January began with the Israeli army demolishing four houses in Khan Younis, Nablus and Bethlehem on the 1st of the month. On the same day Israeli soldiers killed three boys armed with knives near the settlement of Elei Sinai. The following day 25 homes were demolished in Rafah RC, with belongings inside, rendering 300 people homeless, prompting condemnation from the US State Department. Also on the 2nd the legal proceedings against PLC member Marwan Barghouthi continued and he was remanded in custody until the end of judicial proceedings by a Tel Aviv court; five days later the court ruled it had the right to try Barghouthi, who nevertheless rejected the its authority. A few days later a double suicide bombing, responsibility for which was claimed by the Al-Aqsa Martyrs Brigades, at Tel Aviv’s Old Central Bus Station left 23 dead and 100 wounded. Also during January the PA Ministry of Health issued a report on Palestinian casualties during the Intifada stating that 1,202 Palestinians were killed in 2002 and 9,939 injured. Also during this month, work on Israel’s separation fence continued near Jenin; members of the Quartet met in London to discuss PA reforms; Israel launched the largest military operation since the Intifada began in Gaza leaving 14 dead and over a hundred wounded; ceasefire talks between Palestinian resistance factions broke down; a general election was held in Israel and as expected Likud emerged victorious although voter turnout (at 68.5%) was the lowest in Israeli history.

On February 1st, the US space shuttle Columbia exploded killing all seven astronauts on board. In Palestine meanwhile the month began with Israeli occupation forces destroying 22 homes and farms near Hebron. On the following day a Tel Aviv court ordered President (Pres.) Arafat to pay NIS 52 million in compensation to the Egged Bus Company for loss of earnings due to suicide attacks for which he was blamed. On the 4th, Pres. Bush and PM Blair met to discuss Iraq and Blair urged Bush to publish the ‘road map’ but he refused. On the 11th proceedings against Ariel Sharon at the Belgian Supreme Court for his involvement in the Sabra and Shatila massacres in Lebanon in 1982 took a positive turn when the Court ruled that he could be tried for war crimes, once he leaves office. In a symbolic act of condemnation of Israeli actions the US Congress cut aid to Israel by $17million (out of a $2.7billion aid package). At the same time all aid to the Palestinians was frozen until “terror ends.” A day later, possibly in response to this move, Arafat
agreed to appoint a Prime Minister (PM) in line with US/Israeli demands. On the 15\textsuperscript{th}, four Israeli soldiers were killed when their tank drove over a bomb, whilst three days later, 11 Palestinians were killed and 25 wounded during an Israeli army assault on Gaza City. Elections to the West Jerusalem Municipality were held during February and Uri Lupoliansky became the first Ultra-Orthodox Jew to be appointed acting mayor. Meanwhile \textit{Ha’aretz} reported on the 19\textsuperscript{th} that Israel had made over 100 corrections to the road map and demanded that the PA act on its commitments before Israel takes any steps. Towards the end of the month violence and repression against Palestinians in Gaza increased when the Strip was split into three sections, severely restricting freedom of movement for its over one million residents, and an attack on Beit Hanoun, left six Palestinians dead, 28 wounded, and six homes demolished.

On March 1\textsuperscript{st} the US Middle East Envoy General Anthony Zinni resigned after complaining about the US’s priorities in the region. On the 3\textsuperscript{rd} Israeli Defense Minister (DM) Mofaz expressed support for the “E1 Plan” to create a string of settlements linking Jerusalem with Ma’ale Adumim. A World Bank report was issued this month, which claimed that 50% of Palestinians employed in the private sector had lost their jobs between 1999 and 2002 whilst per capita GNP fell 30% over the same period. On the 6\textsuperscript{th}, Arafat officially asked Abu Mazen to be the new PM of the Palestinian Authority (PA), and four days later the creation of the post of PM was formally endorsed by the Palestinian Legislative Council (PLC) by a vote of 64-3 with four abstentions. Unofficial peace efforts continued when the “People’s Voice” initiative led by Sari Nusseibeh and Ami Ayalon organized a demo in Ramallah on the 15\textsuperscript{th} in support of a two-state settlement. On the same day, world attention was focused on Palestine when the American activist Rachel Corrie from the International Solidarity Movement (ISM) was crushed to death by an Israeli bulldozer. Israeli violence during this month included a raid on Khan Younis, which left a nine-year-old boy
and two adults dead and more than 20 wounded, an attack on Jabalia on the 11th which left 11 dead (including 4 children) and 80 wounded, an Israeli army raid on Nusseirat RC which left seven dead and a raid on Beit Lahia which killed four on the 17th. At the end of the month the US State Department published its annual human rights report, which criticized Israeli abuses in the Palestinian Territories. On the 19th of March the US/British war on Iraq began with an aerial bombardment of Baghdad.

On April 1st there was yet more house demolitions with four homes destroyed in Al-Am’ari RC and one in Tulkarem. The following day a curfew was imposed on Tulkarem and the Israeli army deported some 1,000 Palestinian men to the nearby Nur Shams RC, preventing many from returning for three days. In a rare act of condemnation of Israeli policy, British Economic Secretary John Healey excluded goods made in Israeli settlements from a EU-Israel trade agreement on April 3rd. On the 6th the trial of Marwan Barghouthi began in Tel Aviv. Yet more Israeli violence in Gaza this month included Israeli air strikes on Gaza City, which killed a total of 15 people and wounded more than 65 on the 8th and 9th, another Israeli helicopter missile attack on Gaza City on the 10th, which killed an Islamic Jihad activist and wounded 12 bystanders. The following day ISM activist Tom Hurndall was shot in the head by an Israeli sniper whilst he was trying to protect Palestinian children; the Israeli army delayed his evacuation to a hospital and when he eventually arrived he was declared brain dead. On the 15th at its annual conference, the UNCHR passed four resolutions critical of Israel’s human rights record. On the 23rd Egyptian intervention finally resolved the ongoing leadership dispute in the PA and on the 30th the new cabinet was sworn in, headed by PM Mahmoud Abbas. On April 27th, Peace Now reported that there were 108 settlement outposts in the West Bank, 72 of which were built during Sharon’s time in office.

May began with a further attack on Gaza City, which killed 13 Palestinians (including 3 children) and wounded over 60. On the 3rd, Israeli Tourism Minister Benny Elon led a group of settlers on a raid on an Arab home in Jerusalem’s Sheikh Jarrah
neighborhood, during which a two-year-old infant was injured. On May 6th Arafat and Abu Mazen clashed when the latter announced that Mohammed Dahlan was to be given full control over the Interior Ministry. A raid in Beit Hanoun on the 15th left three Palestinian children and two adults dead; three days later, a suicide bombing in Jerusalem left seven Israeli dead and 20 wounded. Israel imposed a full closure on the Palestinian territories in response and vowed to step up its policy of extra-judicial killings. Another suicide bombing on the 19th at a mall in Afula left three Israelis dead and 70 wounded. On the same day, UN envoy Terje Roed-Larsen warned that the closure policy was likely to lead to the collapse of the Abbas government. After six days of attacks on Beit Hanoun, Gaza, the Israeli army partially withdrew leaving behind massive destruction. On the 22nd, PM Abbas met Hamas leaders for the first time but failed to make them agree to halt attacks on Israelis. At the end of the month, the White House promised to address Israeli reservations over the road map and as a result Sharon formally accepted it. The following day, the Israeli cabinet voted 12-7 with 4 abstentions in favor of it. At a Likud meeting Sharon told his party that the occupation cannot go on forever.

On June 1st, Israeli DM Mofaz lifted the closure on the Palestinian territories as part of confidence building measures, and some 100 Palestinian prisoners were slated for release, although most were due to be freed soon anyway. Two days later the prisoners were released, in time to coincide with the start of the Aqaba Summit. At the summit Bush, Abbas and Sharon issued a trilateral statement, with Abbas pledging an end to terrorism and Sharon promising to dismantle outposts. In Gaza on the 9th a failed attempt to kill Hamas leader Abdul Aziz Rantisi left an eight-year-old girl and an elderly women dead. On the 11th, a suicide bomber disguised as an Ultra-Orthodox Jew killed 17 Israelis and wounded over 100 on Jaffa Road in Jerusalem. Gangs of Jewish right-wing extremists attacked Arabs in Zion Square and the Mahane Yehuda Market. In further Israeli violence on the same day the Israeli army killed six and wounded 25 Palestinians in an assault on Gaza. An UNRWA press release stated that between September 2000 and May 2003, 10,000 Palestinians have been made homeless by Israeli house demolitions. Later in the month, Secretary of State Powell urged the
two sides to make the road map work. Meanwhile on the 25th, Sari Nusseibeh and Ami Ayalon launched their People's Voice initiative with adverts in major newspapers. The month ended with positive signs, when on the 29th the main Palestinian factions agreed to halt resistance operations against Israel and on the 30th - in accordance with a security deal reached on the 27th - the Israeli army removed checkpoints in Gaza and opened the main Salah Eddin Street.

The beginning of July saw the Israeli army transferring security control in Bethlehem to the PA. The area around Rachel's Tomb and Route 60 remained closed however. On the 4th, Israeli riot police took the provocative step of preventing worshippers under 40 from reaching Al-Aqsa Mosque. Meanwhile the Israeli cabinet's authorization of the release of 350 prisoners (out of 6,000) - was condemned as an insufficient number by the Palestinians. The following day, in a flagrant act of incitement, Avigdor Lieberman offered to take Palestinian prisoners to “a place whence they will not return” and said he would “drown them in the Dead Sea.” A political crisis loomed when PM Abbas resigned from the Fateh Central Committee following criticism that he had failed to achieve anything during his negotiations with the Israelis. In Ramallah on the 13th, 200 refugee activists stormed the Palestinian Center for Policy and Survey Research and pelted its director Khalil Shikaki and other staff with eggs after a survey they conducted suggested only a minority of refugees wanted to return to their homes. UN envoy Terje Laerson told the UN Security Council on the 17th that Israel must dismantle the separation fence as it is a unilateral act, which is hampering peace efforts. Two days later, amid signs of a deterioration of law and order in Palestine, the acting governor of Jenin was abducted and beaten by the Al-Aqsa Martyrs Brigades for collaborating and misusing funds; he was released after five hours. On the 20th, PM Abbas told members of the US Congress that Israel is undermining the road map by building settlements and the separation fence. On the 27th, the Knesset Meretz faction condemned a bill by the National Union Party, which called for the “evacuation” of Arabs from East Jerusalem to safeguard the Jews who live there. On the same day Israel took some limited steps in line with the road map by removing two checkpoints in the West Bank; the internal closure remained in place however. The month ended with PA Security Minister Mohammed Dahlan rejecting an Israeli offer to return security control over Jericho and Qalqilya, saying Ramallah should have been included.

On August 1st, some 4,000 Palestinian prisoners in Israeli jails began a hunger strike in protest over living conditions and the brutal suppression of a riot in
Ashkelon the previous day. On the 3rd, Israel agreed to release 433 prisoners, but only around 330 were actually set free the following day. The PA dismissed this number as “insufficient.” Even this limited prisoner release was halted though after two suicide bombings on the 12th, one in Rosh Ha’ayin and one in Ariel settlement, in which two people were killed. On the 14th, the UN Committee on the Elimination of Racial Discrimination condemned new citizenship legislation in Israel, which denied citizenship to Palestinians who marry Israelis. On the 18th, PM Sharon vetoed a deal with British Gas to supply natural gas to Israel from Gaza because the PA was to get 40% of the profits, saying in that case he preferred Egyptian gas. On August 21st, Israel violated the ceasefire, which had held for almost two months by assassinating Hamas leader Ismail Abu Shanab in Gaza. In response, Hamas declared the *hudna* over and vowed revenge. Over 100,000 Palestinians marched in Abu Shanab’s funeral procession the following day. Israel meanwhile reversed its measures to ease the plight of the Palestinians by re-imposing the roadblocks in the Gaza Strip and dividing it once more into three sections. The US took steps against Hamas and froze assets belonging to groups it claimed had connections to the organization. On the 25th, Pres. Arafat promoted Jibril Rajoub to Brigadier-General and placed him in charge of the National Security Council. *Ha’aretz* reported that Israel is negotiating with Hizbullah a prisoner exchange. The PA announced on the 28th that it was freezing the accounts of nine Islamic charities, which deprived thousands of Palestinians of welfare payments. August ended with the fifth Israeli missile attack in 10 days, in which two Hamas activists were killed.

On **September 1st**, the Or Commission published its report into the killings of Palestinian-Israelis during demonstrations in October 2000, recommending sanctions against senior police officers and then Public Security Minister Shlomo Ben-Ami. On the 4th, the political crisis in the PA reached a peak when PM Abbas called on the PLC to back him in demanding greater authority or to fire him. Two
days later he resigned, blaming Israeli intransigence for the lack of progress on the road map. Ten Israeli cabinet ministers and numerous MKs responded to this by demanding the expulsion of Arafat immediately. On the 7th, a meeting of the Fateh Central Council recommended that PLC Speaker Ahmed Qrei’a should replace Abu Mazen as PM; Qrei’a accepted the following day but asked for US and European guarantees that he will be allowed to work towards improving conditions for Palestinians. On the 9th, a suicide attack at a bus stop near Tzrifin army base left eight soldiers dead and dozens more wounded. Hamas claimed responsibility. Two days later, Israel’s security cabinet approved a decision to “remove” Arafat, and the army established an observation post opposite the Muqata’a in Ramallah. The US condemned this decision as “unhelpful.” and Palestinians staged protest marches for several days throughout the territories. Arafat himself announced on the 18th that he was willing to die a martyr and would defend himself if the Israelis tried to kill or deport him, and international pressure on Israel increased with the UN General Assembly vote (133-4 with 15 abstentions) to condemn Israel’s threat to remove the Palestinian leader. On September 17th, a Jerusalem court sentenced three Jewish terrorists to 12-15 year prison terms for attempting to bomb a girl’s school on the Mt. of Olives. Signs of dissent against official Israeli policy by the military increased this month when 27 Israeli air force pilots refused to carry out air strikes on Palestinian areas. The month ended with the Fateh Central Committee approving Ahmed Qrei’a’s new cabinet and the conclusion of the trial of Marwan Barghouthi, who declared in his closing statement to the Tel Aviv court that “either Israel agrees to a Palestinian state or Palestinians will call for a bi-national one.”

During October the Israeli cabinet - despite growing international criticism - approved the next stage of the separation barrier, the true nature of which was further revealed by Israeli military order no. 378, stating that the area between
the Green Line and the barrier was a “closed military area,” thus prohibiting Palestinians (but not Israelis) to enter it or remain in it. Also this month a female suicide bomber blew herself up at the “Maxim” restaurant in Haifa, leaving 19 killed and over 60 wounded. Following this Pres. Arafat declared a “state of emergency” in the Occupied Territories and installed an eight-member emergency cabinet, two of whom refused to join unless there was PLC support for such a cabinet. This was confirmed the following day (October 9th) and PM Qrei’a tendered his resignation. On the 12th, at a ceremony in Amman, Israelis and Palestinians politicians and activists, led by Yossi Beilin and Yasser Abed Rabbo, formally signed a draft agreement, known as the “Geneva Accords,” in an effort to formulate a complete final status agreement. Two days later, Israel deported 18 Palestinian administrative detainees from the West Bank to Gaza, the US vetoed a UN Security Council resolution condemning Israel’s construction of the separation barrier, and three US security personnel were killed in an ambush on an US convoy in Gaza. In two separate attacks on the 19th and 24th, six Israeli soldiers were killed by Palestinian activists and at the end of October, Israel assaulted Gaza from the air for two successive days, leaving over 20 Palestinians dead, many more wounded, and large destruction.

**November** began with the appointment of a new PLC Speaker by Fateh, Rafiq An-Natsheh. In a further escalation of aggression, the Israeli army approved new rules of engagement for Netzarim settlement allowing soldiers posted there to shoot to kill if they saw Palestinians “observing” military positions. Also this month, extremist settlers destroyed over 1,000 trees in three West Bank villages prompting an international outcry and even condemnation from Israeli rabbis. On the Palestinian political front, PM Qrei’a and Pres. Arafat reached an agreement on the 8th regarding power sharing between the new National Security Council...
and the Interior Ministry. Later in the month, the PLC approved the new cabinet and PM Qrei’a promised to pursue reforms and work for a ceasefire between Israel and Palestinian resistance groups. Also on the 8th, US Secretary of State Powell sent a letter of support to the drafters of the Geneva Accords, Beilin and Abed Rabbo, prompting harsh criticism from rightist Zionist groups in the US. The Israeli cabinet approved the prisoner exchange deal with Hizbullah (release of 400 Palestinians and numerous Arabs from other countries in return for the bodies of three Israeli soldiers and the captive Elhanan Tannenbaum). Criticism of Sharon’s policies increased when four former Shin Bet chiefs published an article in Yedioth Aharonot on the 14th, warning that Israel faces disaster if a peace agreement with the Palestinians is not reached soon. Meanwhile the Geneva Accords campaign mailed 1.5 million copies of the agreement to households in Israel, but the Israeli Broadcasting Authority refused to allow TV commercials promoting the document. Following Secretary Powell’s praising of the Geneva Accords, pressure from the US on Israel increased when Pres. Bush made a speech in London condemning Israel’s settlement policy and the construction of the separation barrier. On the 19th, PM Qrei’a, with the help of Egyptian mediators, unsuccessfully attempted to persuade the Palestinian factions to agree unilaterally to a ceasefire with Israel.

On December 1st, the “Geneva Accords” were officially launched at an event attended by dignitaries from around the globe; while PM Sharon continued to denounce the document, Pres. Arafat made a last-minute announcement of his support for the agreement, but refused to give the Palestinian delegates a written endorsement. The same day, Israeli forces launched an assault on Ramallah against resistance factions in the city, which left four Palestinians dead, including a six-year old child. A few days later, in contravention of international law, the Israeli High Court approved the deportation of 12 more West Bank Palestinians to the Gaza Strip. On the 8th, the UN General Assembly asked the International Court of Justice based in The Hague to provide an advisory ruling
on the legality of Israel’s separation barrier that cuts deep into the West Bank cutting off Palestinians from their homes, places of work and social and medical services. Repeated assaults on Gaza this month left at least 15 Palestinians killed and dozens wounded, as well as over 40 homes destroyed in Rafah, Khan Younis and elsewhere. On the 18th, the Israeli army also launched an attack on Nablus, in which four Palestinians were killed; in addition, there were two assassination attempts towards the end of the month, leaving five Palestinians dead and over 20 wounded. Bethlehem saw another bleak Christmas Eve and other news in December included peace overtures from Pres. Bashir Assad towards Israel; these were sharply rebuffed by PM Sharon who argued that they were not genuine and Syria was only concerned about US pressure. Talk of a unilateral “disengagement” from the Palestinians increased with Deputy PM Ehud Olmert and PM Sharon outlining plans for partial withdrawals from Palestinian areas to “more defensible lines.” The year ended with increased protests by Israeli, foreign and Palestinians activists against the construction of the separation barrier.