

The Palestinian Initiative for the Promotion of **Global Dialogue and Democracy**·MIFTAH

المبادرة الفلسطينية لتعميق الحوار العالمي والديمقراطية



Palestine Investment Conference

Media Monitoring Unit

Sixth Report

Phase II

August 2008

In cooperation with:

European Union



Ford Foundation

Media Monitoring Unit Team:

Unit Coordinator: Ruham Nimri

Information Coordinator: Ala'a Karajeh

Monitoring Unit: Bilal Ladadweh, Saed Karazon

Analysis of media material and report writing: Media Monitoring Unit-MIFTAH

Report Steering Committee:

Dr. Hanan Ashrawi, Dr. Lily Feidy, Khalil Shaheen, Atta Al Qaymari, Imad Al-Asfar, Bisan Abu Ruqti, Juman Quneis, Nahed Abu T'eimeh, Joharah Baker, Mousa Qous

Copyright of the Palestinian Initiative for the Promotion of Global Dialogue and Democracy-MIFTAH.



P.O. Box 69647 Jerusalem 95908

Tel. Jerusalem 972 2 5851842- Tel. Ramallah 972 2 2989490

Fax Jerusalem 972 2 5835184 Fax Ramallah 972 2 2989492

E-mail: info@miftah.org

Website: www.miftah.org

Palestine Investment Conference

Unprecedented Media Coverage

The three Palestinian newspapers Al-Quds, Al-Ayyam and Al-Hayat AL-Jadidah thoroughly followed up the Palestine Investment Conference (PIC) held in Bethlehem, West Bank May on 21-23, 2008, with Arab and international participation.

The preparations and activities that preceded convening the Palestine Investment Conference (PIC) received special and wide coverage on all pages, focusing particularly on its economic benefits and on the signed cooperation and partnership agreements, especially in the financial and real estate sectors.

This report monitors the main political and economic headlines about the conference during the period in which it was held, and how each newspaper addressed PIC activities and outcome, both through the reports of its local correspondents and international news agencies, such as Reuters, Agence France Presse (AFP) and the German Press Agency (DPA).

First: Al-Quds

On the eve of PIC, Al-Quds focused on its political and economic significance, the size and nature of official Palestinian participation, as well as local, Arab and international participation. On May 21, 2008, it published on its front page the following statement by Palestinian Prime Minister Dr. Salam Fayyad:

Upon meeting with Gaza businessmen and private sector representatives in Ramallah
(subheading):

Dr. Fayyad: Opening PIC today is by itself a Success. (headline)

Internal division is an exception and Gaza Strip is part of one homeland (headline)

While the conference was economic, it had a political content, as it was the result of an international will that was reflected in unlimited support to the PA and to Dr. Salam Fayyad's Cabinet. Al-Quds highlighted the size of the participating delegations in the following heading that appeared on its front page on May 21, 2008:

Around 1000 Arab and foreign investors participated (subheading)

Bethlehem witnesses the opening of PIC today

The newspaper published in the same issue reports about signing economic agreements on the eve of the conference in the following manner:

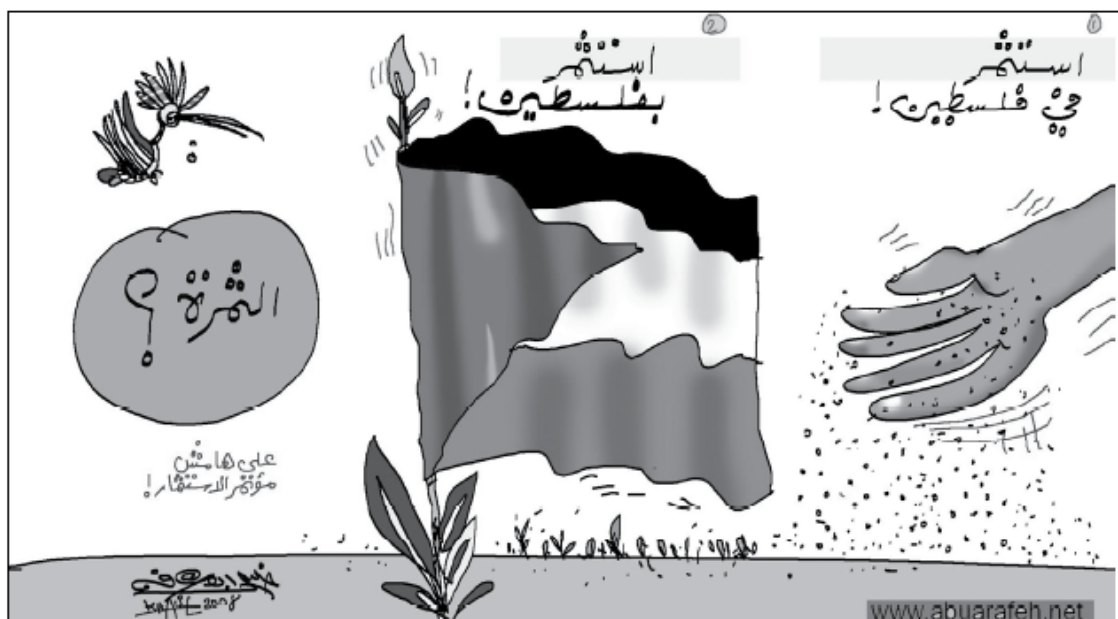
Minister of Economy signs a 7m agreement with UNIDO to support industry in Palestine (p.24), 3 columns

Palestine Investment Fund (PIF) and Al-Ard Holding sign a partnership agreement to develop Al-Irsal land and launch the project's company (p.25), 2 columns

The newspaper also highlighted the optimistic international reactions to PIC and its outcome, including;

The U.S.A. is optimistic about the Bethlehem Investment Conference (p.2), 2 columns

The cartoon published on p. 18 of Al-Quds on May 21, 2008, by cartoonist Khalil Abu Arafah expressed optimism towards the conference and conformed to the calls of Palestinian officials to invest in Palestine, both financially and symbolically. Investment meant investing in building the Palestinian homeland, which is the desired outcome of Bethlehem Conference.



Although the main theme was the economy and investment, the political issue with its complications and regional repercussions dominated the main headlines of the newspapers in their coverage of the conference on May 22, 2008, quoting the speech of President Mahmoud Abbas at the opening:

Welcomed the Lebanese agreement, the Syrian-Israeli negotiations and the news about the calm: (subheading)

The President opened the PIC in Bethlehem amid intensive political and economic foreign and Arab presence (headline) (p.1) 4 columns

The newspaper shed light on the Palestinian internal situation in the President's speech, quoting excerpts over shaded background, in a manner that linked the economic event to political events and stressed the relationship between the West Bank and Gaza that has been suffering from political and geographic division.

We reach out to our brothers in the Strip to resume unity by backing away from the coup

East Jerusalem is ours and is the capital of our independent state...The security and the economy pave the way towards peace (P.1) 4 columns

Next to the news item, the newspaper published over four columns a photo of the conference in which the President and Prime Minister Dr. Salam Fayyad appeared, which added to the importance of the coverage of the event.

Al-Quds focused on the economic benefits of the conference and the international political and financial support it provides, in addition to some of its results since the first day of the Conference, through the following headings:

A Saudi company intends to invest \$250m in a West Bank construction project (p.1) 2 columns

U.S. officials announce 100s of US Dollars of funding to economic projects (p.10) 2 columns;

U.S. delegation to PIC meets Palestinian officials in Jerusalem: (subheading)

Walles reiterates his country's commitment to Palestinian economic growth (headline) 5 columns

On May 22, 2008, Al-Quds published on page 9 a PALTEL advertisement welcoming participants at PIC, and dedicated its economic page for the conference, covering news of the successes, the signed partnership agreements and the declarations of new projects, with special focus on statements of senior Palestinian officials on PIC achievements and expected outcome, including the following on May 23, 2008:

A large industrial area launched soon: (subheading)

Dr. Fayyad: the Palestinian people who contributed to the development of several states are capable of building their own state. (headline) (p.1) 2 columns

The newspaper published the full speech of Dr. Fayyad as well as his photo with Quartet Representative Tony Blair on the front page.

The newspaper also published two other photos that underscored its interest in the event, one of the PIC activities, and another of the Minister of National Economy Kamal Hassouneh with some delegations.

In conjunction with PIC and in partnership with Catalyst and Millennium: (subheading)

APIC launches Millennium Energy Industries in Palestine (headline) (p.24) 3 columns.

On May 23, 2008, Al-Quds published on its front page;

On Day 2 of PIC in Bethlehem (subheading)

Signing 11 partnership agreements in telecommunications, real estate and insurance (headline) (p.1) 2 columns.

Al-Quds reported in the internal pages the participation of Israeli delegations in PIC, including:

Sneh participates in PIC (p.11) 1 column.

The news item included the photo of Israeli Knesset Member for the Labor Party Efraim Sneh speaking to Nasser Tahboub, Director of Palestinian Customs Department at the conference.

On May 24, 2008, the newspaper covered the PIC closing day extensively, stressing its outcome and its economic and political benefits, including:

The closing of PIC amid success and optimism for a promising future: (subheading)

Fayyad: \$1.4b value of agreed projects (headline) (p.1) 4 columns.

The newspaper published a photo of the Prime Minister giving his closing speech and the final declaration of the PIC on its front page.

In fact, Al-Quds was keen on highlighting the economic successes of PIC, and the different aspects of international political support, as expressed by the PNA both at the Presidency and the Cabinet levels.

The newspaper allocated a part of its pages to opinions. On May 24, 2008, Hamdi Farraj, a Palestinian writer and journalist from Dheisheh Refugee Camp, wrote in his column "Mu'adala" (Equation) on page 18, a two-column article entitled "**Will PIC restore the second bag of flour?**" criticizing the decision of the Ministry of Social Affairs to cut down its in-kind aid from two bags of flour to one only. The article stated:

"The issue is not merely a bag of flour, or the color of the card that the martyr's guardian must show, but is about meager financial allowances that continued to shrink until they reached forty nine dollars cashed from two banks..."

He added "*Someone said that this has become too humiliating, as we have accepted flour aid, with its entirely undignified implication.*"

"*I asked them to postpone their step for a while until the PIC concludes, as I was concerned it would be interpreted to be against the conference, and that the conference may succeed in mobilizing a huge number of investments, which the organizers said would exceed \$3b, and which may spare us the need for the flour bag, or would at least restore the second bag with home delivery.*"

The newspaper also published another article by Mohammad Taha Salem on the same page entitled:

On the margins of PIC; to whom are the doors of investment being opened in Palestine? 4 columns

The article stated, "*This conference has become a platform for partnership among Palestinian investors, both in Palestine and abroad, and of joint ventures in promising economic sectors all over Palestine, despite the controversy over the mechanisms, outcome and the future vision of the conference towards revitalizing the Palestinian economy, that had suffered from severe blows and even destruction.*"

He added, "*Our question is what the investors are aiming at. Is it to support economic steadfastness and sectoral development, or is there another goal? More importantly, will they develop productive sectors that use Palestinian natural resources? Investors are entitled to make profits, as these ensure the investors' sustainability, but will these profits come from a consumer and non-productive people, and from exploiting available natural resources?*"

Second :Al-Ayyam

Similarly, Al-Ayyam coverage of the preparations that preceded PIC and its opening on May 21, 2008 was extensive. Its coverage was, however, distinctively comprehensive and versatile. It was larger, relied on local correspondents, and on photographs that occupied a large space of the newspaper, particularly the economics page "Ayyam Al-Iqtisad" (Economic Days). PIC news took the lead in front page headlines, indicating special and unprecedented interest.

The coverage of the newspaper's correspondents focused on underpinning its economic returns, as was the case in Al-Quds, as well as the scale of local, Arab and international participation, in the following manner:

1300 Palestinian, Arab and foreign participants: (subheading)

Bethlehem: The President opens PIC today (headline) (p.30) 5 columns

Highlighting tens of success stories: (subheading)

Bethlehem: PIC and Paltrade finalize preparations for opening Palestine Exhibition (headline) (p.30) 3 columns.

On the margins of PIC in Bethlehem : (subheading)

Massar signs agreement with Qatari Al-Diyar Company the Rawabi City today (headline) (p.30) 3 columns

The newspaper was keen on highlighting the American political and economic support to the PNA manifested by its senior representation at PIC. It published the following report on its Economic page:

Participating in a public-private delegation in PIC : (subheading)

U.S. asserts its commitment to support Palestinian economic growth (headline) (p.30) 2 columns

Statements of Palestinian Prime Minister Dr. Salam Fayyad prior to PIC were given prominence in the newspaper headlines and were written in red, such as:

During a meeting with the Gaza businessmen delegation to PIC: (subheading)

Fayyad: PIC will show the world the potential of the Palestinian people for innovation. (headline) (p.31) 5 columns

The following excerpt appeared above the photo of Fayyad with the delegation and over shaded background:

Occupation is not an excuse for postponing the process of construction, and ending it depends on supporting the steadfastness of citizens over their land. 3 columns.

In addition to this large number of news items and reports by the newspaper's correspondents, Al-Ayyam also allocated significant space for photos of different booths at the Palestine Investment Exhibition, and another photo of Arab Bank Director-General Abdul Hamid Shouman, along with a report on the Arab Bank signing a \$150m loan agreement with Korean Daewoo.

Al-Ayyam also dedicated its cartoons to PIC. On May 21, 2008, it published a cartoon by Baha Bukhari that showed two Palestinian young girls in their popular dress, holding a welcoming sign board written in the four colors of the Palestinian flag, in Arabic and English

"Palestine Investment Conference: Welcome"



This was similar to Al-Quds cartoon on May 21, 2008, which called upon Arab and foreign investors to invest in Palestine.

The newspaper reflected very high interest in the conference on the opening day, as it focused in its coverage of the opening ceremony on the political dimension of PIC. It dedicated its May 22, 2008 headline for President Mahmoud Abbas' speech in the following manner:

Reiterating his call on Hamas to back away from its coup:

The President opens PIC: The security and economy constitute the road to peace(front page) 8 columns

The report contained the President's photo at PIC over four columns, with the full speech published on p.28 under the following heading:

During the PIC opening ceremony in Bethlehem: (subheading)

The President: The private sector is the safety valve and the main engine of economic development (headline) 8 columns

Al-Ayyam also dedicated large space for covering the outcome of Day 1, during which many investment cooperation agreements were signed, most of which were reported by its local correspondents. It published a larger number of photos that showed the signing of some agreements.

The most prominent Al-Ayyam headings on May 22, 2008 were:

Constituting Phase I of a 30,000-unit housing project in 10 sites in the West Bank and Gaza: (subheading)

Mustafa: Announcing the construction of a residential community north Ramallah for limited and middle-income groups today (headline)

Al-Watania Telecom starts the countdown: (subheading) (p.28) 3 columns

For a \$200m value: (subheading)

PIF and Al-Ard Holding Company sign an agreement to develop Al-Irsal land (headline) (p.28) 5 columns.

Some reports of Al-Ayyam pointed out Israeli obstacles to investment in Palestinian Territories, and the calls by some International organizations to remove them, including:

Participating in PIC in Bethlehem: (subheading)

International organizations: Israeli constraints must be alleviated in order for the Palestinian economy to prosper (headline) (p.30) 5 columns.

The newspaper stressed the economic incentives Prime Minister Dr. Salam Fayyad mentioned in his speech at the conference:

In his address to PIC participants: (subheading)

Fayyad: The President approved the new Companies Law, and efforts continue to amend the existing Investment Promotion Law (headline) (p.12) 3 columns

The report included a photo of Dr. Fayyad giving his speech. On the front page, Al-Ayyam published a report by its correspondent Abdul Raouf Arnaout with the following headings:

Constituting several workshops and sessions and concluding today: (subheading)

Announcing a package of projects and partnerships at Bethlehem Conference

Fayyad: Investing in Palestine is an investment in peace (headline) (front page) 4 columns.

Similar statements were also conveyed in an interview with the Swedish Minister of Trade on the same day:

Investments in Palestine must go together with the peace process (headline) (p.12) 5 columns.

The report on signing an agreement for insurance against political risk was also highlighted:

Signing an insurance agreement for the Palestinian export sector against political risks (headline) (p.13) 3 columns.

There is a need to acknowledge this quality improvement in Al-Ayyam coverage of the conference. Although restricted to the venue of the meetings of the delegations, and neither covered public reactions and citizens' expectations, nor the strict security measures taken in the surroundings, it followed up the event thoroughly and professionally and conveyed information. Moreover, it used cartoons to remind the public of the prominent economic event and its relation to political and field conditions that are affected by the Israelis and which in turn have an impact on the daily life of citizens. This was evident in Bukhari's cartoon published on May 23, 2008, which linked the Israeli siege with investment, as Palestinian citizens face their daily challenges, particularly those related to the increase in the prices of basic commodities.



The cartoonist Bukhari was capable of capturing the political and social event and presenting it to the reader in a satirical form, transforming the idea of investment in Bethlehem to investing in Jerusalem, urging participants to invest in their "life investment," as manifested in his cartoon on page 25 on May 24, 2008.



This optimistic picture was also portrayed in the headlines of Al-Ayyam reports on the last day of PIC, as economic returns became more concrete, amounting to \$1499m and creating more than 35,000 jobs. The outcome seemed promising, as were the headlines. Moreover, the newspaper published reports of major successes, including:

We will start implementing large projects in different governorates this summer: (subheading)

Fayyad: The outcome of Bethlehem conference is a \$1400m package of projects that create 35,000 jobs (headline) (front page) 4 columns.

U.S. businessmen are highly interested in investing in Palestine: (subheading)

Ziad Assaily: The success of the PIC experience supports the efforts aimed at removing Israeli constraints on movement in the West Bank. (headline) (p.17) 3 columns

In his address to the conference: (subheading)

Kouchner: We were not surprised by the success of the investment conference and Israel must do more to alleviate constraints. (headline) (p.17) 5 columns

The report on the PIC closing ceremony had the following headline:

Concluding the three-day conference: (subheading)

Officials and businessmen: PIC excelled in achieving its goals.(headline) (p.18) 5 columns

Third: Al-Hayat Al-Jadidah

Al-Hayat Al-Jadidah also had extensive coverage of the investment conference in Bethlehem, as did Al-Quds and Al-Ayyam. The newspaper had exciting headlines on the day that preceded the conference that reflected unprecedented interest in this economic and political event. These included the following headlines on May 21, 2008:

Today is the zero hour for opening PIC (headline) (front page) 1 column

The report included photos of the Conference Center over 4 columns, while other headings similar to those in Al-Quds and Al-Ayyam on economic returns and the international, particularly American support appeared.

Al-Hayat Al-Jadidah published the following news item on its economics page:

An official private sector American delegation participates in PIC (headline) (p.14) 3 columns

This was the same news item that took the lead in Al-Quds and Al-Ayyam, in a clear inclination by the three newspapers to highlight such support. It also highlighted the statements of Dr. Salam Fayyad, the Palestinian Prime Minister, on the attendance of President Mahmoud Abbas, the head of the Palestinian hierarchy, of the PIC opening ceremony, as his presence was perceived as the clearest evidence of its success.

Such political denotation of the conference was also reflected in the statements of the Bethlehem PLC Member, which appeared in the following headline of a news report:

PLC Member Qaraqe': PIC constitutes an important political rally in favor of breaking the siege.(headline) (p.14) 3 columns

Other headings reflected exaggerated optimism towards the conference, even before it convened, such as:

Palestinians look forward to Bethlehem: The investment conference starts today (headline) (p.15) 8 columns

Other headings on finalizing preparations for the conference were extremely emotional:

Bethlehem is ornamented to receive the PIC guests (headline) (p.15) 5 columns

Al-Hayat Al-Jadidah uniquely published a report on the security measures made in preparation for PIC, unlike Al-Quds and Al-Ayyam. It had the following heading:

Bethlehem Governorate Police finalizes its security measures in preparation for PIC (headline) (p.15) 3 columns.

While Al-Quds and Al-Ayyam addressed the event through cartoons, Al-Hayat Al-Jadidah was replete with analyses and articles by local writers, some of which were welcoming and optimistic towards the conference and its expected outcome, such as a 2-column article by Izzat Daraghmeah published at page 13 on May 21, 2008 under the following heading:

Welcome to investors...but, and in which he stated:

"We feel bitter towards our conditions, the on-going rift, the attempt of some to undermine the relentless efforts of the PNA to impose order and the rule of law in West Bank cities, or to underestimate the importance of the conference, its participants and the projects investors bring with them, in addition to the rumors that claim that

Bethlehem will receive the largest share. This is nonsense, and we hope the guests of Palestine and the people of Palestine will ignore such rumors. First and foremost, the PNA must prove, through deeds rather than words, its ability to take the responsibility, in order to alleviate the concerns of investors, who seek security and safety for their capital, since 'money is coward.'"

Omar Hilmi Al-Ghoul also expressed such optimistic views in his 2-column article published on page 18 on the same day under the following heading:

Why is the investment conference important?

He stated, "...the initiative of some Arab and foreign states and companies and their willingness to invest in the Palestinian homeland may enable the Palestinian economy to stand on its feet, since investing states and companies, particularly American and European, are capable of preventing the occupation authorities from destroying the projects in which they invest."

Al-Ghoul concluded by saying:

"The success of the conference is a success for Palestine, and for its political leadership, government, economy and security. The success of the conference is yet another building block of the independent and sovereign national Palestinian state with East Jerusalem as its capital."

The Chief Editor of Al-Hayat Al-Jadidah Hafez Barghouti was, however, more cautious and reserved in addressing the conference and the relevant expectations. In an article entitled "Investment," he said:

"Today, as Bethlehem hosts investment, we must not exaggerate our expectations, but must wait. Is it merely about towers, factories, companies and revolutionary investments? This conference is merely a rally to promote investments, which we hope will be production-oriented rather than service oriented."

The coverage of the conference at Al-Hayat Al-Jadidah was mostly thrilling, with subheadings that focused on pointing out the conference and its benefits to Palestinians, including those on May 22,2008:

Opening of the major economic event in Bethlehem in the presence of more than 500 Arab and foreign investors: (subheading)

The President: PIC marks a turning point in the life of our people and the situation is not rosy (headline) (front page) 8 columns

The headline included a photo -covering 4 columns- of President Mahmoud Abbas with Quartet Representative Tony Blair surrounded by a number of guests. This headline also included several other economic and political subheadings, including the following:

Abu Mazen: We will not accept 'cantons' and look forward to a contiguous Palestinian state with East Jerusalem as its capital.

Speakers and investors: The conference broke the wall and it is necessary to support the Palestinian economy.

U.S. announces a series of investment initiatives in the West Bank and U.K. grants \$6m

Al-Hayat Al-Jadidah allocated a large space of its front page to the opening and the President's speech. Its coverage in the internal pages was extensive, stressing its importance for Palestinians. It published on page 14 on the same day a number of news items on the PIC and its venue at Jacir Palace Hotel.

The historic Jacir Palace Hotel of Bethlehem turns into a beehive of busy businessmen and economists (headline) (p. 14) 5 columns.

It also highlighted the international support to the conference:

British minister pledges \$6m to promote investment in the business sector in the Palestinian Territories (headline) (p.14) 3 columns

Most importantly an insurance program against political risks which will assist exporting Palestinian products: (subheading)

U.S. announces a series of investment initiatives in the West Bank (headline) (p.14) 5 columns

While economic issues were extensively covered in Al-Hayat Al-Jadidah, politics was equally present too, as evident in the front page headlines as well as in the internal pages on May 24, 2008:

Asserting it will provide 35,000 job opportunities annually to meet the needs of the Palestinian market: (subheading)

Fayyad: \$1.4b is the value of projects announced at PIC. (headline)

The impossible happened...A large number of investors came to Bethlehem and saw the aggression against our people closely: (subheading) (p.8) 8 columns

World Bank: The Palestinian economy is capable of rapid growth if Israeli constraints are removed. (headline) (front page) 5 columns

On May 23, 2008:

In a speech he gave on Day 2 of the Bethlehem conference: (subheading)

Fayyad links the success of investment in Palestine and progress in the Peace Process
(headline)

Blair praises Fayyad, describes him as an important leader and commends his abilities:(subheading) (p.10) 8 columns

Politicians, economists and businessmen have high hopes over Bethlehem conference
(headline) (p.11) 8 columns

In fact, Al-Hayat Al-Jadidah, just like Al-Ayyam, was not traditional in its coverage of this prominent event, as it relied more on its own correspondents who covered the event and relevant reactions, although it did not follow up or analyze the public opinion, nor did it address the impact of the security measures that accompanied the conference over citizens.

Both Al-Quds and Al-Ayyam covered this aspect, though with variation. Al-Hayat Al-Jadidah, on the other hand, had some headings that were absent from both, such as:

On May 24, 2008:

Bethlehem Declaration calls for a joint action strategy between the public and the private sectors in order to advance the national economy:(subheading)(front page) 5 columns

Paris says do not bury heads in the sand, and investors are skeptical about the possibility of implementing sovereignty-related projects. (subheading) (p.1) 5 columns

Findings:

First: The three newspapers allotted wide space of their front and internal pages for the coverage of PIC, including preparations and proceedings, since it was an exceptional economic and political event. The three newspapers focused on the political discourse, while Abu Mazen's speech at the opening session as well as that of Prime Minister Dr. Salam Fayyad took the lead in the headlines, with special focus on the benefits and economic returns of the conference.

Second: The size of the coverage varied between Al-Quds, on the one hand, and Al-Hayat Al-Jadidah and Al-Ayyam on the other hand. The latter two had extensive coverage of the conference relying on local correspondents, which constituted a leap forward for both newspapers, in comparison with their usual reliance on international news agencies. The three newspapers had comprehensive and versatile photo coverage of the conference.

Third: Cartoons played a role in the coverage of the conference in Al-Quds and Al-Ayyam, as they encouraged investment. Al-Hayat Al-Jadidah allotted space for local columnists for publishing analyses of the event, as did Al-Quds, though to a lesser extent.