces. Do you think that perhaps we should be involved with peacekeepers in southern Lebanon or is there any indication from Israel that they would like Australia to be involved in that peacekeeping operation?

Dr Rubenstein—I do not think we are that far advanced. My comment meant to suggest that in the past Australia has played an entirely positive and constructive role despite suggestions at the time that this would be a very precarious and dangerous operation and questionable in terms of our capacity to provide those resources. In the event, none of those propositions were true. Australia was uniquely placed as a party with good offices on most sides of the conflict to deliver the degree of supervision and monitoring both parties wanted. The record is that it has been needed. We did contribute. The effect was entirely positive.

In the Lebanon case, of course, it is really problematic as to what the nature of the monitoring and the peacekeeping should be. In the first instance, the United Nations forces are hopefully taking up their positions as we speak now. There may be a possibility and a request that an Australian contingent could be a small component of a peacekeeping operation, if not with Lebanon then ultimately when we get to the happy day when an agreement between Syria and Israel is finally achieved. There may be an opening and a possibility for Australian involvement. I do not think this is focusing the minds of the participants in the region right now. Given the history and Australia's good offices in the region, if such a multinational force were called for, in terms of our increasingly positive record on peackeeping and our own defence forces and planning, we should consider it seriously if we should be called upon to become involved in this sort of operation.

CHAIR—I think that is probably the reality of it, isn't it? To a very great extent, Australia is regarded as something of an honest broker in the Middle East. That sort of line may have more than support just from the Israeli side.

Dr Rubenstein—Yes, I was not meaning to suggest that only Israel would be interested. Clearly, with the Egyptian-Israel treaty, Australia was regarded positively by both sides. Happily, Australia is well-regarded by most parties in the Middle East. Should the need for peacekeepers emerge in one theatre or another, we can expect that we could be called upon to contribute as a well-regarded middle-level power that acts rather than just engages in cheap

rhetoric and has a good record. I think that is very much the case. We have good offices, are highly regarded and play a responsible international role.

Mr PYNE—Dr Rubenstein, in your submission you talk about Australia and trade issues and what the Australian government could be doing to encourage greater trade development between Israel and Australia. Only last Friday, I attended a luncheon in Adelaide for the Australia-Israel Chamber of Commerce which is about 500 people. It has become very much the norm that the Australia-Israel chambers of commerce around Australia, not just in Adelaide but also in Sydney, Melbourne and Brisbane, have taken on a very critical role in encouraging trade delegations. There is another one going again in November with Richard Alston, there is one going in August with David Kemp, and Israeli ministers are coming to Australia. There seems to be a heightened awareness from the Australian side in investment in Israel—which I think is a terrific thing. What other things could we be doing and could Israel perhaps be doing to encourage investment and trade in particular products and industries between our two countries, so we can dramatically ratchet up the two-way level of trade?

Dr Rubenstein—I will make a brief comment and perhaps hand over to Tzvi Fleischer. I was privy to a briefing that Prime Minister Howard received in Israel during his recent visit by the heads of Israel's high tech companies. This was a very enlightening and impressive session which indicated that, quantitatively, Israel is only second to the United States in terms of high tech start-ups. It is an area of great interest to me, having done a comparative study of Australia and Israel in the area of science and technology policy and high tech, stretching back over 20 years. There is a lot that each country can learn from the other. What has distinguished the Israeli performance is the ultimate necessity of defence, which has forced them to cut through cultural, institutional and bureaucratic barriers to be highly innovative.

Frankly, Australia has had all the same ingredients. We have excellent possibilities and do better than we think, but we all know we can do better than we are doing. The relationship with Israel highlights the way in which we need to be somewhat more entrepreneurial, to loosen up our whole innovation chain. We could do a number of specific things that other countries have already done, to the mutual benefit of Australia and Israel. One is the establishment of a joint Australia-Israel research and development fund, modelled on the earlier Israel-United States Binational Industrial Research and Development fund, BIRD, which has been in existence for 23 years and had remarkably positive effects. There are model, parallel sort of BIRDs that have been subsequently established between Israel and Canada, Israel and Singapore, and Israel and South Korea. One concrete thing that we should be looking at is the establishment of an Australia-Israel BIRD fund.

We also need to look at the possibilities of investment—Australian companies partnering and cooperating in a variety of joint ventures with Israeli high tech companies. There is a possibility those joint ventures could garner real markets in this part of the world. There is a tremendous demand for a range of high tech, infrastructure, agriculture, biology, medicine, energy and communications products. Similarly, Australia should use the opportunity that Israel represents in terms of investment and industry, not just in the Middle East but very much taking advantage of links and the free trade areas Israel already enjoys with Europe and North America. I suppose one should compliment the two-way traffic partly stimulated by the Australia-Israel Chamber of Commerce, increasingly reciprocated by delegations from Israel, increasing the awareness of

businessmen and governments in each country of the opportunities that each represents to the other.

I think there are very considerable opportunities. They represent the wave of the future in terms of enhanced, even exponential, productivity and profits. This is, I suggest, an important aspect of our submission, and I know the thrust of the submission by the Australia-Israel Chamber of Commerce, which I commend to the committee. Perhaps Mr Fleischer will say a little more here.

Mr Fleischer—You stole my thunder fairly much, but I will add a few words. I reiterate that a key area of opportunity is high-tech joint ventures and that several Israeli companies that I know of—there are over 30 here—are very interested in using Australia and the facilities and the knowledge based industries we have here as a jumping-off point to the Asia-Pacific region. There is great potential to increase this ability. One very important policy issue is the appointment of a science and technology attache at the Australian Embassy in Israel, which as far as I know there still is not. That is a very important move we need to make. If we are clever, we can make a good pitch, we need to reach out to Israeli companies and show them the opportunities that are here. I think there is opportunity for immense expansion of joint ventures and the use by Israeli companies of Australia and Australian companies as a jumping-off point into the Asia-Pacific region.

CHAIR—If I can just come in on that, one of the things that seems to be coming through is that in actual fact not specifically in Israel but in the Middle East generally there is some ignorance about what Australia is all about, and indeed the reverse is probably true as well. Have we done enough within Israel in promoting that image of Australia and our specific capacities?

Mr Fleischer—I can speak mostly about the Israeli case and I can say no, we have not. The knowledge among Israeli companies of what Australia has to offer is pretty limited, from what I understand from my discussions with the Australia-Israel Chamber of Commerce and from some Israeli diplomats here who are very interested in promoting the idea as well. So I would say that no, we have not done enough, and there is plenty we can do within Israel to promote what we have to offer here. I suspect the situation is similar in other parts of the Middle East. I know there has been a concerted Australian effort in the Gulf states, which is positive and which we support. There are probably other opportunities to take advantage of, but I am not as familiar with those, I must admit, as I am with the situation in Israel.

Dr Rubenstein—Could I add that I think one of these other specific things we should be doing in this area is entering into negotiations with Israel to establish free trade agreements, to look at the possibility of double taxation agreements and of course very much to enhance the research and development cooperation relationship. These things incrementally develop between researchers and between businessmen anyway but, as with government in general so it is true in terms of international trade, creating the framework and atmosphere to encourage these positive possibilities is the task of government. I think we could play a little catch-up. We could also be doing more on the tourism front. Israelis do travel. They travel into Asia, and I would like to see more of those Israelis get down to Australia and look at the business opportunities in conjunction with Australian companies and firms that present themselves.

Mr PYNE—Beyond high-tech there is quite a lot of interest in Australia in agricultural trade with Israel—not vast tonnage of wheat or things like that but in regard to the investment in olives in Australia there seems to be some interest from Israel and the use of technology from Israel in growing olives here in Australia. The use of water techniques to conserve water which I saw when I was in Israel is also being developed here with Netafim and things through Melbourne. So it is not just high-tech, there are other areas that are of particular interest to Australian businessman. In fact, when delegations go to Israel, the ones that are most successful are the ones that go with a primary industries minister or something like that because they can see how Israel having to use scarce water in a dry country, had managed to do similar things to what we do here in Australia and there can be good exchange between the two. Is there more evidence of that happening as well?

Mr Fleischer—Yes, I think there is a fair amount of cooperation in that area, but there is certainly room for more. In addition to high tech, the other two major areas where there are clear synergies between Israel and Australia are agricultural technology—both countries have a very good record in that area, particularly dry climate agricultural technology—and biomedical technology where both countries are among the leaders of the world. There are certainly synergies in those areas as well. There has been a lot of progress in agricultural technology in recent years. There is certainly room for more. There has been some progress in biotechnology and in high tech, but those areas need more of a focus.

Mr PYNE—Given America's great involvement in Israel in defence and other aspects, is there a cultural problem with Australia? Do Israelis look to the United States first, before they even think about Australia? Is that one of the problems that we face?

Mr Fleischer—Yes, I think it is. Many Israelis, many companies, do not think of or know much about Australia, especially its economy. If we were able to get across what we have to offer here—in terms of infrastructure, our advanced communications companies and systems and our good access to Asian markets—we could vastly improve the amount of trade in very high value added areas with Israel.

Mrs CROSIO—My experience on the ground in both Israel and Palestine is that Australia seems to be regarded as the follower, not necessarily the leader. Some of the submissions were very polite when saying what we were achieving. So I hope we do that. Dr Rubenstein, I would like to come back to your comments. In your opening address you were talking about the maximalist peace offering with Israeli concessions. Would you like to elaborate a little on that with the peace processes going on now?

Dr Rubenstein—I am talking specifically about the Camp David talks which are taking place right now. We do not know the full details of the Israeli offer. But, from the leaks that we have had and from the make-up of the Israeli delegation team led by Prime Minister Barak and Minister Shlomo Ben-Ami, this seems to represent—I think it would be widely agreed—the most extensive and maximalist sorts of concessions an Israeli government has so far made and, some would say, would be likely to make. It seems—and again we do not have confirmation—on the key issues of these talks trying to straddle the gaps of the four key areas, there has been real progress based on Israeli willingness to effectively acknowledge the imminence and likelihood of a Palestinian state, for a start.

Mrs CROSIO—Dr Rubenstein, do you actually feel there is any doubt that eventually Palestine will become a separate state?

Dr Rubenstein—Until something happens it does not happen. There is growing acceptance and consensus on this internationally and in Israel. The real question is: will that state be a product of a negotiated settlement? The real danger that is implicit in these talks is that, if they do not make progress, Chairman Arafat will act on his threat to unilaterally declare a state without the negotiated agreement with Israel. That is the key problem which President Clinton is obviously doing everything to avert by these talks.

Mrs CROSIO—And what about Prime Minister Barak—what about his power back in his own country? There are two sides there, aren't there?

Dr Rubenstein—Yes, but let us not get engaged in mindless equivalents. The fact of the matter is that in the Israeli case there is an awareness and an implicit acknowledgment that a Palestinian state will and probably should emerge. That is the reality of the situation, subject to a genuine peace agreement and a negotiated settlement. That is where we are at at the talks right now. This is the clear preference on both sides. It is obvious that there is Israeli consensus and the Israeli preference would be for such a state to emerge as a result of an agreement with Israel. If it does not then this runs the risk of putting a dagger into the whole process. I do not think they can grasp the horrible possibility of the talks being set back because they must move on to a settlement sooner or later. We all hope it will be sooner, without the painful cost and suffering we have seen in the past.

The nature and borders of that Palestinian state are issues where progress seems to have been made in terms of very extensive Israeli territorial concessions—some say 90 per cent, some say even more. There has been implicit agreement on the borders of that state. On the issue of Israeli presence in the Jordan Valley, there even seems to have been a change in the longstanding Israeli position that they must retain territory in the Jordan Valley. We have seen the notion floated that perhaps they will actually lease back land from a Palestinian state. On the question of Palestinian refugees, of course no Israeli government will acknowledge moral responsibility for the refugee situation, the causation being the failure of the Arab world and the Palestinians to accept the state they were offered in 1948.

Mrs CROSIO—You supplied most of that in your evidence. I want to come back to some specific questions arising from your submission and your opening statement—and you have just touched on it again—about Israel and settlement. From what we have heard in evidence, and from what we have physically seen on the ground, Palestinians wish to return to their own land. They cannot understand or appreciate how Israel can welcome so many Jewish people from around the world to settle in Israel, when the Palestinians have been waiting all of these years to return to their homeland. That seems to be a great divide when you talk to people and in the evidence we have taken to date. Do you see from your collective experiences—and particularly your recent visit—that Israel will gradually give back some of the settlements to the Palestinians during this whole change and what is happening at Camp David?

Dr Rubenstein—Israel has been progressively giving back territory to the Palestinian authority over the last five years, since the Oslo agreement, so that is the reality.

Mrs CROSIO—I saw on the ground that settlements are still being built. I understood, when Prime Minister Barak was elected, that one of his statements was that no further settlements would be built. I physically saw tractors coming in, and I physically saw settlements being built. When I questioned on the ground—I think it was Mr Perez—why these settlements were being built, he said, 'They're not new settlements; they are extensions to old settlements.' Extensions to old settlements 10 miles apart are rather strange extensions. That is a very hard thing to accept, when people are saying on the one hand, 'We are not building new settlements; we're giving land back,' but on the other hand settlements are continuing to be built and the budgets of the past two progressive Israeli governments have shown very conclusively that money has been allocated for the future building of settlements. It is a hard thing for me to take when I have evidence from you collectively, from other submissions and from the other side, as well as having seen myself that physically on the ground these changes that have been talked about do not seem to be happening.

I read *The Review* as well; I try to read everything that comes across my desk. I am pleased to meet both of you. I did read *The Review* and what you thought of the IPU delegates at the last conference in Jordan, but that is another matter. We will get off that and come back to the questions to Dr Rubenstein. I am rather interested. I try to keep a very open mind on it, but everyone is telling me, 'Look, from the Israeli-Jewish point of view, we are giving the land back. We aren't building the settlements; we are acknowledging the refugee plight.' The Palestinian group are saying, 'We as refugees have been waiting all this time. We are not getting any land back. They are still building new settlements. We wish to have access to the land we were born on.' Besides the division of Jerusalem, don't you believe that this is going to be one of the biggest criteria—for both states—for permanent peace in that region?

Dr Rubenstein—It is the issue on which most progress has been made. You would have to be blind Freddy not to acknowledge that substantial lands have been handed over to areas A, joint controlled B and area C. It is a very elaborate, highly concrete and very empirically verifiable proposition that we have seen dramatic changes over the last five years. The Palestinian Authority completely controls area A. There is dual control in B, so I am not sure what the gist of your statement really is. The fact is that, at Camp David, Israel is clearly putting on the table the offer to hand over another 40 per cent of the territory to the Palestinian Authority, come a Palestinian state. There does not seem to be much doubt that the gap between the parties has been dramatically bridged on this issue of settlements and borders, as it has been on the question of refugees. Israel will acknowledge suffering, but it will not accept moral responsibility for the plight of refugees. Apparently, according to leaks, the possibility of family reunification—more substantial numbers than we have been led to believe—is part of the proposed deal, which is part of a very charitable and expansive financial compensation package. So it seems that, in those three key areas, real progress has been made. The stumbling block is the capacity for compromise on the question of Jerusalem. My colleagues may like to add to that.

Mr Fleischer—I have a quick comment on the issue of settlement. It has always been acknowledged that existing settlements could continue to have normal growth under all Israeli governments since the Oslo accords. It was never written in the Oslo accords that Israel could not expand existing settlements. Neither is it written that they cannot build new settlements; however, as a gesture of reconciliation, they have offered not to build new settlements. There

have been some cases where illegal settlements were built, most of which were demolished at the beginning of this Barak government. I am not sure which settlements exactly you are speaking of, but they did demolish several settlements at this time.

With regard to current negotiations about settlements within the West Bank, I gather the current plan is that Israel will maintain areas where there is a clear Jewish majority, that they may trade a token amount of Israeli land in exchange and that other settlements in isolated areas either will be removed or will stay under Palestinian sovereignty but with some special dispensations. That is what they are talking about. In any case, the solution to the refugee problem is that the Palestinians have their own state. They are, of course, welcome to make their own immigration policy and the Palestinian refugees can then return to the Palestinian state as they deem appropriate.

Mrs CROSIO—So, regardless of what has occurred with the changes of the boundaries during the respective wars that have taken place, you cannot see that ever moving back?

Mr Fleischer—To Israel?

Mrs CROSIO—No, even back to the Palestinian borders.

Mr Fleischer—There never has existed a Palestinian state, as I am sure you are aware, so there is not a set of borders that we can say that the Palestinian state must be the same as in the previous borders. The approach now is for Palestinians to have self-determination. All areas in which the Palestinians are in the majority should be given that right—and where they wish to be part of Palestinian self-determination, because there are Palestinians in Israel who do not wish to be part of the Palestinian state in general—and areas where there is a Jewish majority will be part of Israel.

Mrs CROSIO—You have supplied us with a very in-depth submission. Do you believe, collectively, that the objective of 13 September will be reached?

Dr Rubenstein—We will be better informed in a day or two, won't we? As to the outcome of the next two days, we can barely understand the past let alone predict the future, so it is a very difficult question. I would have thought that, even on the Palestinian side, the inflexible determination to declare a state on 13 September is one that seems to have softened in the lead-up to Camp David, because threats to declare a state have happened in the past and the threat has been deferred. It is, potentially, the deal breaker. This is the bottom line. There clearly is a bottom line for Israel and there are clearly fundamental interests on the Palestinian side in Jerusalem as well. So, at the end of the day, Chairman Arafat needs to know when to pull back rather than risk throwing the whole process back into the cauldron. He has shown the ability to do that on several occasions in the last few years, so I do not think we should be unduly focused on the date of 13 September. I am hopeful that the gains from a negotiated settlement will be looming very large in the minds of the Palestinian contingent and that the possibility of coming to terms on Jerusalem rather than risking the whole package—which from the perspective of just a few years ago must be looking extremely positive from the Palestinian point of view—will be a sobering reality. So I think that weighs very heavily on their minds. Obviously we cannot tell. One is hopeful that, maybe, we will get that expected agreement in the next few

tell. One is hopeful that, maybe, we will get that expected agreement in the next few days, even though the odds are low.

Mrs CROSIO—Before I ask Dr Mandel about Iraq, can I ask Dr Rubenstein a question. The thought that often goes through my mind, having read the submissions that have come forward since we started this inquiry, is: where would we be in terms of the Palestinian-Israeli problem if something happened to either Chairman Arafat or Prime Minister Barak? Do negotiations have to start all over again if either player changes position or if somebody else comes back in again? I have been wondering what would happen in that situation—it is just something I have been thinking about. Negotiations have gone on for such a long period of time and a certain amount of trust seems to have built up between the two of them; if one was no longer to be there, where would we be, as a world watching the situation?

Dr Rubenstein—On the Israeli side, you are dealing with a democratic country, and the government of the day will conduct the negotiations as they have consistently done through the decades. More specifically, your question would be: if the negotiations fail, what will be the future of the Barak government, which is already on fairly shaky ground at the moment and is being accused of dropping minimal Israeli conditions in a way that was previously unthinkable? He certainly has gone out on a limb, and that is what I meant when I said that he is making the most maximalist concessions of any Israeli government. If even that should fail, he would be in a position to say not only to his own people but to the world, 'I went the extra yard, but I could not get the reciprocity that I needed for a deal.' Whatever happens, you will have a duly elected, democratic Israeli government to continue the negotiations. But, clearly, we would certainly have a setback.

On the Palestinian side, there is no doubt about the shrewdness, the experience and the capacity of Chairman Arafat. His authority would be unsurpassed in terms of making the final deal and the sorts of compromises that are, of course, implicit in any negotiation. In a way, this is the fundamental problem: there is an asymmetry between the sides, with the Israeli side being asked to make concrete, tangible concessions on land and other strategic concessions while the Palestinian side is being asked to make symbolic, ideological and emotional concessions to accept the legitimacy of Israel.

Mrs CROSIO—That is a matter of opinion.

Dr Rubenstein—You are entitled to your opinion.

Mrs CROSIO—I am just thinking of the other groups that have come forward to give evidence to us.

Dr Rubenstein—It is an issue as to whether anyone could fill his shoes if Chairman Arafat were to fall under a bus tomorrow. But I have met many Palestinian officials—including Chairman Arafat—and I can say that there is a generation of experienced negotiators and politicians, some of whom have been brought up in a different tradition, a more open tradition, and are aware of the ethos of negotiation and compromise, human rights and democracy. Politics is a surprising business, and I would not necessarily give up all hope, although if these talks were to collapse we would all be desperately disappointed in the short run. I think the key

is that we get a genuine deal, that we have a genuine change of heart and that we have a real commitment to ending the conflict. Of course, these commitments have been given before. What the international community—and, I suppose, the Australian government as well—needs to look at are ways of verifying any sort of deal that is made: what are the benchmarks to ensure that any deal made is faithfully implemented on the ground, in terms of concrete fact, and in the heart, in terms of changing attitudes? That is a process where a government like Australia can continue to try to impress upon the participants in the region the importance of taking to heart the values of mutual respect, tolerance and acceptance, which presumably must be part of any end-of-the-conflict deal that hopefully will transpire in the near future.

CHAIR—Could I move on to some social and cultural issues. You mentioned your desire to see tourism pick up between Israel and Australia. Off the top of your head, do you have any idea of the numbers involved every year in the traffic both ways—Australia-Israel and Israel-Australia? We can look it up if you do not have it; I was just wondering whether or not there was a substantial amount at the moment.

Mr Fleischer—It is limited, especially Israeli tourism to Australia. There is slightly larger Australia to Israel tourism. I do not know if we have the numbers in front of us.

Dr Rubenstein—I do not have the figures, but Australian tourism to Israel and to the Middle East is reasonably healthy. We would like to get more Israeli tourists beyond Asia into Australia and we would also like to be able to get more Israeli politicians and officials to come to Australia to reciprocate the visits—welcome visits as they are—of Australian politicians into Israel and the Middle East.

CHAIR—Has the Macabiah Games issue all settled down? Has that caused any strains in terms of the relationship?

Dr Rubenstein—Yes, it certainly has caused strains. It has been a very difficult issue, compounded by the legal complexities and the demands of time and energy that are implicit in any legal process. But I think we have to say that on the Israeli side they applied themselves with full energy and rigour. We do have criminal convictions in the Israeli case, which I think represents a successful completion of the criminal process in rather speedy time, by any standards. I think we are all quite encouraged by the Knesset—the Israeli parliament—report handed down a few weeks ago, which calls for a number of outcomes that have been requested on the Australian side for a number of years. We are also heartened by the fact that the completion of a number of the claims is proceeding apace. I believe that in the last month the number of outstanding claims settled has more than doubled. It is not all over. There are some minimum demands from the Australian Macabiah movement which have not yet been completely met but we can say that dramatically positive progress has taken place in recent times. We are very hopeful that at the end of the day all the requests and outstanding claims can be settled and, as sportsmen and Australians, we hope that there will be an Australian Macabiah team that will be able to participate in the Macabiah Games that take place in Israel later on next year.

CHAIR—In terms of exchanges, while we have been talking about trade, what is going on in terms of education? Is there much of an opportunity there for us to build the relationship, in a

cultural sense but maybe also in a trade sense? Australia has been doing quite well in terms of education export in such diverse places as Asia and South America. Are there any possibilities for us to build up some connections between Israel and Australia?

Dr Rubenstein—What has certainly happened over the years is that, in an ad hoc, incremental way, scholars, students and researchers have found out each other. There has been an informal but an actual two-way process between Australia and Israel at the student level and at the level of academic exchange and scientific exchange. There has, in fact, been an Australia-Israel science agreement that was negotiated well over 10 years ago. More recently, efforts have been made to breathe life into that agreement, which unfortunately languished somewhat because of the failure of both governments to actually put money into it. What has tended to happen, however, over the last decade, is that various universities have negotiated and reached agreements with specific Australian universities. Just last week, for example, Monash University and Tel Aviv University announced an exchange student agreement. There have been similar agreements between the Hebrew University of Jerusalem and Australian universities as well. Efforts to acknowledge their credentials and give credit for students at the respective universities is an area where more can be done. There is a track record and I think this needs to be encouraged. More needs to be done at the level of academic and scientific exchange. If something like a BIRD agreement was negotiated, the wherewithal to actually put flesh on those sorts of agreements would be greatly enhanced. This certainly is the way to go because there is so much to be learned from each country. The actuality of Israeli scholars coming to Australia has occurred, but to enhance that process would be highly beneficial for both countries as well.

There is a natural affinity there. In the world of education and science, Israel and Australia are more or less in the same category—high level, high quality academic standards; search for excellence and excellent educational systems with strengths in different areas. So there is a rosy future and great opportunities and possibilities right across the educational, scientific and research continuum. Of course, there are also opportunities and possibilities with respect to the research and applied developmental innovation continuum, which takes into account the broader business, trade, industry and agricultural sorts of synergies—possibilities which I think are the most challenging and which offer enormous fruits. There are, of course, higher education possibilities. The Golda Meir postdoctoral scheme at the Hebrew university, for example, is one that has been going for a number of years. There have been some very worthy recipients. In the 1960s and 1970s, I am sure you will remember, Israel offered educational opportunities and agricultural training to many Third World countries. It retains that knowledge, as well as at the higher tech level of the spectrum. I think Australia and Israel have a lot to offer developing countries. That is an area where collaboration between the countries in their regions in the world is worth looking at in great detail. There are specific examples of this happening already. The Aboriginal community in Australia is very interested in the kibbutz model, collective industry and agriculture. There have been certain developments in that area and recent visits by groups. That could be enhanced. So there are all sorts of positive possibilities in this area.

Mr PYNE—I have a couple of questions on the political issues in Israel. The situation with the Barak government is obviously a bit precarious, but Israeli politics has been like that for some time and will probably always be the same, since the dominance of the Labour Party was called into question in the early 1980s. What is happening with the Likud Party? Is the Likud Party seen as the real alternative to the Barak government. Has the setback that they suffered in

the elections when Mr Barak came into power caused them to be seen as not necessarily the sole alternative to a Labour coalition government? Would they have to be the major partner in any other coalition government? Is Ariel Sharon seen as a genuine alternative Prime Minister of Israel, or is he seen only as an interim leader of Likud while they wait for somebody else to ride in on their white charger and take over the party?

Dr Rubenstein—I will try to be brief and let my colleagues say something this time. I think Likud does represent the core of an alternative government. I do not know whether Mr Sharon is the likely next Prime Minister or not, but the fact is that he is their current leader. Leaders are elected according to the circumstances. If we see progress and peace breaking out his prospects would dim, but if we see breakdown, violence and worse, then his prospects may improve—but that is politics. The real difficulty for Israeli governments was that the introduction of the dual vote in the 1996 election, which meant two votes for the Israeli electorate—one for a Prime Minister and one for the parliament—designed to undermine the fragmentation of Israeli politics and the smaller parties, has done exactly the opposite. The electors have had the opportunity to pick the prime ministerial candidate and then slant their vote to the left or the right of the major party in the parliamentary elections. So what we have seen is a diminution of both Labour and Likud vote in the parliamentary election, which has really enhanced the difficulties of coalition formation. Israel has had proportional representation since day one. Given the record of other countries with that system—which tends to be somewhat unstable—they have had remarkably stable parliamentary government. But this had added an extra load on the normal exigencies and difficulties of coalition formation.

There are a number of scenarios that could happen and, of course, the outcome of the next few days is critical in determining what will happen. One possibility is a national unity government; another is a breakdown of the government and new elections. If Mr Barak is able to come back with an agreement, he may decide that, rather than a referendum, the only way to get confirmation or genuine testing of public opinion is through new elections. In those new elections, of course, it is clear that the Likud party represents the core of an alternative government. That is certainly always a possibility in a genuine democratic election, which is what Israel will definitely have.

Dr Mandel—I imagine that your question on that is motivated by at least two considerations. As you say, Likud suffered grievously in the last elections in Israel—falling, I think, to 19 seats. Of course, Labour also fell. But I suppose the significant point is that this would be the first time in Israeli history, I think, that the aggregate of the two major parties—Labour and Likud—would, by themselves, not be enough to form a majority. This would, therefore, for the first time, imperil even the prospect of national unity government simply on the numbers. The other thing, of course, is the introduction of the direct election of the Prime Minister which, as Dr Rubenstein mentioned, has the propensity of further atomising the parliamentary spectrum. I suppose that what you are hearing is that it does not seem to be a particularly good system working to the advantage of Israeli democracy. Of course, there are far worse examples along those lines of proportional representation. I am thinking of the Italian example where I have completely lost count as to how many post-war governments Italy has had.

Mrs CROSIO—About 56, I think, ever since the war.

Dr Mandel—The system has not degenerated to that extent, but it would be a fair comment to say that it has been exacerbated by the introduction of the direct election of the Prime Minister. There are all sorts of reform models that could be proposed. My own personal preference would be something along the line of the system that prevails in Germany, but of course we are not really here to discuss political restructuring.

Mrs CROSIO—I would like to bring you back to Iran and Iraq, if I may. Could I bring you back to page 65, under 4.23, of your submission, Dr Rubenstein, which talks about Iranian efforts to acquire weapons of mass destruction. We are aware—and you have said it in your submission as well—that Iran is a signatory to the Nuclear Non-Proliferation Treaty. What evidence do you have that you can say in that: 'In particular, Iran has been assiduously acquiring the components of the production of nuclear weapons'?

Dr Rubenstein—There is voluminous evidence and I am very happy to table a recent report on Iranian acquisition of weapons of mass destruction by Seth Carus, which I am happy to leave for your consideration. There is a long line of evidence but, to be short, the latest is their testing of the Shahab-3 just a week ago which so alarmed American and other international officials. This is a long-range missile which takes in all of the surrounding countries, including Israel, but should be of concern to Europe as well. There is a very detailed record of cooperation by Russia with Iran. There is also a long association on record of supply by North Korea to Iran. Of course, the Shahab-3 is not the end of it. What is perturbing is that this quest for missiles and other weapons of mass destruction, including nuclear, is very much supported by the moderates in Iran and President Khatami, as much as the hardliners who still ultimately, of course, control defence security and intelligence structures and operations in Iran.

Mrs CROSIO—Could I also just pose another question: what is actually known of Israel's non-conventional weapons capabilities?

Dr Rubenstein—Israel has always had a policy of constructive ambiguity about its alleged nuclear capacity. In particular, the impression that the late President Sadat of Egypt had of its wherewithal concentrated his mind and made him realise that the best way to achieve Egyptian interests was through negotiation. I did overhear some questioning in the previous session. I think that there is a very plausible strategic and logical line of analysis that its capacity, whatever it is, has certainly been a positive one in terms of making countries in the region realise that the way to achieve their legitimate aspirations and interests is through a process of negotiation and settling, just as the delicate balance of terror actually proved to work for the world in the 50 years post World War II between the superpowers. But this is indeed a very complicated area that represents genuine concern. In the Iranian-Iraqi case, the problem is knowing what the intent is and, in the Iraqi case, what the record has been, which is entirely negative.

Mrs CROSIO—I have taken that on board.

Mr Fleischer—We don't know, of course, precisely what the capacity is.

Mrs CROSIO—I do not believe any of us do.

Mr Fleischer—It is reasonable to assume that they have the capacity to make nuclear weapons quickly, if nothing else. There was a longstanding Israeli policy of not being the first state to introduce nuclear weapons into the Middle East, meaning that they had the capacity to make them quickly but they had not actually assembled nuclear weapons.

Mrs CROSIO—They are not a signatory to the treaty.

Mr Fleischer—No. However, Israel has a longstanding policy, under successive governments, that under the terms of a comprehensive peace agreement with all other Middle Eastern states they would agree to enter into an agreement for a nuclear free zone in the Middle East and a zone free from weapons of mass destruction. To the extent that there is a comprehensive peace, hopefully Israel will be party to a zone free from weapons of mass destruction.

Mrs CROSIO—I briefly take you back to when you gave your address on Iraq and your comments on the rebuilding, re-establishment and support of the sanctions. I do not know whether you had the opportunity of hearing the previous witnesses who were saying that they have people in the church on the ground and one of the problems is that the sanctions are not working. I think your words were that the distribution of the food by the people on the ground is actually being stopped by intervention by President Saddam Hussein. Do you have evidence that could counteract the evidence we are now taking from the church groups that the distribution is taking place fairly but there is just not enough of it?

Dr Mandel—Bear in mind that I myself am not dealing with the situation on the ground in Iraq. I do not have that first-hand evidence. But is there evidence? Yes, I believe there is. That Iraqi policy, rather than the sanctions, is the cause of the problem in Iraq is a point that has been supported by the UN human rights special investigator, Max van der Stoel. He is the man who is charged with the duty of finding out what is going on in Iraq in terms of human rights. He definitely concurs with that conclusion. It has also been the conclusion of a number of Persian Gulf policy experts that Iraq is a net exporter, the second largest exporter of oil in the world, as I said before. It also exports produce which, to my mind, is inconceivable, because if people are suffering from lack of food—

Mrs CROSIO—I interrupt you for the benefit of our records. It is exporting produce to where?

Dr Mandel—Agricultural produce is being exported by Iraq. I do not know the exact destination. This is on the public record: it is not assertion. This is occurring even while humanitarian and medical aid has been known to be warehoused. It is reaching Iraq. The United Nations and the various specialised entities are doing their job to see that things proceed in an orderly manner and they are being held up at the last point, basically.

Mr Fleischer—According to the UN Food and Agricultural Organisation estimate, the amount of food that is being imported to Iraq alone is enough—

Mrs CROSIO—Is this up-to-date information—in the last 12 months?

Mr Fleischer—It is a few months old.

Mrs CROSIO—That is fine.

Mr Fleischer—According to the UN Food and Agricultural Organisation, the amount of food reaching Iraq alone should be enough to support every Iraqi man, woman and child. There is additional produce being produced within Iraq as well.

Mrs CROSIO—We have evidence on record of the drought that has gone through over the last 12 months.

Mr Fleischer—Under the current sanctions, there should be no reason why Iraq should not be able to import as much additional food as they need. The fact that it is not reaching the population can only be explained by the fact that it is not getting from the ports to the people.

Dr Mandel—Perhaps I can illustrate that last point with a statistical example. I believe the per capita GNP in Iraq is around $US1,000. There are countries, like Yemen, for example, where I believe the GNP would be about one-quarter of that. Yemen is an impoverished country. The evidence of starvation in Yemen is nothing like what we are now seeing in Iraq. As Mr Fleischer says, there is no other way to explain why Iraqi people are suffering in this way.

Mrs CROSIO—We have the evidence coming forward to us from our church groups and other concerned citizens, saying that the sanctions are not working—that they are killing off the people who are really the ones we should be looking after. What would you say, as far as sanctions go—keep the sanctions on, or make them more strict? What should we in Australia be saying? What should our input as a nation be regarding sanctions given what is occurring there in Iraq?

Dr Mandel—As I am trying to indicate, those groups that have said that it is a question of the sanctions doing the damage are not looking at the real causation. That would be the first thing. As for the sanctions regime itself, it is possible that there might be a way of targeting them still more precisely than they are already, perhaps along the lines suggested by the former head of UNSCOM, Richard Butler, but I do not know the details on that. I would suggest, though, that we are really left with the dilemma that Saddam Hussein intended to leave us with: either you will have sanctions but you will have this poverty because this will be induced by the Iraqi government or you will remove sanctions and presumably the people will cease to suffer—although in my opinion this does not follow logically at all. Then it must be asked, if we follow that latter scenario: what will happen to the situation of international peace and security? Iraq is a very special case. It must be the only target of United Nations sanctions for complete disarmament of chemical and unconventional weapons facilities, armaments and programs. If a rogue state of that sort, which has clearly used these weapons and also vandalised the environment, attacked its own people and so on with these weapons, cannot be internationally disarmed by control and agreement by the Security Council, where is that going to leave the cause of international disarmament and peace and security?

It seems to me to be a litmus test. If you cannot do it in the case of Iraq, where the ‘badness’ of a regime is so glaringly obvious and the situation was so very clear and where the

authorisation has been given, in what situation can you possibly hope to advance the cause of disarmament? That is the dilemma that the Baghdad government wishes to induce. I would turn the question back to you. Are we to alleviate sanctions because we would rather see ourselves as not being in any way remotely responsible for what is going on in Iraq, or do we rather sheet home the responsibility to where it actually lies and also at the same time continue to ensure to the best of our ability that the situation of international peace and security in the Middle East and the Persian Gulf does not get completely out of hand?

Mrs CROSIO—Having the electorate in Australia that probably has the majority of people who have fled Iraq residing within my borders, if I am following through what my people are saying to me I would say: definitely not; we have got to stop Saddam Hussein.

Dr Rubenstein—One needs to simply look at the figures here. The fact of the matter is that Iraq earned $11.4 billion through Oil for Food last year. According to the evidence we have—and I commend to you the summary of that in the article by Patrick Clawson, 'Why Iraqis suffer', that we have appended to our report—up to half of the medicine and food is undistributed in Iraq, almost as a matter of deliberate policy. For this year, the sanctions regime has been progressively diluted. This year, Iraq is anticipated to earn something like $29 billion out of Oil for Food sales, not to speak of the sort of smuggling that clearly is taking place through Iranian ports, which is also quite a handy earner—something like $67 million per month. The suffering is undeniable and totally regrettable, but what is the cause of this problem and will even further dilution of the sanctions alleviate the misery and suffering of the Iraqi people? To trust Saddam Hussein to look after the welfare of the Iraqis is, as one wit put it, almost like trusting Pol Pot to safeguard the welfare of Cambodians. That is the dilemma and that is the problem we confront.

CHAIR—Dr Rubenstein, Dr Mandel and Mr Fleischer, thank you very much indeed for your attendance today. If there are any matters on which we might need some additional information, the secretary will contact you. We will send you a copy of the transcript of your evidence to which you can make corrections of grammar or fact.

Proceedings suspended from 12.10 p.m. to 1.29 p.m.

HAZOU, Mr Taimor, Member and Submission Coordinator, Australian Arabic Council

JABBOUR, Mr Roland, Chairman, Australian Arabic Council

CHAIR—I welcome Mr Jabbour and Mr Hazou from the Australian Arabic Council. The subcommittee prefers that all evidence be given in public. However, if at any stage you wish to give evidence in private, you may ask to do so and the subcommittee will give consideration to your request. Although the committee does not require you to give evidence on oath, I should advise you that these hearings are legal proceedings of the parliament and therefore have the same standing as the proceedings of the House itself. I invite you to make a short opening statement, and then we will proceed to questions.

Mr Jabbour—Thank you. First of all I would like to thank the committee for the opportunity to be here and to contribute to this inquiry. I will attempt to provide a summary of the main thrust of our submission, as briefly as possible, to allow our submission coordinator and council member, Mr Hazou, to elaborate a bit further on the contents of our submission. As an organisation committed to human rights and fostering better relations between Australia and the Arab region—which is the origin of nearly a million Australians—for many years the Australian Arabic Council has urged the Australian government to rethink its policy towards the Middle East region, in particular the Arab world. To ensure that its position to events in the region are in line with our international reputation as a nation which upholds the values of democracy and human rights and which supports people's rights to self-determination and a peaceful existence, we believe that Australia's foreign policy towards the Middle East does not address the national interest of our nation and fails to acknowledge the enormous potential and opportunities which exist in the Arab region. I say that not only in my capacity as chairman of the Australian Arabic Council but also in my personal capacity as someone who is fortunate enough to visit the Middle East region on a regular basis—at least once a month. I see the opportunities and the potential for Australia, and the enormous interest expressed by many at different levels in the region, and I feel a level of frustration that we do not act on that and that we do not reap the potential that exists in the region.

We have always believed that Australia is exceptionally well placed to reap the benefits of such potential. Australia is viewed by most in the region as a neutral country that does not have the colonial past of Europe or the baggage of the United States and Britain. Although Australia has always been known by the Middle East as only an exporter of meat and wheat, that is changing. Australia has recently been discovered by the region as an ideal alternative to their traditional markets of the United States and Britain, that Australia has a lot more to offer as an English-speaking country than meat and wheat, and that Australia is able to offer in numerous areas, for example, tourism and education, that are of enormous interest in the region. That has been evidenced recently by the increased numbers of people who come and visit Australia. They are surprisingly pleased by what they see here. The expression has always been: 'We had no idea that this country existed.' I often come in contact with numerous delegations that have come here from the Middle East region, and on almost every occasion I receive a call a few

weeks later from somebody holidaying in Queensland with their family. They are always impressed by what they see, without exception.

Despite the encouraging developments and the many visits and trade delegations, which often involve governments in both directions, and the obvious interest and the potential which has become so clear, we believe Australia has failed to acknowledge this and that it still lacks the vision, the will and the strategy to explore this enormous potential and opportunity. We believe that this inquiry presents the government with a perfect opportunity to enter the region with a sense of strategic confidence and self-reliance, and to present itself as a viable alternative in the Arab region. It must take the necessary steps to establish its position in this lucrative market. We hope that this inquiry will produce some clear recommendations that recognise the realities of Australia's strategic interest in the region and that reflect the aspirations of its citizens and the national interest of Australia.

Mr Hazou—We have provided you with a supplementary submission that we would like tabled before the inquiry. Our original submission was based on the personal experiences and expertise of the various members of the council. They were people like Mr Jabbour who travel regularly to the Middle East and people like myself who were born and raised in the Middle East and subsequently emigrated to Australia. Our submission tries to provide positive proactive recommendations pertaining to Australia's future in the Middle East.

We focus on four main themes. Firstly, the Australian government needs to pay more attention to the Arab Australian population and the visions and aspirations of these citizens. Secondly, the Australian government needs to utilise the cultural, business and political expertise of Arab Australians and their innate understanding of the region. Thirdly, Australian foreign policy needs to change in regard to considering more closely its national interest in the region and reflect the aspirations of its citizens and the realities of its strategic interests. Finally, the title of our submission is `The time is right'. We strongly believe that this inquiry and the advent of government interest in the region allow for considerable changes in Australia's strategic foreign policy towards the Middle East and the Arab world.

Arab Australians make up a significant community in Australian society. There are around 200,000 Arab born Australians, an estimated 400,000 Arabic speakers and approximately one million Australians of Arab heritage. Australian Arabs have assimilated into Australian political, economic and civil life. This has allowed greater understanding, perception and affiliation with the Australian future and its national interests. Australian Arabs have a sophisticated and innate understanding of the Arab world. Their language, cultural and business expertise should not be overlooked. Importantly, networking is extremely advantageous in the Middle East. The Australian Arabs should be used fully in this regard. With such a large Arab population, this nation is in an unrivalled position to capitalise and improve future benefits. No other western nation has such a considerable Arab population.

The time is right. Anecdotal evidence, including the stories just related by Mr Jabbour, indicate that Australia is the buzz word of the Middle East. Interest, whether it be in the Olympics, recent ministerial visits and government delegations, increased tourism and trade, increased educational exchanges and university marketing, has highlighted Australia's position as a technologically advanced and developed nation with high quality produce and

manufactured products and a competitive pricing and service capability. Australia's advantages of its English language, which is commonly the second language of the region, its down-to-earth culture and ability to relate to Arabs, its lack of imperialist baggage and history, its geopolitical distance from the region and its neutrality put Australia in an unrivalled position to act and enter the region confidently. Australia's current and political strategic reality necessitate a re-evaluation of Australian foreign policy. This inquiry presents itself with exactly that opportunity.

In the 1970s and 1980s Australia made the decision to enter Asia. This was faced with much fear and paranoia by the Australian public. All that fear and paranoia were not substantiated. We still have this strong and solid relationship with the United Kingdom, Europe and America, but we stepped forward in the interests of our national strategic interests and took that step into Australia 's future. We see the advantages today. We ask the inquiry to similarly recommend that the government make those steps towards the Middle East. We are confident that Australia's position with its traditional allies will not change in this regard.

On Iraq and the sanctions, numerous UNICEF and international reports have detailed the failure of the sanctions and the humanitarian crisis that has developed due to these sanctions. There have been 250 deaths per day and estimates of 2,000 to 5,000 children dying per month. Urgent action is needed now. People are dying and we believe Australia's moral and international standing are being hurt by its lack of action and complacency on this position.

Denis Halliday and Hans van Sponeck, both former heads of the Oil for Food Program, have resigned and now openly campaign against the sanctions. Kofi Annan, Secretary-General of the UN, has called for an end to the sanctions. International support and Australian public support for the sanctions have diminished. Even Richard Butler, once a strong sanctions advocate, has changed his opinion. Richard Butler, the eminent Australian diplomat who formed the basis of Australia's political stance on the sanctions, is now asking for the sanctions to be removed. This should be an indication of the damage they are doing in Iraq.

Despite all the facts, diminishing international support for the sanctions and growing public opinion and pressure against them, the Australian government still follows the US lead. It followed the US lead in establishing the sanctions, it follows the US lead in maintaining the sanctions and it will follow the US lead in the inevitable delinking of economic sanctions from military sanctions. Finally, it will follow the US lead in the loss of contracts in the rebuilding of Iraq. The end of the sanctions is inevitable. The question is: will Australia take a lead, re-establish its international and humanitarian reputation and strategically position itself for the future in the Middle East? When will the sanctions end?

In regard to Palestine and the peace process, despite its claim to neutrality and even-handedness, Australia obviously has traditionally had a bias towards Israel. The bias is found in the language and discourse of DFAT, in the lack of symmetrical discourse, in the political disposition of statements and publications and in the complacency of allowing the violation of Palestinian human and land rights. Australian public opinion is overwhelming in its support of the Palestinian position. Under international law, Israel continues to violate Palestinian land and human rights. Because of its violation of international conventions, international pressure has increased for Israel's compliance. As outlined in the table submitted by the council, Australia's

trade balance with Israel is in Israel's favour, and yet the Australian government continues to be complacent about Israel's actions and continues to allow complacency with regard to the implementation of UN resolutions 242, 338, 181 and 194.

All of what we have said has caused great concern amongst the Australian Arabic community and Australian Arabic citizens. In our submission, we have come to the conclusion that an Australian-Arabic foundation should be established. We ask for you to make the recommendation that the Australian parliament establish an Australian-Arabic foundation. We have had a number of meetings in Canberra with different parties, and there is underlying support for the concept. The Hon. Tim Fischer has indicated his support for the idea by agreeing to become the patron of the foundation. As you know, the Hon. Tim Fischer has had great influence in increasing Australia's relations with the Middle East.

The aims of the council are: to promote within the Arab world a greater understanding of Australia; to present Australia to the Arab people as a nation capable of outstanding creative and innovative achievements in technology and industry, culture and the arts, agriculture and business, and academia and education; to develop within Australia a better appreciation of the Arab world and its importance to Australia; to promote understanding of traditional and contemporary Arab society, culture, history and, importantly, the Arabic language; to foster opportunities for increased collaboration between Australian and Arabic industry, science, technology and academia; and to foster and expand multilateral relations between Australia and the Arab world. We believe it could play a role in strategically guiding and establishing a long-term plan for Australia's strategic relations with the Arab world.

The roles and functions of the foundation would be varied, and obviously it is only in a conceptual stage. We see it mainly as a body to complement current trading relations and other strategic relations in the region. Ideas include a 'building bridges' conference covering culture, arts, trade and education, and educational campaigns on Australia's hard food regulations and quarantine regulations. Another function would be trying to change or gain improvements on the visa issue with regard to Australia's acceptance of people from the Arab world—an important obstacle to increased trading relations. Of course, the foundation would also provide funds and support for cultural and education programs and, hopefully, scholarships for students from the region.

In conclusion, I would draw your attention to a number of quotes from Australia's Foreign and Trade Policy White Paper. Firstly:

> Australia must seek to shape the future. It has considerable assets—economic, strategic and cultural—to draw upon.

We would argue that our Australian Arab citizens are such assets. The white paper goes on to say:

> In a globalised world, the importance of integrating domestic and international policies make a whole-of-nation approach essential. Achieving Australia's foreign and trade policy goals over the next fifteen years will require communication and consultation on policies and priorities among the Commonwealth, state and territory governments, the private sector, and non-government organisations. This will be particularly important since new and different demands on all partners will emerge during the next fifteen years.

We argue that, in line with the foreign policy white paper, an Australian Arabic foundation would be such a recommendation.

Australia should consider more closely its own national interests in the region. The reality of current trade figures, potential and projected trade benefits, the lack of colonial history, geopolitical distance and neutrality should make members of the committee consider the impact of Australian policy in the region on Australia's own position and strategic interests. Just as with Asia, Australia must step confidently into the future. The time is right for this inquiry to provide that direction.

CHAIR—Who would pay for the proposed Australian Arabic foundation?

Mr Hazou—The Australian government, we hope.

CHAIR—In its entirety?

Mr Hazou—We have not fully canvassed whether there is corporate support for the foundation proposal, but we imagine that there probably is. We would also like to enquire as to whether different countries in the Arab region would also be willing to support the foundation.

CHAIR—That was what I was leading up to—whether or not we could get a similar arrangement—

Mr Hazou—As I said, we have not actually approached the governments themselves, but I think an indication from the Australian government in terms of allocating resources and indicating that it is serious about the region would be helpful.

CHAIR—You were saying that Australia has become a bit of a buzz word over there with the Olympics and the fact that the Gold Coast now would appear to be developing as a major tourist destination for the Arab world. How much do they really know about Australia?

Mr Hazou—Not much at all, but it is changing. One of the things you notice most in the Arab world is the interest in Australia universities. English being the second language of a majority of people in the Arab world, traditionally they have gone to Britain or the United States. Suddenly, there are all these fantastic universities in Australia with great technological degrees, high medicine and law degrees at a cheaper price, and that is creating a lot of interest. What is disappointing is that we do not know of any diplomatic mission in the Middle East that has an education adviser. Britain is all over the Middle East with education advisers and putting funds towards that. Australia is, for some reason, lacking in that regard.

CHAIR—I thought we had one and that it should come out.

Mrs CROSIO—We have established the University of Wollongong overseas.

Mr Jabbour—There have been a number of private initiatives to promote education in the Arab region. Nearly two years ago I was personally involved in a ministerial delegation from Victoria which included a number of representatives from various institutions. The delegation

was headed by the then minister for higher education, Phil Honeywood, and involved the international section of the ministry of education. This visit would probably highlight some of the concerns that we are trying to convey here. Most members on the delegation were fearful of going to the Middle East, especially parts of the Gulf region, such as Saudi Arabia, and also Syria and Lebanon. I had the opportunity to brief the delegation before they left here, and I accompanied the delegation and made arrangements for them to visit Lebanon, Syria, Saudi, the UAE and Muscat, Oman. Without exception, they were totally impressed by what they were able to see. The clear conclusion was that what they were able to experience and see was different to any perception they may have had of the region.

The reception has also been exceptionally positive from the other side. There have been a number of initiatives and attempts to develop the relations which were established as a result of this delegation and they are still being pursued. Some outcomes and results were achieved as a result of that and there are a number of major projects that are being pursued in the areas of education development and teacher upgrades, with some even involving the armed forces of some of those regions. I am personally involved in assisting the government in establishing those relationships and those contacts in various capacities. Quite often, as I have indicated before, people from the region, at different levels and also government officials, simply say, 'Why is it that you don't tell us what you've got? Why is it that we don't have any Australians knocking on our doors and offering us what you have to offer?' They are amazed to discover that Australia has a level of education that is recognised worldwide and also the quality of education that Australia has to offer. Australia has always been perceived as a country that was too far. It was never considered as a destination for education.

We as a nation derive something like $3.5 billion from international students studying in our universities every year. These are fee-paying students. The Arab region is known for the high level of scholarships provided by various governments, because there is a specific focus on the development of the skills and the qualifications of the nationals in order for them to take up managerial positions and supervision positions in their nation. There is an enormous amount of money that is being channelled and directed into scholarships for international students and they run into the hundreds of thousands. We find that the United States and Britain are the major destinations for those scholarship students and that they are deriving billions of dollars as a result of this.

Australia is starting to attract some of those students. In fact, we may have something like 50 or 60 students from the region, and this process is starting to develop. But the lack of resources and the lack of clear direction and commitment on the part of the government to push that process and provide the necessary resources in order for this to reach its potential is the frustrating element. There are separate individuals and separate organisations that are making an attempt to establish that sort of relationship. When we visit the region, every time that we visit an institution we find that the national who is responsible for that institution has behind his desk the certificate of the university that he graduated from, be it in Britain or America. All of their connections, relationships and exchanges are obviously with that particular institution. So the process of attracting an international student from that part of the world to come and study in our institutions would obviously establish that person as being the ambassador for what we have to offer in this particular area, which will generate further contacts and further benefits to Australia in exchange.

It is true to say that Australia is the flavour of the month in the region. It is as if they have discovered a nation that did not exist before. It has been known in the past only as an exporter of meat and wheat. What they also find very positive about Australia is that they perceive Australia as a more conservative society in comparison with Britain and America; it is a safer environment and therefore it is an ideal destination for their children to go there to study. The multicultural composition of Australia is another benefit, how Australians are friendly and are more tolerant of other cultures. So there are many, many positive aspects for Australia. The cost of living is cheaper and our currency is better, so the cost of education is cheaper than in Britain and America. So there are numerous advantages. Where we are lacking at the moment and where we fail at the moment is in marketing ourselves like other nations do in the region. We do not even offer one scholarship to the Arab region, whereas the British council is offering scholarships left, right and centre.

Mrs CROSIO—We do not offer too many scholarships from an educational point of view to any other region either.

Mr Jabbour—Exactly. We have the ambassadors of other nations acting as salesmen, trying to promote and lobby for various organisations.

Mrs CROSIO—If I may interrupt you, as I want to follow up the question that the chairman has just asked. You have stated in your reply that to your knowledge there are over 50-odd students who are now being educated within our university system. How did they get (a) the knowledge that we did have all of these wonderful facilities to offer and (b) how are they able to sustain themselves here? Have they had any problems with tourism visas or eduation visas to get access here?

Mr Jabbour—There has been a number of initiatives. I have mentioned one of them, and that was the ministerial delegation that went to the region, which obviously highlighted the aspect of Australian education. In fact, the response we had from the Australian university representatives in Beirut was that they were inundated with inquiries from people that wanted to come to study in Australia, and that they did not have the resources to respond to that demand.

Also, the opening of the United Arab Emirates embassy in Canberra has been another major initiative which has really changed the way that the region—especially the Gulf region—looks towards Australia. The embassy has been exceptionally active in promoting exchange. There have been hundreds of delegations coming from the region to Australia and vice versa. So that was another element. There are a number of organisations at a private level that are attracting international students in the region—promoting and advertising to attract international students.

Mrs CROSIO—When you say ‘a number of organisations’, are they individual universities or individual states?

Mr Jabbour—IDP is an Australian organisation with offices internationally, and it has a role of attracting international students. I personally have an education agency—we have an office in Dubai and other parts of the Middle East region—that provides information about education in Australia. We participate in exhibitions about Australian education, and we also recruit students to come to study in our institutions. We have agreements with various institutions here, and we

are also in contact with our consulates over there in order to streamline the processes of visa applications. That is another issue.

Mrs CROSIO—That is my next question: are you getting assistance in that way?

Mr Jabbour—At the moment, the desire is there, but our immigration system is obviously out of touch with the realities of that part of the world. Students applying to study in Britain or America can be processed within four days, but we are often faced with the situation whereby students applying to study in Australia have to wait at least three to four weeks before getting a response on their application. The requirements for medical examinations and so on are so stringent and inflexible. It has always been a problem we have faced over there with various governments. They often complain to us that we should be dealing with this situation. Because of the time they have to wait, it is easier for students to study in Britain rather than waiting to go through the complicated process of obtaining a visa to come to Australia.

Mrs CROSIO—Do you have any statistics or information that show that X number applied and X number were knocked back? In other words, are we looking at an 80 per cent acceptance rate of those few that we have here? Or are we rejecting more than we are accepting?

Mr Jabbour—The experience in Lebanon in particular was that the consulate post in Beirut had no facilities to process students' visas; in other words, they were not expecting to process students visas. We worked with the relevant personnel there and established a process. Since then I think about 40 students have come from Lebanon and are currently studying in New South Wales at one of the institutions.

Mrs CROSIO—Who monitors it when they come to study?

Mr Jabbour—The institution itself obviously gives them an acceptance, and it is conditional upon their providing sufficient evidence that they can finance their education during the course of their degree or diploma. Obviously it is conditional on their continuing their education because, if they did not, they would be in breach of their visa conditions and they would be required to return immediately to the country of origin.

We have extended invitations for university officials from that part of the world to visit Australia and to visit government departments here as well. Some visas have been declined. The process was so complicated and frustrating that people decided not to come, and they visited other institutions in other parts of the world. We recently had a delegation from the armed forces here working on a major project. We had to assist them in our private capacity through the consulate there in order to process their visas to come to visit Australia, so that is definitely an issue. I do not think our authorities are really concerned or focused enough on streamlining those processes to be compatible with other countries who are doing the same thing in the region.

CHAIR—I suppose with the advent of Gulf Air and Air Emirates, and with MEA coming back on line and Egypt Air coming in, that that is all grist to the mill—that is part of the promotion—but it would seem to me that we probably have a reasonably sophisticated operation out of Dubai. That is the centre of the universe at the moment in terms of the

Australian relationship. Is it a problem that Dubai soaks up most of those resources and that we perhaps do not have as much going for us in the other posts? Are there any particular areas that you think we should perhaps concentrate on a little more?

Mr Jabbour—There is no question that there is untapped potential in many parts of the region. I will give Syria as an example, especially in light of the latest development with the passing of the late President al-Assad and his son Bashar taking over. Australia has just closed our Embassy in Syria. There are obviously opportunities for Syria to open up further and further with very specific focus on the Internet, education and IT. It is a virgin market, if you like, totally untapped by the Australians. Australians are very well received and Australian products are considered to be of high quality in the region, which is an immediate advantage if you are offering something Australian. The country is perceived to be a neutral country and a friendly country. That is another advantage for Australia.

That is one example of where the opportunities are. There are enormous opportunities in Saudi Arabia. The Sultanate of Oman has enormous potential. The amount of progress and the speed at which establishing relations with the country of the Sultan of Oman were achieved have been enormous. We are currently working with the Ministry of Higher Education on scholarships for students. We have in the pipeline about 50 scholarship students to come out to study in Australia. We also have arranged to get scholarships from various institutions for undersecretaries of the various ministries—such as the Ministry of Civil Services, the Ministry of Higher Education, the Ministry of Education and so on—to come here in the next two or three months to do a degree at our universities.

So there has been enormous progress made in a country that was never perceived or considered to have the potential for relations and exchange in the areas of trade, education and tourism. We have a delegation coming here next week to have discussions with some of our universities in order to establish degrees and to second a dean to manage their colleges. They have just recently been given licences to upgrade their colleges to universities. There has been only one university in Oman to date. They have recently been given a licence to establish another five universities. So obviously they are looking outwards to try to solicit, if you like, the involvement of other institutions and universities outside of Oman to facilitate that process and Australia now is starting to be considered as one of those countries. As a result, activities are being pursued at an individual and a private level without the support of government at all. So there are enormous opportunities there for Australia. As a country we are not putting in resources in order to attract that business.

CHAIR—What about the calibre of our people at some of these posts? Do you have much to do with them?

Mr Jabbour—Yes, I do.

CHAIR—Are they of good quality?

Mr Jabbour—I have obviously come in personal contact with a number of them as a result of my activities in the region. I find that there is a lack of direction and commitment on the part of our government, which is obviously filtering through to the individuals who actually hold

those posts. There is nothing for them to offer in order to progress relations, to encourage trade and so on when compared with other diplomatic posts or ambassadors in the region.

Mrs CROSIO—We have not got the policy in place for them to implement?

Mr Jabbour—They do not have the policy, nor do they have the resources or the means to do it. They cannot offer anything. For example, there is a World Bank project on offer in Lebanon to develop the education system. The size of the project is something like $US70 million. We are trying to bid for that project so that Australia will have a share of that World Bank project. We are up against the French, for example, who are offering part of that project free of charge to the Lebanese government and the Ministry of Education. That includes things like providing teacher training, some infrastructure facilities and so on. We are over there trying to bid for that project and offer our desire to be involved, but we have nothing to offer them, not even one scholarship, for example, for any of their teachers or the administrators within the ministry. They are the issues we are faced with. Although the personal quality of the people there is good and the desire to do good is there, the resources do not seem to be there.

CHAIR—I would have thought with Lebanon that traditional ties with the French might have been something of a disadvantage. You made reference before to the tyranny of distance—that we were some place that was out there in the ether. How do we further promote the concept that we are accessible? You made mention of things like ministerial delegations. Are they effective?

Mr Jabbour—Extremely so, as long as they are backed up by the necessary resources to continue. For example, we have signed a memorandum of cooperation with the ministry of education in Lebanon and the ministry of education in Victoria. Triggering that process to become tangible so that there are physical issues, if you like, that you can start to pursue, like a student exchange, sister school relationships between the two parties and an invitation to some of the officials over there to come and look at our education system here and so on, requires very little resources. It means small amounts of money to pay for someone's accommodation and to pay for their airfare to be met here. Someone who is in a position of authority there can influence the processes over there by implementing Australian components within their education system, and we can simply invite the person here for a few days. The funding does not seem to be available for those processes. So, unless you back them up with some resources, all those agreements that are signed and all of those visits remain gestures, goodwill attempts on the part of Australia. There is no question about the fact that they are very keen in that part of the world to develop those relations further, but there has to be a willingness on our part to be able to contribute to progressing those processes. Often, in fact on most occasions, we are accompanied by our Australian ambassadors when we visit the region. When we visited Lebanon recently we were accompanied by the Australian Ambassador to the ministry of education and to meet the Lebanese Prime Minister, and recently on the education delegation when we met the Lebanese president. They are very eager to assist. But, as I said, it does not seem to be on the agenda to do any of that work. There is no agenda, there is no commitment and there is no structure for it. It is a nice gesture to have the Australian Ambassador there with you but he is not able to do any more.

CHAIR—In your submission you made specific reference to the development of e-commerce. I think in the opening statement reference was made to e-education, wasn't it?

Mr Hazou—Mr Abdo Wehbe, who is a member of the council, provided that part of the submission. All the indications are that the Arab world is jumping at the opportunities of Internet related education but also other commercial activities. It is certainly one of the technologically advanced aspects of the industrialised world that the Arab world is willing to cash in on in the sense of putting their own resources towards that. Probably one of the things lacking in that regard is that Australia needs to start developing sites targeted towards the Arab world and the Arab market, as it does with Asia. There has been on behalf of the various departments lack of resources and for other reasons that has been no move to do that. That is certainly something that is lacking in Australia.

Mrs CROSIO—I will move away from the education part of it. In your submission you have recommended that with regard to defence relationships Australia should scale back its military ties with Israel. That is on page 26 of your submission. What specific actions are you proposing?

Mr Hazou—All the language coming out of Australian government—the Hon. Alexander Downer made a speech to a Jewish-Australian organisation and alluded to the fact that Australia has stronger and increasing potential military technological relations with Israel in regards to IT military technology and missile technology and was keen to develop those relationships. Australia has no such corresponding relationships with the Arab world and, despite all its neutral language in the region, developing those military relationships and then indications from the Foreign Ministry that they want to develop those relationships further is obviously tainting that neutrality and indicating, for obvious reasons, that there is a bias towards Israel. It is those specific relationships that we think should be scaled back.

Mrs CROSIO—On page 26 of your submission you have also made several recommendations on defence issues. Would you like to elaborate, for example, on how Australia should exert pressure on Israel to sign the nuclear non-proliferation treaty?

Mr Hazou—I think the mere fact that Australia does not provide any strong condemnation or calls for Israel to sign the various treaties is an indication on that. We would hope this inquiry would provide those recommendations for Israel to do just that. All the language couched around Israel, even in the same speech I read in our research, gives the indication that Australia is ‘disappointed’ with Israel’s lack of signing the agreements. Whereas with Pakistan—an Islamic country—and its new nuclear capabilities, there was overwhelming condemnation of its achievement of nuclear potential. We have never ever seen any such statements from the Australian government about Israel. The couched terms of ‘we are disappointed with Israel and we hope that Israel is going to sign in the future’, allude to the fact that Australia has no strong will to see Israel follow through on those wishes.

Mrs CROSIO—On page 15 of your submission you have also stated that Australia’s foreign policy on the Middle East has been ‘predominantly ambivalent in the UN and more favourable to Israel than the Palestinians’. In that particular area, are you referring to historical voting patterns rather than more recent times?

Mr Hazou—Yes, very much so. Certainly from the conception of the state of Israel and Australia’s support of the partition plan right from the beginning. Historically—forgive me, I do

not know that correct dates—the Prime Minister at the time made a decision to take a neutral role and, as such, Australia has abstained on many UN resolutions. There is certainly a pattern that is obvious for all to see. The problem is that it is not so much a case of Arabs expecting that the issue is either you are with us or you are against us, because other nations—for example, Holland and Norway—do have a neutral position in the Arab world and are considered in that regard, yet they still provide very strong statements about Israel's disregard for, and violation of, human rights, land rights and settlements. The settlements is one of the key issues on which Australia continually uses language such as being 'disappointed' with Israel. But it never clearly states that it expects Israel to uphold the 4th Geneva Convention. It never clearly states that Israel is violating it. In part of our submission and our supplementary submission I allude to the fact that—in the topic of destabilising influences in the region; and terrorism is obviously an important issue in terms of the Arab perspective, or even from the international community perspective—other than Jerusalem, the single most destabilising issue to the peace process is the settlements. There is no mention of that in the booklet or in the terms of reference. There is no direction from Australia that it can recognise those destabilising influences and, correspondingly, reply and provide a strong indication that it does not accept the settlements.

Mr Jabbour—In our submission we express concern about Australia's position in relation to events in the region. We note, that it has become predictable that Australia is normally aligned with United States foreign policy in the region. We find sometimes that although America, for argument's sake—which is our ally—determines its foreign policy in relation to the region, it is based on its own national interests. We often find Australia aligning itself with those positions and policies when in some instances, if not in most instances, they are against the national interests of Australia. The reason could be given that the price we pay for that is our national security, because we have to support our allies' position in these particular regions. But we find that an issue when we see Australia's role on those particular events and those particular issues is sometimes contrary to its standard position in other parts of the world. When it comes to the Middle East region, and in particular the Arab question, Australia tends to believe that an acceptable price to pay for its national security is not being able to afford not to be aligned with the policies of its allies.

Mrs CROSIO—You were not here perhaps this morning when evidence was given that on the ground over there I found we were labelled as followers rather than movers.

Mr Jabbour—There is no question of that.

Mrs CROSIO—And from both sides.

Mr Jabbour—In fact, it is predictable when foreign policy is that Australia's position would be always in line with the United States position without exception. The other issue we have is that some of these positions sometimes taken by our government do not necessarily reflect public opinion. Whenever those issues are subjected to the involvement of the public and public opinion, we find that they are contrary to that public opinion.

Mrs CROSIO—I have to say that sometimes public opinion is about who you survey, when you do it and the part of Australia where you are doing it.

Mr Jabbour—If the issues were articulated, and put fairly to the public, you would find that usually public opinion is contrary to government policy.

CHAIR—May I ask a rude question? Is there much interaction between Arab community groups and Israeli or Jewish community groups in Australia?

Mr Jabbour—I do not know whether that is a rude question. I think it is a very relevant question. There are, obviously, limited interactions and contacts between the two communities. They are usually confined to various conferences and Middle Eastern issues and Arab-Israeli issues and also at individual levels where people have personal contacts and dialogue between each other.

CHAIR—Is there any opportunity to use some of that bridgework as a means of getting our influence transposed into the Middle East a bit more?

Mr Jabbour—I think serious issues exist in the region. I do not see that the process of interaction in here could contribute to resolve or eliminate those major issues.

CHAIR—I was really going back to the things you were saying earlier. There was a suggestion that maybe within the government hierachy and bureaucracy we did not have enough Australians of Arab origin represented. I do not know the figures. I do not think I have ever thought about it much. Have you done much of a study on that?

Mr Jabbour—Yes, we currently have our Premier of Victoria being of Lebanese origin. The Speaker of the House there is also of Lebanese origin.

CHAIR—But the Lebanese are different, aren't they? That is the line that you always get.

Mr Jabbour—You are right in saying that. There are sections of the Lebanese community that would not even relate to being Arabs. They would consider themselves as Lebanese as being different from the rest of the Arab world.

CHAIR—We have Bob Katter and he is very different.

Mr Jabbour—Exactly. The diversities are enormous in that part of the world. It is always an issue when people try to generalise about the region. The diversities are enormous not only within the region itself but within each country, neighbourhood and religion. It is very difficult to try to generalise.

Mr Hazou—About a year ago we had a national trade forum that focused on Arab Australia trade. The main focus was that we felt government and government departments needed to make more of an effort in recruiting personnel from Arab Australian backgrounds. I do not think these facts are completely accurate. I am not sure but my information is that there is one person of Lebanese origin in the entire department of foreign affairs—one person of Arab heritage. That information was provided to me by somebody in the Middle East section. Obviously, I do not know whether that is true or not. That is a significant issue in Australia trying to develop its relations with the Arab world. The cultural understanding and innate

knowledge that Arabs would have of the region surely is of high priority to the department and other government departments in developing and recruiting staff. It is something that we are very surprised about.

Mr Jabbour—I do not think that we would support the idea of government institutions identifying people because of their particular race or national background or nationality. But there is no question that we would support the concept of tapping into resources that exist within the communities for various purposes and roles. There is no question that, if you were to visit the region and to go through the normal processes of trying to learn about the region, the process would be enormous. Your knowledge would obviously always be limited. The right thing to do would be to rely on the resources that already exist in this nation of people with that interaction who can relate to that culture. I do not think we do enough of that as a government.

CHAIR—Bearing in mind that government resources can be limited, if you were looking at picking the top five targets in the Middle East in terms of our trade promotion—perhaps not counting the United Arab Emirates because they appear fairly well-established—where in particular should we be pointing our effort? Where do you think the greatest gains are to be made in the short-term?

Mr Jabbour—In what areas or in what countries?

CHAIR—In what countries. I mean in terms of trade, education and development of tourism and whatever.

Mr Jabbour—Lebanon is definitely one country where there are major impediments at the moment to develop that because of our migration laws and the bias towards people from that part of the world due to historical reasons. Syria would be another country for the reasons that I have indicated before; Egypt would be another country and the Sultanate of Oman would be another country. We often refer to the Gulf. You were right in saying that our focus has been on Dubai and the United Arab Emirates, although Dubai is considered the gateway to the region. The Sultanate of Oman, which is basically a virgin country and totally untapped, is one of those countries that should be considered.

Mrs CROSIO—Why would you say it is totally untapped? Is it because of restrictions and trying to get access in or out?

Mr Jabbour—Not really. I think it has been overwhelmed and overtaken by the role of the United Arab Emirates in the region. Even countries like Kuwait and Bahrain feel that they have been overtaken by the role of the United Arab Emirates and the prominence that it has in the region. In fact, rivalry not only is confined to countries in the Gulf region but is also in the United Arab Emirates itself where there is a lot of rivalry between Abu Dhabi, the capital city of the United Arab Emirates, and Dubai. Dubai always gets the acknowledgment and the exposure. Abu Dhabi is always sitting in the background and it is the capital.

Mrs CROSIO—It is the first stop you come in at the airport.

Mr Jabbour—Exactly. I think it has just simply been overshadowed because the focus in the Gulf has always been on the United Arab Emirates and Dubai in particular. Oman is a country basically left out. The experience I have had with the people we have had going over there is that they look for reasons to go back there. They are happy to do some projects there, even if they do not make money on them, so they can have a reason to travel backwards and forwards there. It is a beautiful country. The people are exceptionally friendly.

Mrs CROSIO—I found that all over. That was why I was disturbed when, in your original submission, Mr Jabbour, you said you have taken delegations over to Lebanon and Syria who were rather disturbed and their perception was quite different when they landed there. Were they disturbed by fear before they went because of past wars? Had something of a media hype had been built up or was there a perception in their own minds?

Mr Jabbour—As you may be aware, being in the Australian Arabic Council, where we often deal with the media, we see the perception of the Arab world in general has always been negative in the media. The Arab world is usually only referred to in references to terrorism and civil wars.

Mrs CROSIO—It is a two-way street. We in Australia should be promoting education over there. Perhaps the Arab world should be promoting much more of what they have to offer in the other countries.

Mr Jabbour—Yes, I think we are trying to reverse that. Our task is a lot more difficult than the Australian side promoting itself because we are trying to reverse an entrenched and negative image of the Arab world, which is common knowledge in the western media and the West in general. Obviously, there are a lot of historical reasons for that. I often use the example that, when Afghanistan was occupied by the Soviet Union, when the people of Afghanistan resisted the occupation they were often referred to by the West as resistance fighters and freedom fighters.

When the resistance in Lebanon resist the occupation of occupying forces of Israel, they are referred to as terrorists. If you come from the Arab region, any acts of violence are usually labelled as terrorist, because that is where they are supposed to originate from. You just expect that. But if they are performed in other parts of the world, it is a legitimate right to pursue any means to respond to occupation.

So there is a general problem there and it is well entrenched. That negative perception obviously has a subtle effect on people. Most people have limited knowledge—ignorance is another issue. Those on the delegation knew nothing about that part of the world and they had no idea what to expect, other than what they had been exposed to in the media. When they arrived in these various countries and had the opportunity to meet with different people, to learn about these people and to become aware of what was happening in the rest of the world—most of them have graduated from the West and they are quite open in their ways—their perception was totally different. When they came back they said that what they had learnt was how little we know about that part of the world.

Mr Hazou—That is exactly the sort of role we envisage the foundation tackling: providing educational campaigns and education kits or packs that could be distributed to ministries of education in the Arab world and, correspondingly, developed about Arab culture and Arab people for Australia. That is something that is very lacking in Australia. We feel that the foundation would play a very complementary role in assisting in developing those cultural ties and understandings.

Mrs CROSIO—In your submission you talked about what is happing with Palestine and Israel and Camp David, for example. Do you have—and this is a question that I have asked others who have come forward—a feeling about what the results will be from there?

Mr Jabbour—The current conference?

Mrs CROSIO—Yes.

Mr Jabbour—I do not think that they have considered the consequences or the outcome of that summit carefully enough. I think there is a deadlock at the moment. If we consider the Israeli side, there is no way known that they can go back to Israel on the basis that they have let Jerusalem go as the capital city of Israel. That is apparently a red line. The same applies to the Palestinians. There is no way known that the Palestinian side can go back from this summit and say that they were prepared to let Jerusalem go as the capital city of Palestine. The fact that there is no compromise on this particular issue—this is obviously the deadlock at the moment—is the reason that they are still there.

Mrs CROSIO—You do not think it is the return of refugees?

Mr Jabbour—No, I do not think that is an issue at all. I think that could be easily addressed, compared to the issue of Jerusalem. The difficulty they have at the moment is that they have only two alternatives: one, for one side to forego their rights, if you like, and their claim to Jerusalem as the capital city of their country or, two, to go back without an agreement. The consequence in the region of such an outcome would be very serious.

CHAIR—Do you know of any Palestinian refugees in Australia?

Mr Hazou—There are a lot of Palestinians who came from Kuwait after the Gulf War. When they were kicked out of Kuwait with the return of the Kuwaiti government they came to Australia through Jordan.

Mrs CROSIO—You would have to admit that the Arab brothers was quite extraordinary.

Mr Hazou—It is the common fate of Palestinians in the Arab world, actually. They seem to be used and mistreated willy-nilly. It is one of the things that, as a Palestinian, we have to deal with continuously. From my perspective, personally what I found disappointing with the Camp David process was the lack of leadership and confidence on behalf of Israeli-Jewish moderates in trying to pressure the Israeli government to make concessions. There is a very strong sense of fear in the Holy Land which is obvious and for obvious reasons. While the extremists and settlement lobbies have campaigned strongly against a willingness to concede certain aspects in

these final talks, the other side of the equation, the moderates—who were willing to make those concessions—have not taken up that issue.

Expatriate Jewish or Israeli people in Australia who would make those concessions have felt no need to stand up and ask the Israeli government to make those concessions for a lasting peace. They have sat back and accepted the inevitable and accepted that, since there is a fear for the future, the best thing to do is to fall onto that easy but old line of setting up guards and being defensive about everything and trying to fight the hardest and be competitive on issues. My personal view is that that is the wrong approach—that if a lasting peace is to be resolved concessions need to be made. Things like the settlements and Jerusalem are those concessions that have to be made. From my experience, when asked on a personal level, those people are willing to make those concessions. They are willing to say to the Jewish settlers in the occupied territories, 'No, sorry; you are the destabilising factor. You are the obstacle to peace. If we want a lasting peace you are going to have to move back to Israel proper.'

Mr Jabbour—The peace process is obviously based on United Nations resolutions. When the peace process was initiated it was initiated on those principles. The principle was land for peace—that is, in return for peace you would need to forego the land that was occupied. That is in line and in harmony with the United Nations resolutions. So really the main obstacle here is Israel's refusal to comply with the United Nations resolutions in relation to this issue. The Palestinians have obviously been making concessions for the last 50 years or so. I do not think that politically they can afford to make any further concessions.

Mrs CROSIO—Our previous witnesses said the reverse of course. So we have to be the adjudicators on the evidence that has been supplied.

Mr Jabbour—That is why we have a dispute.

Mrs CROSIO—I also have a question with respect to the United Nations and the Iraqi sanctions. In your submission to us, and as you elaborated when you made a further statement, you said that you felt the sanctions were doing more harm than good. Again, in this morning's evidence we have had contrary views. One group said that they were doing a lot of harm but that aid was being distributed. The other group said that they were not doing a lot of harm and that aid is not being distributed because it is being stopped internally through government policy. Where do you think Australia should go now as far as the sanctions are concerned?

Mr Jabbour—I think the effect of the sanctions on the people of Iraq is quite evident. I do not think anyone disputes the level of suffering. We may have a dispute about the number of babies who are dying every day or every month—some people say it is 1,000 and some people say it is only 500—but I do not think there is any dispute about the suffering of the Iraqi people as a result of the sanctions. I do not think there is any excuse that could be given by any nation that contributes to these sanctions that it is not partly responsible for those consequences.

Mrs CROSIO—But we have had evidence that explains that, as the oil is being put out into the market and the money is coming back in, there is more and more money coming back into the country but it is not necessarily being used for the people.

Mr Jabbour—As I said, the original intention of the sanctions was to topple the Iraqi regime and to weaken its will and its capacity to pose a threat to its neighbours. It has become quite evident and quite clear that it is not achieving those aims and those objectives. We are in favour of military sanctions to address this concern, but we cannot see any justification to put the people of Iraq through this suffering, to deprive them of medicine and food, because we are trying to topple the Iraqi regime. Surely no-one can justify taking part in this action if it results in the death of one baby—not hundreds of thousands of babies—especially when we are in a position where there is no dispute that the objectives and the intended purpose of these sanctions are not achieving their aim. They have failed to achieve their intended aim. What they have been able to achieve is the suffering, hardship and death of innocent people who have no role in this dispute.

Mrs CROSIO—If the sanctions have not been achieving the aim, surely the countries of the world have to have something in place or some action in place so that they can say to Saddam Hussein, or rulers like him in the future, 'We are not going to tolerate the type of action that has occurred in the past and we are not going to tolerate it in the future.' What other step would you envisage if you do not have this?

Mr Jabbour—That is why I said military sanctions would probably be one course of action. It is often said that in international disputes—for example, if the reason is to topple a dictatorship regime that is causing the suffering and the deaths of people within his country—if you were to interfere you would have two options. You would either allow that to continue or take some actions that might result in a civil war and the deaths of millions of people. You attempt sometimes to take the action that would result in a lesser consequence.

In the case of Iraq, the will and the determination that were shown by the West in particular in dealing with the Iraqi issue were never shown anywhere else in any conflict in their history. There was a will and a determination to do everything possible to cripple Iraq as a nation. That goes way beyond toppling a regime. These sanctions are being translated now to achieve that aim, and that is to cripple a nation. We have generations who have been deprived of education. I do not think anybody realises the consequences of what is happening in Iraq. You have a whole generation now who have been deprived of education and employment for the last so many years. What is going to happen to this nation in 10, 20, 30 and 40 years?

Mrs CROSIO—I have been informed—and a lot of Iraqi people live in my community—that there are now two styles of lifestyle over there: the haves and the have-nots. The haves are doing very well, thank you very much.

Mr Jabbour—I think that exists in many parts of the world; I do not think it is confined to Iraq.

Mrs CROSIO—Therefore, Iraq is just not going to be a country, because there is no education, and it is just going to go by the wayside. Obviously, there is something in place so that the people who have the ability to get on are certainly doing so at the moment.

Mr Jabbour—But that was not the situation prior to the sanctions. I think Iraq was one of the countries that had the highest level of literacy in the region. That is not the case at the moment.

Mrs CROSIO—It had about 80 per cent or 90 per cent, and it is now down to about 43 per cent.

Mr Hazou—It was generally accepted that Iraq's health and medical system was the best in the Arab world. That was accepted not just by the Arab world but also by the OECD and the United Nations. But that has been completely destroyed. We are surprised the Australian government has not followed New Zealand's lead in foreign policy change on a call by Kofi Annan—I think that is who it was. He coined the term 'smart sanctions' and wanted to try to narrow down sanctions to specifics on military issues, financial control of the regime, travel and things like that. That would make it extremely difficult for the governing regime to operate and exist even within its own nation but would not take it out on the innocent people of Iraq. Do we justify the means to an end in this case with the deaths of 500,000 Iraqi people and children? We all know what a championing advocate Richard Butler was for the sanctions. Now even Richard Butler, whom Australia used to use as the reason for our policy, has changed his opinion and has said that we have to change and that there is a problem. If he can get past his pride and his stubbornness in doing that, surely Australian foreign policy can as well.

Mr Jabbour—Also, I think the reason we are able to pursue policies such as this is that we seem to do it from a distance. If any of us as individuals were to be exposed in real life to the experience of sitting next to a mother who has her child in front of her dying a slow death—because there is a lack of a particular medicine which is readily available elsewhere and which could be given to that child so that it could survive and live a normal life—I do not think there is any way known that we could justify taking part in such sanctions.

Mrs CROSIO—I would like to say for the record that I too have seen where a Kurdish village was wiped out by chemical warfare and I have seen the results of that. Just looking at the pictures—

Mr Jabbour—Does one wrong correct another?

Mrs CROSIO—No, it certainly does not—you are absolutely correct. With the United Nations and the Iraqi sanctions, seeing that we are covering that, Israel has now been accepted, as you realise, as a member of the UN Western Europe group with others. Do you think their presence will have any effect on any future decisions?

Mr Jabbour—I do not think it would come as a surprise. I think the West has always been biased towards Israel. That has always been clear to the Arab world, It is evident every day. We see all the time that the West goes silent when it comes to issues relating to Israel, but when it is to do with the Arab world everybody is prepared to participate and put a stop to it. So I do not think it would come as a surprise to the region at all; it would be expected.

Mrs CROSIO—Again, it is a two-way street: the Arab world have to sell themselves a lot better.

Mr Jabbour—That is true.

Mr Hazou—Without a doubt.

CHAIR—I thank you very much indeed for being with us today. If there are any matters on which we may need additional information, the secretary will contact you. We will send you a copy of the transcript of your evidence so that you may make corrections of grammar and fact.

Resolved (on motion by **Mrs Crosio**):

The evidence presented as supplementary by the Australian Arab Council be accepted so that it can be circulated.

Proceedings suspended from 2.40 p.m. to 2.55 p.m.

THOMPSON, Mr Greg, Manager, Policy and Advocacy, World Vision Australia

WALKER, Mr Bill, Policy and Campaign Office, World Vision Australia

CHAIR—I welcome Mr Bill Walker and Mr Greg Thompson from World Vision Australia. The subcommittee prefers that all evidence be given in public but should you at any stage wish to give any evidence in private you may ask to do so and the subcommittee will give consideration to your request. Although the committee does not require you to give evidence on oath, I should advise you that these hearings are legal proceedings of the parliament and therefore have the same standing as proceedings of the House itself. I now invite you to make a short opening statement, if you wish, before we proceed to questions.

Mr Thompson—World Vision Australia welcomes this inquiry into Australia's relations with the Middle East and the opportunity to support our written submission to the committee. World Vision functions as a partnership of interdependent national entities, with their own boards or advisory councils. A common mission statement and shared core values bind the partnership. Through signing a covenant of partnership, each entity agrees to abide by common beliefs and standards. Through that partnership, World Vision is involved in emergency relief, sustainable community development, education, the promotion of justice, peace and reconciliation, and the eradication of poverty.

World Vision Australia has a longstanding relationship within a partnership with the programs and offices in the Middle East where World Vision has worked since 1975, where it first opened an office in Cyprus. Since then, offices have been established in Beirut in 1982, Jerusalem in 1987 and Amman in Jordan in 2000. World Vision Australia supports programs, with funds being raised through child sponsorship, from emergency relief funding, and from communities in Australia, corporations and the Australian government. It supports programs with that money, particularly amongst Palestinians and vulnerable Lebanese communities. We have developed our submission in consultation with our colleagues in the Middle East.

World Vision's work in the Middle East centres on child focused community development and poverty alleviation. Practical assistance with long-term implications involves such programs as child and family care, disaster relief, primary health care and health education, vocational training courses for women and disabled people and the support of rehabilitation programs, well digging and agricultural development. Many children are assisted through World Vision's family and community development programs. World Vision also has responsibility for over 100 projects in the Middle East. The agency works in Gaza and the West Bank in the Palestinian territories and with Palestinian refugees in 12 registered Palestinian camps. World Vision also works in displaced camps in Lebanon and with Lebanese communities throughout Lebanon. Nine of these projects are part AusAID funded. World Vision advocates for the rights of Palestinians and seeks genuine reconciliation based on an end to injustices. World Vision encourages dialogue within communities and between Jews, Muslims and Christians, and assists Palestinians and Israeli human rights organisations in encouraging such understanding. World Vision seeks to educate the Australian public on Middle East affairs.

We urge the committee in its deliberations to encourage continuing positive engagement by the Australian government with people and governments of the Middle East to support the peace process towards a mutually beneficial coexistence. We stress that this will require attention to issues of security, human rights and economic development. I invite my colleague Bill Walker to underline some particular issues in relation to those areas. I also note that the timing of this inquiry means that two of our colleagues with program responsibility are currently in the region and so we may seek to consult with them on any issues we cannot address immediately.

Mr Walker—There are just a few issues I would like to touch on by way of overview. Our submission covers quite a range of issues. I thought it would be good to draw attention to a number of issues briefly and then talk about one in particular—the issue of water—and also to add supplementary comment as well.

The issues that we wish to particularly highlight are human rights issues and Australia's role in achieving peace based on justice. This is something that our office in Jerusalem has particularly asked us to draw attention to, because development will really only be sustainable as long as the rights of people who oppressed and marginalised are being addressed. The second thing is the fulfilment of UN resolutions including the refugee's right of return and compensation. This is a crucial issue to be addressed in the light of the final status talks. The third area which I will say a little more about is Israeli water policies and the issue of cooperation between Israelis and Palestinians on the issue of water and the redistribution of water resources between Palestinians and Israelis. There is the issue of the future of Jerusalem and the need for Israel's policy towards Palestinians' freedom of movement to change, for there to be a peaceful future. There is the issue of Jewish settlements. And, finally, open and fair trade without control on goods and services. The additional comment was in relation to the end of Israel's occupation of Lebanon. That was something we welcome. It has happened since we made our submission. We welcome this as a step forward in terms of peace for peoples of the Middle East.

I will say a little bit more on the issue of water. The world's thirst for water is set to become one of the most pressing resource issues of the 21st century, and a likely reason for conflict and war. The Middle East has been identified as a region particularly likely to be affected by major conflict as a result of water resource issues. It is important to recognise water is already a source of low intensity conflict in the Middle East and this has considerable potential to escalate in the future. I would like to read an extract from a message from a colleague in World Vision in Jerusalem who wrote this to us several weeks ago. He says:

We pray that critical political decisions on both sides—

referring to Israel and Palestine—

will actually make things better rather than more difficult. The most severe drought in 62 years could be the key factor especially for the Palestinians who receive only one-fifth of the water that the Israelis get. Peoples' nerves are frayed. A group of Israelis concerned about the inequities yesterday actually delivered 15,600 litres of water to the parched Palestinian village of Yatta near Hebron.

At the same time this week, however, Israeli right wing settlers have been picketing Prime Minister Barak and Secretary of State Albright with placards that scream "too much (land and water) is being given away".

I will say a little bit more about the issue of water, from our colleagues in Jerusalem. Every summer, Palestinians in the West Bank, Gaza and East Jerusalem are forced to cut down on water usage as a result of the unjust policies set by the Israeli water authority, Mekorot. While members of the Knesset convened last week, as they do yearly, to discuss water issues faced by Palestinians in the occupied territories, it is highly unlikely that this will result in a change in policies. According to the Israeli Information Centre for Human Rights in the Occupied Territories, Mekorot cuts the water allocated to Palestinian towns and villages during the summer months in order to meet the increasing consumption in the Israeli settlements. Water shortage affects around 210,000 Palestinian residents of 50 towns and villages. In some areas, Palestinians living in the West Bank and Gaza get running water once or twice a week, sometimes once or twice in every two weeks, and World Vision's projects in a number of places are affected by this unequal distribution of water.

The issue of water is an important one. In our submission we have made several recommendations that we feel would suggest a way forward, and particularly the role that Australia could play as a middle power which is in a position to influence the level of cooperation between Israel and the Palestinian authority on water issues. We feel that Australia has both expertise and experience and that it can contribute to addressing this important issue. We have made three recommendations in our submission.

CHAIR—Thank you for that. You have also in your submission been promoting the concept of more money from Australia into aid projects. Would you be looking at the principal focus being on the supply of water? What are the other areas of high priority for the Australian aid dollar through there at the moment?

Mr Walker—I think we would see water as being one of a number of areas. Certainly, it is a strategic one just because water is an issue for us in Australia. Increasingly, it is something that we are aware of. We in Australia have expertise and we in World Vision feel that it could be given a higher priority. There are other areas that would have to be addressed alongside of that. The nature of our work is that it is spread across quite a range of areas, as we have indicated in our submission.

CHAIR—On the ground do you get much of a feeling for Australia from the Palestinians? Do they know we exist? Do they know what we are all about?

Mr Thompson—As someone who has been to the region on a number of occasions—and particularly into Jerusalem, West Bank, Gaza and Israel—I am very much aware of the connections that exist between Palestinians and Australians. There are family connections and a there is long-term history of relationships with Australian service people, going back to World War II. There are people's memories of the contribution that Australia made and there is a continuing recognition of Australia's partnership with both communities and its commitment to a number of efforts towards peace in the whole region. Undoubtedly, there is a genuine awareness of Australia's past, present and hoped for future contributions to the region, particularly to the Palestinian people.

CHAIR—The reason I asked that is that suggestions have been made that in any future peacekeeping role within the Middle East there is probably a desire for Australians to be

involved. Would you agree with that? Have you had any experience with Australian peacekeeping forces, and what has that experience been?

Mr Thompson—I have not personally had direct experience of that, but I am certainly aware of—as I said earlier—the role that Australia has played in the past in the Sinai and other places in the region. Australia's reputation internationally, as far as a contribution to a peacekeeping role is concerned, such as in East Timor and other places, augurs well for a continuing role for Australia internationally in such theatres of activity.

CHAIR—Have you any indication of just how many Palestinian refugees we may have in Australia?

Mr Thompson—I do not know the number, but I can certainly get back to you on that question.

CHAIR—Thank you.

Mrs CROSIO—I refer you to page 11 of your submission to us, and particularly the recommendation:

> Australia should press the US Government, as the largest supplier of armaments to the Middle East, to take the lead in procuring a comprehensive arms control regime for the entire region that does not advantage one nation over another and which leads to a real reduction in armaments and weapons systems.

Can you provide a little more information on that recommendation?

Mr Thompson—One of the issues picked up in our submission was the whole way in which the presence of such sophisticated weapons, and the large supply of them to all sides, contributes to further conflict. Amelioration or a reduction in the presence of weapons in the region will make a contribution towards the framework in which the peace process can be pursued in the future. While the weapons exist, while disparities in supply exist, you have potential for further conflict—one side seeking to match the other in terms of the extent of weaponry that is available to either side. In terms of the detail, I will have to reserve any further response than that general question about the contribution a process of disarmament can make alongside other efforts to build peace, particularly in the final status talks.

While weapons exist; while the extent to which weapons escalation takes place and one side appears to be disadvantaged compared with the other, then the conditions on which peace can be prosecuted and developed are reduced. It certainly contributes to the misappropriation of spending in the region away from programs that actually support people; this is over and against the expenditure on weapons systems that contribute to the temperature of the relationship between communities.

Mrs CROSIO—I want to refer to your submission again. What is the current position of the Palestinians in Lebanon now that Israel has withdrawn? Have they started to return to Israel or are they still there?

Mr Thompson—At the moment, the Palestinians who are in Lebanon remain there—still in their camps, unable to access productive engagement in employment, still really dependent on their camps. The question of their right of return is still denied them until such time as the resolution of the final status talks and of the actual recognition of the need for return.

I understand that one of the issues that has been addressed during the Camp David talks is the extent to which some kind of support can be given to such a process of the return of refugees. Economic development in the West Bank in the areas under the Palestinian Authority will have to take place before that region has the capacity to support those people who do seek return. Given the long history of the Palestinians, particularly in the last 15 years in Lebanon, of a deprivation of access to appropriate education, health standards, economic, employment and so on, their economic situation is such that they do not have the resources or the capacity necessarily to be able to return and have a full place in their society. So the past disadvantage needs to be addressed. The economy of the areas under Palestinian authority have to be addressed. All of these issues need to be addressed so that this right of return might be enabled for the Palestinian refugees in Lebanon.

Mrs CROSIO—Mr Walker, you mentioned the following in one of the headings but did not elaborate on this after you spoke about the water issue. You mentioned the Jewish settlements and you did not elaborate on that. Would you like to be given the opportunity now, seeing that we have mentioned the settlers here from Lebanon?

Mr Walker—Yes, we have made a number of references.

Mrs CROSIO—Yes, you have touched on it in your submission. But would you like to elaborate on that a little? Looking at parts of the submission that you have provided to us, do you have in your possession any maps or statistics that you could make available to indicate exactly the rate of building of settlements in the occupied territories? Has it slowed, has it remained fairly constant or has it increased?

Mr Walker—I do not know that I have relative figures but I do have some data here on the building since the election of Prime Minister Barak.

Mrs CROSIO—Are you able to table that information?

Mr Walker—Yes. I have some statistics here. I think it was of the order of 4,112 settlement permits—I have forgotten the exact phrase—since the election of the Barak government in May 1999, from recollection, but I do not have relative figures for an earlier period.

Mrs CROSIO—I suppose it is backing up what I saw at Christmas time when I saw settlements still being built. That is why I thought you may have had statistics.

Mr Thompson—In our submission, we did address the number of Israelis living in the West Bank and Gaza as some 200,000. Those numbers are increasing by 10 per cent annually. That stands in contrary position to the stated policy of the Barak government which suggested that he had forbidden the issuance of new tenders for settlements—but the process still goes on. My journeys to Jerusalem over a period of 10 to 12 years attest to the fact that the new walls of

Jerusalem are being built by these enormous modern apartment buildings which are the settlements that we are talking about in that particular region. Jerusalem is gradually being surrounded by a new set of walls that are the settlements.

Mrs CROSIO—Could I take you to page 16 of your submission. It is in the second paragraph down. You say:

Israel continues to close educational and welfare institutions for long periods without warning …

I understood, from evidence and also talking privately, that is no longer happening. I thought there was greater access now for the people. Have you got evidence where it is recent that this is happening, or is this past tense?

Mr Thompson—Certainly, I think that there has been some attempt to maintain the opening of centres, but it certainly has had its impact in terms of the denial of education to Palestinian people over a long period of time. The closure of Jerusalem still remains, for those living outside Jerusalem. People cannot return to be reunited with families or to pursue their normal course of business. People are frightened to leave Jerusalem, at times, because of their status being threatened as a consequence of the kinds of policies that are being prosecuted by the government of Israel, as far as the Palestinians living in Jerusalem are concerned.

In the supplementary statement that we have provided for you today, the observance of this statement recognised the extent to which the kinds of activities that are taking place, which point to continuing injustice being given to Palestinians, as part of the framework in which the Camp David talks and the final status talks will take place, point to the extent to which such practices continue to disadvantage Palestinians and to provide a basis on which concern about their future can only lead to continued uncertainty about the peace process and support for this.

Mrs CROSIO—Are you able to supply to the committee any evidence of progress that has been made? I know it is resolution 194 of 1948 which a lot of the Palestinians pin their hopes on. Are you able to supply any evidence where anything is happening in regard to that? I know it is about return of the right of the refugees to their homeland. There does not seem to be a lot of progress occurring, or have you got evidence that it is happening?

Mr Thompson—We are not aware of anything at this point, but we would certainly ask that specific question of our colleagues to see if we can substantiate anything. Colleagues who work on the ground and are observers of the process are certainly pointing to these kinds of issues as important for the future of the Palestinian people and for the people of the whole region. The UN resolutions need to be resolved in practice for the future of a peace process in the region.

Mrs CROSIO—I know you have referred to it, and other submissions in the past have referred to this UN resolution 194. It was signed 52 years ago. I know it was a part of the agreement for Israel joining the United Nations. Shouldn't we be now looking at other avenues in which we can pursue resolutions to this effect, rather than keep coming back to that one?

Mr Thompson—I can see the point you are making as far as finding new ways forward when old ways or old principles are not working. I guess for those who grasp after a future with not

much hope then the only thing they can cling on to is the opinion of the international community in the past—when their confidence has not been built up about an actual realisation of the difference, when in the process of increasing settlements in the region which were supposed to be theirs, where contacts between communities in the various parts between Gaza and the Palestinian Authority areas of the West Bank are not being enabled. In fact, difficulties of communication remain. All of these point to the fact that the current processes are not working in favour of the Palestinians so they have to grab on to something. These were resolutions of the international community. They claim support from the international community based on the intentions of the international community in the past. This is the reason why they continue to claim that. I think we have to find ways in which the resolutions of the moment, the points negotiated in the peace process at the moment, can deliver genuine change and a genuine claim for justice.

Mrs CROSIO—Except resolution 194 is very specific in saying it is the right to return of the Palestinian refugees. You have the Israeli people saying that they are not going to have their people thrown out of houses that they have been occupying for 50-odd years to honour that commitment.

Mr Thompson—At the same time, Palestinians see that members of the Jewish community around the world are able to return to Israel and at the same time displace Palestinians, so it goes both ways.

Mrs CROSIO—I have had the question put to me time and time again: 'We've been waiting 100 years to reclaim what is ours when others are coming in after 10 years and being given residence in what is occupied land, our land.' In just trying to handle both sides, you can see the argument—everyone keeps talking about resolution 194 and how we should be acting and what steps we should be taking for it.

Mr Thompson—It is that kind of dilemma where we recommend, as a symbol of reconciliation, the internationalisation of Jerusalem as a mechanism for doing this, whereby all sides will be able to access the holy sites. It will almost become a symbol, because symbols are so important in the region. Certainly the symbol of each side of the living faith, the monotheistic faith which exists within Jerusalem, becomes a contemporary symbol in a sense that resolution 194 may have lost.

Mrs CROSIO—Your solution, Mr Thompson, is one of the few that mentions the bypass roads in the occupied territories and the effect they are having on the Arab villagers. In your opinion, does construction of these roads contravene the 1998 Wye agreement?

Mr Thompson—Certainly, that is one of the concerns that we have. It is an example of the way in which the Wye agreement is being denied in practice and, again, another example of the lack of confidence in a peace process by contemporary Palestinians when they see that resolutions on paper are broken in practice.

Mrs CROSIO—These roads are still being built.

Mr Thompson—That is right. As for the statement that I shared today, those who are making the statement talk about the bantustanisation of the West Bank and the roads that have been built. I remember visiting the region several years ago and making the comparison with Soweto at that point. I think the situation has got worse. If I went there now—from stories that I am told, and it is three years since I have been there—I think what would be underlined would be the process—one that was happening then—of disrupted communities of Palestinians.

Mrs CROSIO—It is only six months since I have been there and it has not let up. On page 12 of your submission you are recommending the establishment of an active protective agency for refugee rights. In your opinion, what authority and responsibility would such an agency have?

Mr Thompson—I think it would be beyond the kind of role that UNRWA has played in the past. It has played a service role in the region as far as Palestinians are concerned. Respect for the rights of people becomes really important. Perhaps a new agency with a chance of being able to oversee the rights of people seeking to return—an agency with that particular mandate—could take forward the process of determining the right of return of refugees and the development of an appropriate means of managing that right.

Mrs CROSIO—Any agency without power to implement is really only going to be there by name, is it not, unless it has got the consent of both parties?

Mr Thompson—Sure, and I guess coming out of the process of negotiation an agency given special mandate on the situation of refugees is an important part and perhaps a contemporary way of addressing that right of return issue, taking into account all that has happened in the last 50 years to those people who have remained outside. The changes in reality of the places from which they have come, who owns them now, who has lived there since then—all of these issues provide an opportunity for determining the feasibility of return or for compensation for those who cannot return, or negotiation about an appropriate mechanism of support for those who are unable to return but finally recognise that, generations on, they now have a country of alternative settlement that they have to be content with.

Mrs CROSIO—Does your organisation believe that the 13 September deadline will be met with the commitments?

Mr Thompson—I think our colleague reflecting in this paper is extremely doubtful whether this is going to happen, but we live in hope that this might happen. Obviously at this point the words of such a resolution are going to be important. A sign that those words might actually be translated into practice is what is needed, and how that is going to take place in this short period of time, given what has not happened up till now with words issued in the past, is a real dilemma, I think. The statement that our colleague Tom Getman and others made in their conclusion to that statement perhaps points to this. They said:

As the international media and world powers clamour ‘peace, peace’ when there is no peace, we invite Christians worldwide to join us in praying. I think it comes to prayer now in the hope that through that prayer people will be resolved to build that peace on reconciliation, not on coercion.

CHAIR—Say things do not work out over the next hours at Camp David and Chairman Arafat says on the 13th, 'Well, that is it. I declare the state.' What would be the reaction, do you think, of the Israelis?

Mr Thompson—I think there will be a range of reactions. The literature I have read from our colleagues in Jerusalem coming from Israeli people committed to the peace process as well would indicate that there is a strong body of opinion within Israel that really wants to see a process of resolution which would recognise the rights of the Palestinians alongside the rights of Israeli Jews in the region. So one would hope that that majority—and some would claim it is a majority opinion in Israel—would find overwhelming support. On the other hand, those most vocal tend to encourage a more pessimistic view of that future and that possibility. My hope would be that the former would prevail and the people would accept the recognition that steps have to be taken to accommodate the Palestinians and their claims for justice alongside the state of Israel. Whether or not that is going to take place, I am sorry, I cannot really predict. Bill, you might like to add something.

Mr Walker—I agree, it is a very hard one.

Mr PYNE—Before you said that the building of roads on the West Bank was in contravention of the Wye agreement. Could you point out where that is a case, why that is in contravention of the Wye agreement?

Mr Thompson—I did not write this particular part of the submission. If I could take an opportunity, I will get back to you on that one, if you do not mind.

Mr PYNE—No, I do not mind. There is always the assumption made that everything the Israelis do is in contravention of the Wye agreement or the Oslo accords, and they cannot seem to do anything without being accused of not fulfilling their part of the bargain.

Mr Thompson—I will follow that through and get that back to you.

Mr PYNE—The Palestinians are never actually required to accord to their side of the agreements in Wye and Oslo. I just wanted to see where that was in fact in breach of the Wye agreements. Do you know if the Palestinian National Authority or the PLO have now rejected their section of the constitution that actually denies the state of Israel the right to exist? Have they actually passed that through to its completion?

Mr Thompson—It was certainly an intention to do so. Whether that has actually happened, I will also get back to you on that one as well. I recognise the point you are making in terms of the recognition, that when agreements are made then both sides need to conform to those agreements.

Mr PYNE—My understanding was that when Oslo was signed the intention was that that would be done within 12 months, and today the central committee of the PLO are yet to ratify constitutional amendments that actually allow the state of Israel to exist. Their constitution still says that the state of Israel has no right to exist. You can understand why the state of Israel

sometimes is a bit wistful about the criticisms of them not fulfilling their requirements under Oslo and the Wye agreement.

In World Vision's experience in this part of the world, is there tension between the Palestinians who have stayed in Israel for the last few decades and existed under a democratic government with a free press and a largely free economy and the Palestinians who have returned from places such as Lebanon and Tunisia and are in control of the Palestinian National Authority? Do you think that the tension that may be there between those two different types of Palestinians would be exacerbated by a large wholesale return of Palestinian refugees, most of whom have not lived in Israel for 30, 40 or in some cases 20 years?

Mr Thompson—This is one of the issues that needs to be addressed as the process moves forward. Appropriate time and recognition of the potential conflicts that might emerge needs to be taken cognisance of as the process develops. My experience with some colleagues and ecumenical friends in the churches in Nazareth and other places is that they have accepted the processes that have developed in the last 10 years, but perhaps that may not be true for all.

Mr PYNE—Beyond Israel, does World Vision have programs outside Israel in the Middle East?

Mr Thompson—Certainly in Israel, the West Bank and Gaza there are our major programs, but in Lebanon there are extensive programs both with Lebanese communities as well as with Palestinians in refugee camps in the region. We have established an office in Amman in Jordan only this year in order to be in a position to respond to people in other parts of the region, including in Iraq. That is a slow process of establishing appropriate mechanisms to ensure the delivery of assistance to the people of Iraq.

Mr PYNE—Lebanon and Israel are the two major areas of opportunity?

Mr Thompson—Yes.

Mr PYNE—You spoke a little bit about Lebanon in your introductory statements and in your submission there is quite a bit about Lebanon, and the failure of the Lebanese government to provide a free, fair and democratic society for its residents. Do you see any signs of that improving since Israel withdrew from southern Lebanon, or do you think that it is the same, if not worse?

Mr Thompson—I think there are a number of issues that are being addressed in the process. The death of the former president of Syria and the working out of that process is going to have some time to fulfil itself in what happens in Lebanon as well because of the particular influence of the Syrian leadership in that particular place. So there is a complexity of issues that needs to be resolved. Certainly the opportunity that World Vision has had to respond to the needs of Lebanese communities in the region has opened up. But where the next stages will go we are still waiting to see. Bill, do you have any comments on that?

Mr Walker—No.

Mr Thompson—We will get back to you with further evidence about this, because it is an issue that I would like to pursue back with colleagues in Lebanon itself.

Mr PYNE—That would be good, thanks.

Mrs CROSIO—Can I say, Mr Thompson, for my colleague, that on page 16 of your submission you say, in 4.61:

> Article 5 of the November 1998 Wye agreement states that no side may take any action which changes the status of the West Bank prior to the final status negotiations. Any significant changes must be in accordance with the wishes of the majority of the Palestinian people within the PA.

I knew I had read it but I was just trying to find it in your own area.

Mr PYNE—Of course, that does not necessarily mean that roads cannot be built for the purposes of the security of the Israeli state.

Mr Thompson—I think one of the issues is what kinds of contacts are going to be made between communities, and if as a consequence of building the roads between Palestinian communities it means a denial of interaction with Israelis then you are not going to develop a relationship between communities that will be required if the resolution of the present process will result in a more appropriate community in the region. Certainly before 1948 the relationship between Jews and Palestinians was a very positive relationship, and that has been cut across. The danger is that such construction, almost preventing interaction between communities, is going to continue the exacerbation of separation of communities. I think our submission is based on a process which would encourage interaction between communities rather than continued separation, because when people start to interact then they get to learn to understand one another and to build confidence in that relationship that may have been denied by recent history.

Mr PYNE—I think it is a rather generalisation to say that pre 1948 the relationship between Jews and Palestinians was a very positive one and in fact it would have remained so if there had not been a civil war and creation of the state of Israel. That is such a broad and generalised statement—there were massacres and slaughters going on before 1948. In fact, the head imam of the Palestinian faith was visiting the Nazis during the Second World War to praise them for their efforts. So I think we need to keep things within perspective. There was not a happy family situation in Israel before 1948, otherwise there would not have been a civil war.

I would also make the point too that the Israelis are damned if they do and damned if they don't. They are accused of not spending money in the West Bank and not building the sort of infrastructure necessary for them to have an economy, and then if they try and build infrastructure they are accused of trying to break up communities and create a system of arterial roads for their own security rather than that can actually be used by Palestinians for trade. So it is very difficult for them to succeed, it seems.

Mrs CROSIO—In regard to article 5, what I witnessed, and I saw it personally on the ground, is that those bypass roads could only be utilised by people who lived in the settlements and there were barriers across there and, if you were taking a product from point A to point B,

you had no access to utilise that road whatsoever. It is only being utilised by the individuals who are living in the settlements. That is what I understood you meant by a bypass road through the villages.

Can I come back to the other part? How strong is your feeling or that of your organisation in supporting the lifting of the sanctions on Iraq?

Mr Walker—I think our support for lifting the sanctions would be strong. World Vision has done some thinking about the issue of sanctions generally and has reached the conclusion that, although we have a lot of debates among ourselves, we generally feel that broadbased sanctions are not a particularly useful idea and that the humanitarian impact of sanctions is something that is clearly a problem in Iraq.

Mr Thompson—I think that, in view of the impact on the citizens of Iraq, particularly children as identified by the UNICEF report that we quote, and in view of the apparent lack of positive outcome of the imposition of this—that no real change has taken place as a consequence of this; balancing the two sides—then it is perhaps better to rethink the question of sanctions. I think that previous witnesses who appeared before the committee earlier suggested that a use of smart sanctions as against the generalised sanctions that exist at the moment would tend to point to the need for the international community to rethink the process of sanctions in that particular context—sooner rather than later in terms of the continuing negative impact, whilst no positive outcomes have apparently been coming as a consequence of the imposition of those sanctions.

Mrs CROSIO—If I could also refer to pages 19 to 22 of your submission, do you feel that there are any other human rights issues? I know that you were listening to the previous evidence, but perhaps there are recommendations that we have not discussed or covered today that we should be looking at.

Mr Thompson—I do not have any further comments at this stage.

CHAIR—If there are no further questions, can I thank you both very much indeed for giving up your time today. If there are any matters on which we might need additional information, the secretary will certainly write to you and we will send you a copy of the transcript of your evidence to which you can make corrections of grammar and fact.

Resolved (on motion by **Mrs Crosio**, seconded by **Mr Pyne**):

That this subcommittee authorises publication of the evidence given before it at public hearing this day.

Subcommittee adjourned at 3.42 p.m.