

# 4

## Developments in the Geopolitical Arena and their Possible Implications for Israel and the Jewish People (2009-2010)

The developments in the geopolitical arena in the passing year continue to pose significant dangers and challenges to Israel and the Jewish People. There is a continuation and often exacerbation of negative trends in geopolitical complexes that are relevant to Israel and the Jewish People:

- A. **The Global Complex**, where the erosion in the power and international standing of the US – the superpower whose friendship and aid to Israel are extremely critical, and which is also the home of nearly half of the Jewish People who are enjoying unprecedented thriving – continues.
- B. **The Middle-Eastern Complex**, where Iran continues to make progress towards acquiring nuclear weapons and increases its subversion in a region that is fraught with instability, extremism and terrorism; a region that is also revealing a new regional assertiveness by Turkey, characterized by Islamic and anti-Israeli overtones.
- C. **The Israeli-Arab Conflict Complex**, where the lack of a solution continues to pose a threat

to Israel's security and Jewish-democratic nature, helping to fuel the de-legitimization phenomena against Israel; concurrently, the possibility of reaching a decision point regarding the core issues of the permanent settlement is posing difficult dilemmas, some of which have a significant Jewish dimension.

- D. **The Jerusalem-Washington-US Jewry Relationship Triangle Complex**, which is a crucial strategic resource for the strength of Israel and the Jewish People that could face difficult challenges in the coming year.

These complexes are inevitably affected by each other. A large part of the trends taking place within them is not responsive to any intervention measures by Israel and the Jewish People, but in a limited number of cases, the policy pursued by Israel and the Jewish people could have a major impact. The year ahead could bring to maturation several critical processes which would necessitate either-or decisions whose influence on Israel and the Jewish People would be fateful.

## A. The Global Complex: Changes in the International Arena are Eroding the US's Relative Power

The defeat suffered by the Democratic Party in the US mid-term elections (November 2, 2010) stemmed from the disappointment caused by President Obama's failure to ensure recovery from the deep economic crisis in which it has been embroiled since 2008. The grim economic

**The Chinese and Indian economies continue to grow and are leading the process of recovery from the global economic crisis**

figures (especially in terms of unemployment and national debt), the dearth of foreign policy achievements and the rise of China, India and other powers all highlight the question whether we are in the midst of a transformation in the US's (and the West in general) international standing.

This question is crucial for

Israel and the Jewish People. The unprecedented thriving of the Jewish People in recent decades is significantly correlated with the US, both as home to nearly half of the Jewish People, and as a supportive strategic partner to Israel. Any crack in the US's position in the international arena therefore hold dangerous implications for the robustness of Israel and the Jewish People.

The ongoing economic crisis supports the school of thought that argues that the US is on a course of historic decline. Proponents of this approach argue that the uni-polar moment that characterized the

period immediately following the collapse of the USSR and the end of the Cold War has ended, and that the geopolitical arena is consolidating into a new, multi-polar world order. (Some even suggest that until a new and functioning world order is consolidated, the international system will be marked by disorder, making the challenges of the times – which require increased international cooperation – even more difficult to cope with). According to this view, the economic crisis, the worst in the last 75 years, is a severe blow to the geopolitical power of the West and causes the continued shift of economic might to the East, at the expense of the US and Europe. The economic crisis has exacerbated in Europe trends that undermine the very concept of the European Union and raises doubts regarding the future of the Euro as a viable common currency. The appointment of lackluster figures to EU leadership positions (November 19, 2009) indicates the corrosion in Brussels' position and the increase in nationalist trends, which are blossoming also in response to the growing aversion to the swelling ranks of Muslim immigrants on the Continent.

The Chinese and Indian economies continue to grow and are leading the process of recovery from the global economic crisis (adding a powerful rationale for Israel and the Jewish People to strengthen their ties with the Asian world). In this view, the global center of gravity is slipping farther away from the US, who is going to lack the necessary resources to demonstrate a globe-encompassing strategic activity. Data shows that already by 2015, the US's total debt will equal its GNP (whereas a decade ago the average national debt/GNP ratio was 35%). The harsh national debt figures indicate not only the

bleak situation of the American economy but also the severe constraints on Washington's ability to act in the international arena. The effort to reduce the debt may leave its mark on a wide range of areas: from avoiding any new wars to cuts in the foreign aid budget (which could affect Israel, which is at the top of the list of aid beneficiaries).

The "American Decline" school has its opponents, of course, who argue that the basic variables that dictate the power equation in the geopolitical arena (demography, geography, science, technology, natural resources, culture, education, etc.) have not changed significantly as a result of the economic crisis, and that it is too early to eulogize the US's centrality. The candidates to replace the US as world leader or at least to become part of the world's leadership are not equipped with an ideology that can compete with the appeal of the American ethos and culture; they are far from eager to claim world leadership; and they are deeply immersed in their internal problems (authoritarian China may soon face increasing demands by its growing middle classes for representation and democratization; India is still poverty ridden, with 400 million citizens still living without electricity).

The mid-term defeat raises the question whether President Obama's desire to focus efforts on foreign policy in general and on the peace process in the Middle East in particular would increase or decrease in the coming years. The coming months should provide some answers, but it is still worthwhile to examine where the President is positioned after two years in office. Obama's political defeat is not due to his functioning in the international arena, but to his incapability to provide achievements

in the struggle against the economic crisis and unemployment. Obama succeeded where his predecessors have failed, and has managed to pass the Health Reform Bill (March 23, 2010), but here too, the bill has spawned controversy and severe criticism, citing misguided presidential priorities in a time when all resources should have been channeled to economic recovery and job creation. The image of a weakened president leading a weakened superpower is eating away at Obama's ability to act successfully in the international arena. Upon his entry to the White House, and in declared contrast to his predecessor's approach, Obama has introduced a foreign policy that in theory does not claim to impose the US's values on other countries, prefers dialog to belligerent options and opts to conduct itself in the international arena through collaborative multi-national moves rather than as a single 'super-player'. Obama turned to the US's declared enemies in speeches and letters, calling upon them to "unclench their fists". and meet his extended hand in peace.<sup>1</sup> Within a few months he was able to transform the anti-American sentiments that had escalated during his predecessor's term, and even won the Nobel Prize for Peace (October 9, 2009) as a token of appreciation of his wishes and not necessarily his actual accomplishments.

**The image of a weakened president leading a weakened superpower is eating away at Obama's ability to act successfully in the international arena**

Two years later, it appears that these changes of atmosphere are not enough to secure success in the difficult tests threatening world stability: the economic crisis, the ecological crisis, poverty, nuclear proliferation, Iran, North Korea, the Israeli-Arab conflict, radical Islam, terrorism, Iraq, Pakistan, Afghanistan, Yemen and more. It appears that the events and processes that fuel points of crisis around the world may not be exclusively derived from the content and style of US policy,

**Islamic terrorism keeps rising and threatening, and the Arab world is disappointed by the broken promises given by Obama in his Cairo speech (June 2009)**

but are largely the result of rooted problems and long-term trends. Indeed, the picture at mid-term is quite bleak. Iran continues to make progress in its nuclear program, and has not yet succumbed to sanctions. Islamic terrorism keeps rising and threatening, the Arab world is disappointed by the broken promises given in the Cairo Speech (June 4,

2009), and especially by the lack of progress in the establishment of an independent Palestinian state and the failure to stop the settlement activity (which, according to Obama in Cairo, is illegitimate and must be stopped). Other fronts of US foreign policy provide reasons for frustration. China is increasingly more aggressive in its dealings with its neighbors, while refusing to obey the US's demand to avoid artificial devaluation of the Chinese currency, in a way that

is detrimental to the US economy. North Korea, a nuclear power facing an imminent change of power, is not deterred. It did not hesitate to drown a South Korean warship, causing the death of 46 sailors (March 26, 2010), and to fire deadly artillery (November 23, 2010) on the South Korean island of Yeonpyeong.

The US's difficulties in leading the world are evident in international forums as well. Thus the Climate Conference in Stockholm ended feebly (December 18, 2009) without reaching a resolution that could effectively curtail global warming. Along with these hardships, there are achievements as well, as in the success to muster international support – especially by China and Russia – which enabled the passing of a sanctions resolution against Iran at the UN's Security Council; and the successful effort to "reset" the relationship with Moscow. On April 8, 2010, a new START treaty was signed regarding the reduction of stockpiled nuclear warheads and limitation of strategic offensive arms and launching facilities. There is, however, no encouraging news from the three current warfronts, which have already claimed the lives of more than 5,600 American soldiers.

**Iraq:**

As of August 2010, the American presence in Iraq was reduced to 50,000 soldiers, and those are expected to return to the US by the end of 2011. Iran aspires to fill the vacuum created by the US's withdrawal, already increasing its subversive activities and managing to push for a new Iraqi government that relies on a Shiite coalition led by

Nouri al-Maliki. Al Qaeda has proven that it was still a force to be reckoned with by murderous attacks in Baghdad. Thus the question remains open whether Iraq could overcome the religious and ethnic divisions and function as a state, or become a focus of internal violence and external meddling (by Iran, Saudi Arabia and Syria) which could spill out and undermine the stability of the entire region.

### **The Pakistani-Afghani Complex:**

According to October 2010 polls, six out of ten Americans think that the war in the Afghanistan is lost, and half of the interviewees do not have any idea what the war is about. Obama made it clear (March 27, 2009) that the US's goal was to defeat al Qaeda in Pakistan and Afghanistan and to prevent their return to either country in the future. For that goal to be achieved, the struggle against Taliban fighters must go on, as they are harboring and aiding al Qaeda and thwarting the efforts of the central government in Kabul to govern the country. In his campaign for presidency in 2008 Obama argued that the threat to US's security was greater from Afghanistan than from Iraq, and that from his point of view this was "a war of necessity". On December 1, 2009, Obama decided to dispatch 30,000 more soldiers to Afghanistan, while at the same time promising to withdraw them all in July 2011. Commanders in the battlefield have difficulty understanding how they are supposed to achieve victory in such a short time, when according to their view such victory largely depends on a patient reconstruction

of the local government's capabilities. The talks recently initiated between Karzai and the Taliban leaders demonstrate the futility of aspirations to achieve an unequivocal victory in Afghanistan. These dismal facts were taken into consideration by the NATO members who have decided (in Lisbon, November 20, 2010) to withdraw their forces from Afghanistan by 2014. Instability continued to characterize the situation in Pakistan as well, where in addition to the continued presence of al Qaeda warriors in the tribal regions on the Afghan border, there are severe economic problems, internal conflicts and ongoing tension vis-à-vis India. The great floods that inundated 20% of the country's territories (July, 2010) exposed the poor infrastructure and total incompetence of the corrupt government. These in turn fuel the fears for the fate of the nuclear arsenal possessed by Pakistan and the danger that it may fall into the hands of terroristic and Islamic extremist factors. In this context, the DNI assessment (April 2009), according to which al Qaeda and other terrorist organizations are striving to obtain non-conventional weapons (chemical, biological, radiological and nuclear) and that they would not hesitate to employ them, is still a major cause for concern.

**October 2010  
polls: 6 out  
of 10  
Americans  
think that  
the war in  
Afghanistan is  
lost, half do not  
have any idea  
what the  
war is about**

## B. The Regional Complex

### Direct Security Threats

These days, in which the present review is being concluded, provide two sharp reminders – in Jerusalem and in Chicago – regarding the direct security threats which stem from the Middle East and which Israel and the Jewish People continue to face. In Jerusalem, Major-General Amos Yadlin, head of IDF's Intelligence Branch, upon his retirement,

**Former chief of Israel's military intelligence: "The processes of re-armament in the region continue, and in the next confrontation we would be facing more than one front"**

in his final briefing to the Knesset's Foreign Affairs and Security Committee (November 2, 2010), presented an extremely distressing picture of the threats faced by Israel, only a few days after the report that Jewish institutions in Chicago were the destination of intercepted explosive packages which were sent from Yemen by al Qaeda activists. Major-General

Yadlin said that "the recent calm is unprecedented, but it must not mislead us, because the processes of re-armament in the region continue, and in the next confrontation we would be facing more than one front. That confrontation will be much harder with lots of casualties." The bleak picture described by Yadlin seems to be inconsistent with an atmosphere of relative calm in terms of security and the economic prosperity characterizing Israel in recent times. In the passing year there have been

relatively few security events. Israel's deterrent power seemed effective, viz á vis Hezbollah and Hamas, hostile activity, and the Palestinian security forces in the PA proved their competence in maintaining security and curbing terrorist activities. The heads of the Israeli security system describe the level of cooperation with Palestinian security apparatus as unprecedented and praise their performance. This achievement is largely attributed to Palestinian Prime Minister Salam Fayyad, who is devoted to building the infrastructure of the 'future state' and boasts impressive accomplishments of the Palestinian economy (an IMF periodic report indicates high growth rates in the first half of 2010: 9% in the West Bank, 6% in Gaza). Israel is praised for its handling of the economic crisis and Stanley Fischer, Governor of the Bank of Israel, was crowned by the financial magazine *Euromoney* as Governor of the Year (October 2010). On the UN's Human Development Index, published in November 2010, Israel went up to the 15th place (from the 27th in 2009). In a recent visit to Israel (December 2010), Vikram Pandit, CEO of Citigroup, summed up his impression of Israeli economy: "When you look at Israel's 4% growth, 4% deficit, and 6% unemployment, there are few such economies in the world today, and it is truly thanks not only to crisis management, but also to the relationship between the parties. Above all, it is something that touches on the clean way in which everyone works together to create a global competitive advantage and create an economy that is productive, original, and entrepreneurial. It is pleasant to be in such a place in the world where there is such a feeling, a feeling that is not common

the contemporary economic world." Such positive figures create a background that seems to be diametrically opposed to Yadlin's warnings about the developments going on underneath the surface, which could soon confront Israel with a dramatically different reality. Tel-Aviv, rated third by the Lonely Planet guidebook's list of top ten cities to visit in 2011, could, according to Yadlin's warning, be the target of a missile attack launched by both Hezbollah and Hamas (not to mention Syria and Iran). In his briefing, Yadlin referred to the entire range of threats: a massive procurement by Hezbollah, Hamas and Syria (who is shopping intensively for advanced weapons from Russia, mainly anti-aircraft systems which would hamper Israel's air force's maneuverability, and lethal ground/sea missiles); and, of course, Iran, who is currently forced to cope with technical faults that hinder the progress of its nuclear program. In this context, world media carried reports about sabotage acts attributed to Israel: a computer worm nicknamed Stuxnet, which wreaked havoc on management and control systems in Iranian plants connected with its nuclear program, along with the attacks on two senior nuclear scientists in Tehran (November 29, 2010). Despite these delays, according to Yadlin, Iranians have enough enriched uranium stockpiled to build one bomb, and soon they would be able to manufacture two.

Indeed, the passing year has continued to exacerbate the threat posed by Tehran. On September 25, 2009, it was revealed that Iran has erected another enrichment facility near the city of Qom and concealed its existence. There are no longer any questions marks surrounding Iran's

intention to obtain nuclear arms or the capability to build them quickly. (Bear in mind that in 2007 the US Intelligence Community report asserted that Iran had discontinued its military nuclear program in 2003). Thus, already in its first report under its new Japanese Director General, Yukiya Amano, in a sharp departure from the ambiguous language that characterized its predecessor, Egyptian Mohamed ElBaradei, the International Atomic Energy Agency (IAEA) expressed its explicit fear about the possibility that Iran is carrying out clandestine operations to manufacture nuclear arms (February 19, 2010). The American effort to mount an international coalition to impose sanctions on Iran was relatively successful. Washington convinced Russia and China to impose another sanction package (the fourth in a row) on Iran in order to persuade it to stop uranium enrichment and allow for effective supervision of its nuclear program (June 9, 2010). These sanctions are designed to prevent Iran from acquiring heavy weapon systems (and indeed Russia announced that it will not supply Iran with the S-300 ground/air missile systems), as well as curtail the activity of financial institutions and specific persons involved in the nuclear program. Washington was even successful in convincing a number of countries (Europe, Australia, Canada, Japan) to impose additional sanctions on Iran.

**The American effort to mount an international coalition to impose sanctions on Iran was relatively successful**

The US thus seems to have gained some ground in applying its declared strategy vis-à-vis Iran: both in terms of consolidating the international coalition to impose sanctions and the impression that these measures are causing real damage to Iranian economy. The Iranians, however, do not seem to have succumbed to the pressure and refuse to take Obama's extended hand offering dialog. They continue to pursue their nuclear program, preventing effective supervision and increasing

**An Israeli attack on the Iranian nuclear project taken against US position could cause a crisis in the US-Israeli relationship**

subversion in the Middle East. Paradoxically, the exhaustion of the American strategy (concurrently with Iran's progress towards obtaining nuclear arms) is bringing closer the moment of decision, should this non-violent strategy come to no avail. Only then would the meaning behind Obama's

repeated commitment, i.e. "The United States is determined to prevent Iran from acquiring nuclear weapons", become clear.

In the period ahead Israel will keep facing the dilemma, whether to act militarily and independently against Iran, or to wait for the international effort led by the US to bear fruit. From Israel's point of view, Iran's possession of nuclear weapons changes entirely the regional strategic picture, because it would create a nuclear threat to Israel, increase Iran's subversion in the region and drive other countries in the Middle East (headed by Saudi Arabia, Egypt and Turkey) to acquire

nuclear capability. Even assuming that Israel has the capability of significantly hindering the Iranian nuclear project and cause its completion to be delayed, Israel must calculate carefully the possible costs of such an offensive, which include the increased incentive of Iranian leaders to obtain a nuclear bomb at all costs; positioning Israel as a more concrete target for an Iranian nuclear revenge; the reinforcement of the Ayatollahs' regime, and increased public support of the regime against an attack by an external force; a possible crisis in the relationship with the US should the Israeli move be taken against US's position, thereby putting the US's soldiers, citizens and interests at risk; an Iranian military reaction against Israel; a terrorist attack against Israeli and Jewish targets; igniting the northern front (marked by calm in the passing year) using Hezbollah, and pushing Hamas to attack southern settlements up to Tel-Aviv with missiles and mortar fire.

**Regional Processes of Change and Realignment that Threaten to Damage Israel's Strategic Power**

The threat posed by Iran and Iran's striving for regional hegemony have a significant impact on the geopolitical picture of the Middle East. Upon this background the unprecedented weapons deal – worth \$60 billion – signed between the US and Saudi Arabia is salient (October 2010). Israel is faced with a complex reality: On the one hand, Saudi Arabia's armament is designed to curb Iran's ambitions; on the other, is it safe to rule out the possibility that these weapons may one day be turned against Israel? Along with the potential



nuclear threat, the Iranian component has implications for almost any issue relevant to Israel's strategic environment. Iran supports the Hezbollah and Hamas both militarily and financially. Iran has a strategic alliance with Syria. It seeks to fill the vacuum created by the US's imminent withdrawal from Iraq, and threatens the stability of the regimes of moderate Arab countries. The "Israeli Card" serves Tehran's subversion very effectively (Tehran is vehemently opposed to the Arab peace initiative), and its speakers' belligerent and anti-Israeli rhetoric is well-received by the Arab street. The abundance of confidential cables exposed by Wikileaks reveals, among other things, how the 'Arab Street' works to deter Arab rulers from saying in public what they believe should be done against Tehran (the Saudi king is quoted in leaked reports as urging the US to "cut off the snake's head" ...).

The passing year has accelerated the regional dynamics which is unfavorable to Israel. Although referring to Iran, Hamas, Hezbollah, Syria and al Qaeda as a consolidated and coordinated axis may be an exaggeration, one should not ignore the common denominator: severe hostility towards Israel. The radical camp is highly energized and keeps accumulating achievements. The sophisticated terrorist attempt using explosive packages sent from Yemen in cargo airplanes, as well as the series of suicide bombings in Baghdad on the eve of the US's mid-term elections suggest that global Jihad is far from vanquished, and that when displaced from one base it is quite capable of finding alternative bases. Despite the economic sanctions, Iran has not given any ground yet, and continues to get closer to a situation in which it

possesses nuclear weapons and the capability to launch it (alternatively, Iran would stop on the brink, a 'turn of the screw' away from this capability, so that it is still able to claim that it does not have a nuclear bomb). Concurrently, Iran is branching out to the entire region, building outposts and alliances from Baghdad to Gaza. Ahmadinejad's recent visit to Lebanon (mid-October 2010) and his declaration there, that "the Zionist entity will disappear", have demonstrated Tehran's scope of influence. The power of Iran and Syria weighs against the moderate and pro-Western forces in Lebanon. The 'pilgrimage' of Lebanon's Prime Minister Saad Hariri to Damascus (December 19, 2010) and his embrace of the Syrian President, whom he regarded until very recently as responsible for his father's murder, reflect the victory of anti-Western forces in the Lebanese arena. Lebanon's fragile stability is expected to face a significant test soon, when the International Court of Justice will point at several Hezbollah operatives as responsible for Hariri's assassination. Backed by Tehran, Hezbollah leader Nassrallah has declared that he did not recognize the authority of the International Court, would not allow his people to be extradited, and would not have his organization disarmed. Iran's meddling in various locations in the Middle East, including its efforts to influence the composition of the government in Baghdad, give rise to great

**Iran is  
branching out  
to the entire  
region, building  
outposts and  
alliances from  
Baghdad  
to Gaza**

concern in Arab capitals as well as in Jerusalem. The Arab countries' stability may be affected by the leadership changes expected in both Egypt and Saudi Arabia, whereas the chance of mounting a regional alignment which would include Israel against Iran and the extremist forces, is conditioned, according to observers in the Arab world, on substantial progress in the Israeli-Palestinian process.

The negative regional trends have been augmented

**The negative regional trends have been augmented last year by the sharp deterioration in Israel-Turkey relationship**

last year by the sharp deterioration in Israel-Turkey relationship. This relationship, which had been jeopardized by Operation Cast Lead (December 27, 2008 – January 18, 2009), took a turn for the worse following the Gaza Flotilla incident (May 31, 2010), in which nine Turkish

citizens were killed after the Israeli soldiers who raided the ship encountered extremely violent resistance which endangered their lives and forced them to use live fire. Along with the obvious hostility towards Israel and the revocation of most of the special security accords between the two countries, the Ankara government, led by the Islamic Justice and Development party, is tightening its relationship with Syria and Iran. The new orientation of Turkey's foreign policy, shaped by Foreign Affairs Minister Ahmet Davutoğlu, is causing alarm in the West as well. Ankara's attempt, in collaboration with Brazil, to reach a compromise with Tehran regarding the

nuclear issue (May 2010), their objection to the sanction in the UN Security Council (June 9, 2010), the reservations raised by Ankara regarding NATO's decision to deploy an anti-missile system against the Iranian threat (November 2010), and of course its blatant policy towards Israel, are only some of the manifestations that intensify the question marks in the West surrounding Turkey's long-term intentions.

One should not be carried away and lump Turkey together with Iran, although it is difficult to assess where Ankara's voyage back into Islam is going to stop. While Turkey demands an apology and compensation for the Flotilla incident, it does not call for the eradication of Israel (and was also quick to help put out the huge fire in the Carmel forests in early December 2010). Turkey's President stated in the last UN Assembly (September 2010) that "Turkey has always supported every effort to achieve peace in the Middle East, and Turkey welcomes the talks between Israel and the Palestinians and hopes they will produce an agreement." Following Israel's consent, the UN has set up (August 2, 2010) an international inquiry team to investigate the Gaza Flotilla events; the resulting conclusions may serve as a basis for stopping the erosion in the relationship. Signs of a potential erosion may be found in leaks from a paper written by the Turkish National Security Council, in which Israel's policy is defined as conducive to instability in the region and an arms race, thereby creating a strategic threat to Turkish interests (October 31, 2010), as well as in Aradogan's statement during his visit in Lebanon, that "Turkey will not be silent and stand by Lebanon" in case the latter is attacked by Israel (November 25, 2010).

## C. The Israeli-Arab Conflict Complex

The passing year has not yielded any breakthrough in the Israeli-Palestinian peace process. Lack of agreement regarding the issue of building in Judea and Samaria continues to hinder the effort to discuss the core issues and make progress towards the negotiation of a permanent agreement. In November 2009 Israel announced a 10-months temporary freeze on housing construction in the territories. In early March 2010 the Palestinians acceded to “proximity talks” moderated by American envoy George Mitchell, but Israel has clarified that essential issues would only be discussed in direct talks. Indeed, after a persistent pressure campaign, the Palestinians, backed by the Monitoring Committee of the Arab League, agreed to begin direct talks. The talks commenced on September 1 in an impressive launch ceremony in Washington (attended by President Obama, Netanyahu, Abu Mazen, President Mubarak and King Abdullah of Jordan), followed by three meetings between Netanyahu and Abu Mazen. In their meeting, the latter made it clear to Netanyahu that if construction in the settlements was resumed (the end of the 10-month moratorium was scheduled for late September 2010), the Palestinians would withdraw from the talks. And indeed, following Israel’s refusal to accept the US’s request to extend the freeze by two more months (in return for a generous “compensation package” which included significant political and security components), the Palestinians announced the termination of direct talks with Israel for as long as construction in the settlements continues, albeit leaving a time frame

for American diplomacy to persist in its attempts to formulate with the parties a solution for the construction problem in Judea and Samaria so that the direct talks can be resumed. These efforts ended in failure after Israel and the US announced (December 7, 2010) that they could not reach an agreement on a formula that would have enabled a new three-month freeze, an accelerated discussion of the borders and security issues, in return for the free supply of 20 F-35 fighter planes and additional diplomatic support and security guarantees. This failure leaves many question marks regarding the future. Is there an alternative way to kick-start the political process, or are we going to witness a double crisis: between Israel and the Palestinians and between Israel and the US (and the West in general). The picture emerging as these lines are being written suggests that the US intends to continue its efforts to bring the parties to signing a permanent agreement. The Secretary of State has clarified (December 10, 2010) that it was time to discuss the permanent issues and that the US would take an active role in leading this move:

It is time to grapple with the core issues of the conflict on borders and security; settlements, water and refugees; and on Jerusalem itself [...] The United States will not be a passive participant. We will push the parties to lay out their positions on the

**Lack of agreement regarding the issue of building in Judea and Samaria continues to hinder the effort to discuss the core issues**

core issues without delay and with real specificity. We will work to narrow the gaps asking the tough questions and expecting substantive answers. And in the context of our private conversations with the parties, we will offer our own ideas and bridging proposals when appropriate.<sup>2</sup>

The discussion of the sensitive issues of the permanent agreement is thus at the core of American strategy, and the very need to lay out explicit positions regarding the borders, Jerusalem,

refugees, etc., may ignite an intense controversy in Israel and the Jewish People.

**The Palestinian leadership refused to recognize Israel as the Jewish People historic homeland, but stated: “Israel is entitled to define itself in any way it wishes”**

In this context it should be noted that Prime Minister Netanyahu, having repeatedly committed to not retract on his decision to refuse to extend the construction freeze, said in a speech in the Knesset (October 11, 2010) that “If the Palestinian leadership will say unequivocally to

its people that it recognizes Israel as the homeland of the Jewish people, I will be ready to convene my government and request a further suspension of construction for a fixed period.” (the Palestinians instantly rejected Netanyahu’s offer).<sup>3</sup> The proposal advanced by Prime Minister Netanyahu sheds light on the “Jewish dimension” of an Israeli-Palestinian peace agreement. Because according to the current outline of the peace process, the parties are supposed to discuss a permanent agreement

(and not interim arrangements), the core issues, which matter the most to Jews wherever they are, are now up for discussion – and first and foremost, the future of Jerusalem. There are also several historically significant dilemmas, such as, could an Israeli-Palestinian agreement mark a positive turning point in the history of the relationship between Judaism and Islam? The content of the answers to such questions could affect not only Israel’s positions in the negotiations but also the architecture of the entire political process.

In his Bar-Ilan speech (June 14, 2009) Prime Minister Netanyahu described the roots of the Israeli-Arab conflict as stemming from a refusal to recognize the right of the Jewish People to a state of its own in its historic homeland.” In that light, he goes on to assert Israel’s demand: “The fundamental condition for ending the conflict is the public, binding and sincere Palestinian recognition of Israel as the national homeland of the Jewish People.” The Palestinian leadership responded negatively to this demand. Official Palestinian spokespersons stated that they were ready to sign a peace agreement and recognize the state of Israel, and as far as they were concerned Israel was entitled to define itself in any way it wished. The Palestinians explain that accepting the Israeli demand in a negotiation process would be received with great hostility by the Palestinian public, which, they argue, is “now required to formally agree that their expulsion from their land was just and based on the right of the Jews”. In addition, the Palestinians explain that their brethren – the Israeli Arabs – object to a Palestinian recognition of Israel as a “Jewish state” because this “would exacerbate the deprivation they suffer as

a minority, and may even, so they claim, lead to their expulsion from Israel.” In Israel, opinions are divided regarding the importance of insisting on a Palestinian recognition of Israel as a Jewish state. Its proponents attribute critical importance to a historically, nationally and religiously significant Arab acknowledgement that the roots of the Jewish People are in the Land of Israel, and that the Jewish People is therefore its rightful owner. Indeed, this is the spirit in which the Prime Minister presents the issue as a “fundamental condition” for an agreement. Others, however, are of the opinion that this is not a critical stance, because Israel’s identity would always be determined by Israel itself, and not by the declarations of its neighbors.

The current Palestinian refusal to recognize Israel as the state of the Jewish People reflects a stance that is more rigid than stances previously held by the Palestinians. For example, in an interview to Haaretz (June 18, 2004), Arafat responded that he “absolutely” accepted that Israel is and would remain a Jewish state. According to Arafat, the Palestinians accepted this publicly and officially in the session of the Palestine National Council in 1988, and remained committed to this tenet ever since. Indeed, that session (November 15, 1988) adopted the “Palestinian Declaration of Independence”, which states that “the UN General Assembly Resolution 181 (1947), which partitioned Palestine into two states, one Arab, one Jewish, [...] is [the] Resolution that still provides those conditions of international legitimacy that ensure the right of the Palestinian Arab people to sovereignty.” (It should be mentioned that extra-governmental initiatives such as the Ayalon-Nusseibah initiative and the

Geneva Accords, which are Israeli-Palestinians attempts to reach a model of a peace accord, do include a reference to Israel’s Jewish character). It therefore appears that an Israeli “insistence” on the inclusion of this provision in an agreement might be accepted, especially if the negotiators on the Israeli side are willing “to pay a price” for this achievement. Of course, the question remains open how vital it is – from the perspective of the interests of the Jewish People – to insist on the issue in a negotiation of a permanent agreement.

An equally important question is, in case Israel decides to insist on this demand in the negotiation, whether it is sufficient for the Palestinians to recognize Israel as a Jewish state, or should the demand be addressed to the entire Arab world.

The Arab Peace Initiative (Beirut, 2002), the result of a Saudi move, manifests an Arab willingness for a comprehensive peace with Israel, the end of the conflict, normalization and a good neighborly relationship. The language expresses a significant shift, especially when compared to the language of the Khartoum Resolution (1967): No peace, not recognition, no negotiation with Israel. Since 2003 the Arab Peace Initiative has won the support of the Organization of the Islamic Conference (OIC), which incorporates 57 member countries. Recently this position has been re-endorsed by the OIC

**the current  
Palestinian  
refusal to  
recognize  
Israel as the  
state of the  
Jewish People  
reflects a more  
rigid stance  
than stances  
previously held**

Council of Foreign Ministers in Dushanbe, Tajikistan (May 18-20, 2010). The Council's declaration, which included harsh criticism of Israel's policy, also stated support for the Road Map. Opinions in Israel are divided regarding the value of the Arab Peace Initiative and the wisdom of relying on it in order to advance a permanent Israeli-Arab agreement. Proponents argue that the initiative reflects a fundamental change in the position of the Arab world and a declared willingness to recognize

**A peace agreement which includes a land sweep of 5% of the West Bank would necessitate the evacuation of 100,000 settlers out of 300,000**

Israel. Opponents point to the price attached to the initiative: return to the 1967 borders, division of Jerusalem, and an agreed-upon solution to the refugee problem based on UN Resolution 194 (which, according to opponents' interpretation, stipulates that Israel must recognize the Right of Return of the 1948-9 refugees into the

territories of the state of Israel within the 1967 borders). The support of the Muslim world for the Arab Peace Initiative (excluding Iran) underlines the question whether a political peace agreement can significantly thaw the historical Islamic hostility against the Jewish People. A positive answer to this question may increase the interest in choosing this architecture of an comprehensive regional negotiation over a sequential progress based on one bi-lateral negotiation after another. According to this reasoning, talks about a general agreement and settling all the bi-lateral conflicts

simultaneously may provide Israel and the Jewish People with vital achievements that are unattainable in a bi-lateral negotiation lacking a regional dimension (such achievements refer not only to a substantial thawing of Judaism-Islam relationship, but also to an overall normalization and peace with all the Arab countries, regional security arrangements, and more).

An Israeli-Palestinian peace agreement based on the two-states solutions (which Israel has accepted) would hand over to Palestinian sovereignty the majority of the Judea and Samaria territories (except for the settlement blocks, security areas, and other territories adjacent to the 1967 lines, to be transferred to Israeli sovereignty as part of land swaps arrangements). So for instance, a peace agreement which includes a land swap of some 5 per cent of J&S would necessitate the evacuation of 100,000 settlers out of the 300,000 settlers now residing in J&S (not including some 200,000 residing in the Jewish neighborhoods in eastern Jerusalem, who are expected to remain there). Hilary Clinton's formula, which has been repeated by various representatives of the American administration over the past year, is an indication of the US's position, as the leader of the political process:

We believe that through good-faith negotiations the parties can agree to an outcome which ends the conflict and reconciles the Palestinian goal of an independent and viable state based on the '67 lines, with agreed swaps, and Israel's goal of a Jewish state with secure and recognized borders that reflect subsequent developments and meet Israel's security requirements.

Beyond the security implications of an Israeli withdrawal, the move bears substantial Jewish consequences: both the retreat from the land walked on by the biblical heroes, where the roots of the Jewish People lay deep (Cave of the Patriarchs, Rachel's Tomb, Joseph's Tomb and many other sites), and the need to evacuate tens of thousands of Jewish settlers (some of whom are expected to oppose the evacuation by force). The debate over the future of J&S territory and the great settlement project is expected to raise a highly emotional political, security, national and religious controversy. Some expect the evacuation to be accompanied by brute violence, civil disobedience and refusal to obey orders by the forces assigned the task. In any case, the evacuation is expected to be traumatic and deepen the divisions among the Jewish People in Israel and the Diaspora. It also raises questions about how Israel and the Jewish People going to cope with the expected trauma and whether its impact can be reduced (through appropriate monetary compensation, smooth re-absorption, "ideological compensation", an empathic and "embracing" attitude, an Israeli insistence on the inclusion of a provision allowing Jews to continue to reside in J&S under Palestinian sovereignty, etc.).

The most charged and sensitive of all is of course the issue of Jerusalem. The Holy City symbolizes like nothing else the focus of the Jewish People's aspirations and identity throughout history. Following the Six Days War, Israel has extended its sovereignty by law over the eastern parts of the city. There is currently no Palestinian or Arab party willing to sign a peace agreement with Israel which

would leave its sovereignty intact in the Arab neighborhoods in the eastern city and the sites sacred to Islam. Any agreement that is based on a compromise in Jerusalem implies the revocation of current Israeli sovereignty in various parts of the city, including the Holy Basin. According to this scenario, Israel will have to reach a historic decision that touches upon the very focus of identity and holiness of the Jewish People as a whole. The internal debate could be extremely bitter, which would revolve, first and foremost, on the actual concession in Jerusalem, and then, on the nature of the preferred compromise. Very weighty questions would fill the agenda of Israel and the Jewish People: What are the implications of a compromise in Jerusalem on the Jewish People? Will it cause a trauma that would split the Jewish People and create an irreparable rift? And if a decision is made to compromise, what form of arrangement would suit best the interest of the Jewish People? Should the compromise over Jerusalem be reached in negotiations with the Palestinians only, or is it better to involve the entire Islamic world (with a view to acquire Islamic legitimization for the agreement and make it a turning point in Islam-Judaism relationship)?

The negotiation of a permanent agreement vis-à-vis the Arab world thus put on the agenda highly sensitive issues close to the heart of the Jewish

**Beyond the security implications, a retreat from Judea and Samaria bears substantial Jewish consequences**

People in Israel and the Diaspora alike: Securing the state of Israel's safe existence, the future status of the holy places and historical sites in Judea and Samaria, the evacuation and dismantling of settlements, preserving the Jewish majority in Israel and the Jewish-democratic nature of the state, and above all, the nature of the agreement over Jerusalem. It is therefore no surprise, that in anticipation of the possibility of the subject being raised in the negotiation led by Ehud Olmert in

**The impending moment of decision raises the question whether the Diaspora Jewry is entitled to and must take an active part in the public debate of these issues in Israel**

2008, the President of the World Jewish Congress, Ronald Lauder, wrote to the Prime Minister of the state of Israel (January 8, 2008):

Jerusalem has been both the capital of Israel and the capital of the entire Jewish people for 3,000 years. While recognizing Israel's inherent prerogatives as a sovereign state, it is inconceivable that any changes in the status of our

Holy City will be implemented without giving the Jewish people, as a whole, a voice in the decision.

The impending moment of decision in the permanent arrangement issues is straining and threatening internal solidarity in Israel and in the Diaspora, raising the question whether the Diaspora Jewry is entitled to and must take an active part in the public debate of these issues in Israel, and whether new effective channels and mechanisms should be established so that the voice

of Diaspora Jews is taken into consideration in the decision-making processes taking place in Israel on issues concerning the Jewish People as a whole. This dilemma is a practical test for the discourse currently emerging about the necessity of a new "paradigm" in Israeli-Diaspora relationship. This new approach seeks a pattern that is based on more equality, relinquishing patterns implicitly based on a "senior/minor partner" hierarchy between Israel and the Diaspora. Will the "theoretical" commitment to more equality in this relationship be translated into actual steps as the process approaches the historic decisions involved in the peace agreements and which concern Jews wherever they are? Controversies among the Jewish People in the Diaspora regarding the way in which the Israeli-Arab conflict should be resolved have existed for many years, and in a sense they are a mirror image of the controversies dividing Israel itself on this issue. It is no coincidence that as the political negotiation approaches the sensitive core issues, so does the intra-Jewish debate heat up – and not just about the opportunities or threats embodied in the process, but also regarding the question whether (and how) should Diaspora Jewry take part in these historic decisions which could affect the future of Jerusalem, Israel and the entire Jewish People. The very emergence of J-Street, which is perceived as a lobby with an alternative message to that of AIPAC, and the foundation of J-CALL, its European counterpart, are an indication of the eruption of the intra-Jewish debate in the Diaspora about the political process: both about the stances Israel should adopt on the issue, the very legitimacy of promoting views that are opposed to those of



the government of Israel by Jewish organizations, and the nature of action vis-à-vis the American administration and other governments (such as, how legitimate is it for a Jewish organization to ask the American administration to exert pressure on Israel in order to promote peace agreements?) In this context, it should be mentioned that the Palestinian side has also realized the importance which the American administration attributes to the position of the Jewish Community in the US. Thus the Palestinian President has used his visits to Washington (June 2010) and New York (September 2010) to meet with the leaders of the Jewish community in the US in order to convince them of the sincerity of his intentions to achieve peace with Israel (among other things, Abu Mazen clarified in these encounters that he did not deny the roots of the Jewish People in the Land of Israel and emphasized that he had instructed his ambassadors in Poland and Russia to attend Holocaust Memorial ceremonies in their countries of service).

## D. The Dynamics of the Triangle: Jerusalem-Washington-US Jewish Community

The Jerusalem-Washington relationship does not follow the common bi-lateral pattern, and must be examined in a tri-lateral framework: Washington, Jerusalem, and the Jewish community in the US. US Jewry, which constitutes a major part of the fabric of this relationship, has a profound effect on its contents, and is in itself influenced by the dynamics within it. The US's attempts to promote the peace process between Israel and the Palestinians in the passing year, which have yet to bring about a significant breakthrough, have manifested two key components of this dynamics: (1) Sympathy and deep understanding of Israel's concerns and needs, along with the administration's frustration and criticism of Israel's settlement policy (the administration is highly critical of the Palestinian side as well); (2) The administration is mindful of the political and financial might of the Jewish community in the US (especially towards the mid-term elections on November 2, 2010). At this point it is hard to determine to what extent the current American policy towards Israel is a "voluntary" product of its deep-rooted empathy and sympathy towards Israel and the Jewish People (an attitude

**The Palestinians have realized the importance which the American administration attributes to the positions of the Jewish community in the US**

that is deeply anchored in the American public and Congress), and to what extent it is a product of cold calculations, political timetables, pressure equations and “hand-forcing”. As the American policy towards Israeli is increasingly more affected by the latter, the danger of negative policy changes increases as well. Along with generous manifestations

**Along with criticism, US officials are careful to describe the depth and quality of the American-Israeli relationship**

of friendship, in the past year Israel has also had the opportunity to experience Washington’s “cold shoulder”. This was clearly demonstrated in the White House’s preventing the craved photo-op at the meeting between President Obama and Netanyahu (March 23, 2010).

The President’s fundamental attitude to the Israeli-Palestinian conflict and the importance he sees in its resolution are part of a broader conception and a comprehensive strategic perspective. It is not the product of a single man’s mind, but rather the reflection of deep trends and a fairly broad American consensus on foreign policy. The establishment of a Palestinian state is perceived as consistent with a deep American interest. General David Petraeus explained this reasoning to the Senate’s Armed Services Committee (March 16, 2010):

The enduring hostilities between Israel and some of its neighbors present distinct challenges to our ability to advance our interests in the AOR (US Central Command’s Area of Responsibility). Israeli-

Palestinian tensions often flare into violence and large-scale armed confrontations. The conflict foments anti-American sentiment, due to a perception of US favoritism for Israel. Arab anger over the Palestinian question limits the strength and depth of US partnerships with governments and peoples in the AOR and weakens the legitimacy of moderate regimes in the Arab world. Meanwhile, al Qaeda and other militant groups exploit that anger to mobilize support. The conflict also gives Iran influence in the Arab world through its clients, Lebanese Hezbollah and Hamas.<sup>4</sup>

And indeed, Israel’s Prime Minister Netanyahu was forced to accept the two-states principle (Bar Ilan Speech, June 14, 2009), and even passed the decision to freeze housing construction in J&S for ten months (November 25, 2009). The disagreements between Washington and Jerusalem on the subject flared up seriously during Vice-President Biden’s visit to Israel, when in the midst of the visit (March 9, 2010), the plan to build 1,600 housing units in Ramat Shlomo was made public.

Along with the criticism, administration officials are careful to describe the depth and quality of the relationship between the two countries. Thus, for example, in an address by Special Assistant to the President, Dennis Ross, to an AIPAC function (October 25, 2010), he stressed that the strategic dialog between Jerusalem and Washington is unique in its intensity and depth and range of issues, and that this degree of operative-defense coordination is unprecedented. Among other things, Ross mentioned the President’s decision “to supplement our annual \$3 billion in military assistance to Israel with a \$205 million request to

Congress to support [...] the Iron Dome short-range rocket defense system”, the joint military exercises with the IDF, the US’s diplomatic support in defeating efforts by international forums to single out or de-legitimize Israel, and the successful coordinated opposition to the IAEA General Conference singling out Israel’s nuclear program for rebuke.

The sensitive nuclear issue should be examined in the context of President Obama’s overall nuclear policy. In his Cairo speech, the President expressed a vision of a world free of nuclear weapons. It is important to emphasize that what may seem at a first glance as a utopian wishful thinking has actually won actually the support of esteemed figures such as Henry Kissinger, George Shultz and other senior officials,<sup>5</sup> and under certain circumstances in the future could become a concrete policy, which has implications for Israel. Thus, the final resolution document of the Nuclear Non-Proliferation Treaty Review Conference (May 28, 2010) included a clause calling upon Israel to join the NPT treaty, and accordingly, to open its nuclear facilities to the inspection of IAEA. Another clause calls for the establishment of a Middle East zone free of nuclear weapons and all other non-conventional weapons (biological, chemical);, for which a regional international conference should be convened in 2012. To promote the idea of the conference, a special coordinator will be appointed and supervised directly by the UN Secretary General. While the US announced that it “deeply regrets” that the Conference’s resolution focused on Israel, media sources have publicized that the US had in fact conceded to pressures from Egypt and other

Arab countries in order to prevent the conference from ending in failure once again. This is despite the fact that there are historical understandings between Jerusalem and Washington since 1969, which were continuously renewed by all succeeding administrations, including Obama’s, according to which the US shall not exert pressure on Israel to join the NPT and open its nuclear facilities to external scrutiny. Indeed, to Jerusalem’s relief, in the press conference following his meeting with Netanyahu at the White House (July 6, 2010), President Obama clarified “that there is no change in U.S. policy when it comes to these issues. We strongly believe that given its size, its history, the region that it’s in, and the threats that are leveled against it, that Israel has unique security requirements. It’s got to be able to respond to threats or any combination of threats in the region. [...] And the United States will never ask Israel to take any steps that would undermine their security interests.” In that spirit, at the 54th General Conference of the International Atomic Energy Agency (IAEA) (September 20-24, 2010), the US worked hard to block a resolution calling upon Israel to join the NPT and subject its facilities to IAEA inspection. This sensitive issue will probably continue to top the

**In reference to the nuclear issue, Obama clarified: “Israel has unique security requirements, and must be able to respond to any combination of threats in the region”**

agenda and Israel will continue to need American assistance (for instance, Iran insists on including the eradication of Israel's nuclear capabilities on the agenda it seeks to impose on the discussions of its own nuclear capability).

The passing year has exposed the sympathetic and supportive face of the American administration, but at the same time its ability to be irate and angry with Israel. Israel's immense dependency on the US requires very careful conduct and avoiding

**If the peace process is stalled and Israel is portrayed as the guilty party, the Jewish community in the US may find itself in an inconvenient position**

the portrayal of Israel as a "spoiled brat" who keeps acting in contradiction to the American interest, as written by Thomas Friedman in reaction to Israel's refusal to accept the President's request for a construction freeze extension:

How spoiled Israel has become that after billions and billions of dollars in U.S. aid and 300,000 settlers already ensconced in the West Bank, Israel feels no compunction about spurning

an American request for a longer settlement freeze ((*The New York Times*, October 19, 2010).

If the US indeed pursues its declared intention and leads the parties in the coming year to a detailed discussion of the permanent agreement issues, it is also safe to assume that it would put pressure on Israel (as well as the Palestinians) to agree to painful bridging formulas. As a result, tensions may rise in the Washington-Jerusalem relationship.

Tensions could also flare up, of course, in case Israel is portrayed as the guilty party for the fact that the peace process is stalled. The Jewish community in the US may find itself in an inconvenient position, especially in light of the claims that American foreign policy in the Middle East is influenced by Israel and the Jewish lobby in a manner that is contrary to the US's own interests.

This reality, in which Israel is named as the party that hindered the effort to make peace may lead, among other things, to the exacerbation of violence in the territories, a unilateral American plan for a permanent agreement, the increased political isolation of Israel, the rekindling of de-legitimization moves, and acceleration of the trend by world countries to recognize a Palestinian state within the 1967 border, as already proclaimed (December 2010) by Brazil, Argentina and Uruguay.

The central and most urgent topics on Israel's and the Jewish People's agenda – the Israeli-Arab conflict and the Iranian nuclear threat – each bear weighty strategic implications. These issues, which are affected by the dynamics in the global arena and the US's global standing, are involved in another strategic component whose importance cannot be overestimated – the Jerusalem-Washington-US Jewry triangle. The maturation of these issues into decision points may confront Israel and the Jewish People in the coming year with the need to make fateful historic decisions.

## Endnotes

1. The president tried on several occasions to send positive signals to Tehran, Thus, before the Iranian New Year (March 19, 2009), he sent a video message in which he expressed his wish for dialog and thawing; again, in his Cairo speech (June 4, 2009) he presented in an almost symmetrical manner the wrongs done by Iran alongside with the wrongs done by the US (when in 1953 it took part in the overthrow of “a democratically elected Iranian government”), clarifying that he understood those who protest against a reality in which “some countries have weapons that others do not”).
2. Hillary Rodham Clinton, US Secretary of State, Remarks at the Brookings Institution’s Saban Center for Middle East Policy Seventh Annual Forum, Washington, DC (December 10, 2010).
3. Palestinian spokespersons said that in the absence of progress in the process as outlined so far, they will consider approaching the international community and the UN for recognition of a Palestinian state in the 1967 borders (an idea rejected both by Israel and the US).
4. Statement of General David h. Petraeus, US. Army Commander, US Central Command, before the Senate Armed Services Committee On the posture of US. Central Command, March 16, 2010.
5. “A World Free of Nuclear Weapons,” The Wall Street Journal, January 4, 2007, By George p. Shultz, William J. Perry, Henry A. Kissinger and Sam Nunn.