



The Geopolitical Landscape - Growing Uncertainty in light of the Trump Presidency

Introduction

The strategic challenges facing Israel are largely unchanged from the previous year. The Middle East remains volatile. The cornerstones of the old regional order are crumbling, and a new, more stable order has yet to take its place. The international arena, as it applies to the Middle East and to Israel's strategic resilience, is also enduring shockwaves and is far from projecting stability.

Israel faces a geopolitical map filled with “moving parts” that mutually affect one another. These create a range of scenarios, each of which contains different, and at times conflicting, challenges for Israel. This includes the entrance of a new and significant actor with great influence over the geopolitical equation: U.S. President Donald Trump. The trends that led to his election are significant in and of themselves, but his personality and unpredictability add a unique dimension to

the international arena's already great uncertainty, especially in areas related to Israel's resilience. Decisions made in Jerusalem, including not to decide, can influence a limited part of the total strategic picture, but could also be fateful for Israel and the Jewish people.

Key developments from the past year that stand against the backdrop of the main strategic challenges and dilemmas facing Israel include:

- The implications of Trump's election for the international arena, particularly the Middle East.
- The possibility of cultivating and leveraging Israel's relationship with a sympathetic American administration alongside the emerging threats to the vitality of the triangular relationship: Jerusalem – Washington – U.S. Jewry.

- The emerging strategic reality in the wake of the nuclear agreement with Iran (JCPOA), characterized by Israeli Prime Minister Netanyahu as a “mistake of historic proportions.”
- The implications of the efforts to reach an agreement on Syria and how they reflect on the standing of Iran, Hezbollah, Russia, the United States, Turkey, and others.
- The possibilities open to Israel to advance its relations with the region’s moderate Sunni states, who are, at this time, showing greater openness in light of the threat Iran and radical terror groups pose to them.
- The threat of a security deterioration – on the northern front (Hezbollah and possibly Iranian forces in the Golan and in Lebanon), and the southern front (Hamas and terror elements in the Sinai).
- The threat of escalating violence in the West Bank, due to a flare-up over religious issues (Temple Mount), or as a result of the continued “Lone Wolf Intifada.”
- The Trump administration’s efforts to examine restarting Israeli-Palestinian peace negotiations.
- Efforts to harm Israel through BDS and de-legitimization measures.
- The emerging opportunities for Israel to further develop its relations with new rising powers like China and India alongside the potential to nurture relations with countries across Africa.

These challenges are growing across a number of strategic circles that interact with each other: a) the international system and the global standing of the United States, specifically in the Middle East, b) U.S.-Israel relations and the strength of the triangular relationship: Jerusalem – Washington – U.S. Jewry, c) the threats and opportunities the regional system places in front of Israel, d) the Palestinian system.

These circles exert a great influence on Israel’s strategic resilience, and the analysis that follows will explore them.

A. The International System and U.S. Standing

Israel’s strategic might is significantly influenced not just by its relationship with Washington but also by the global standing of the United States, including the role it chooses to play in the international arena, the strength and influence of rival powers, and the characteristics of the emerging world order.

An erosion of U.S. standing internationally – the superpower whose friendship and assistance to Israel is critical and which is also home to a prosperous Jewish community that constitutes almost half the Jewish people – could lead to an erosion in the deterrence power and strength attributed to Israel itself. If the perception that the U.S. is in a process of decline and is abandoning the Middle East takes hold, it could deepen the strategic vacuum in the region (which demands U.S. involvement as a stabilizing power). This would attract additional forces that are

problematic from Israel's perspective and may exacerbate the existing instability.

President Trump and the role of the U.S. in international affairs – The election of Donald Trump as president adds formidable uncertainty to the position of the United States in the international arena. Trump inherited a geopolitical reality in which the U.S. remains the strongest world power even though the “American moment” created after the breakup of the Soviet Union, when the U.S. enjoyed hegemonic status in a unipolar system, has passed.

The lack of a stable, functioning world order leads to weakened international institutions, diminishes the ability to navigate global challenges, and contributes to destabilizing the central authority in different countries (which terror and criminal organizations exploit). This further increases the risk of escalation in simmering conflicts in the various flashpoints around the world (Syria, North Korea, South China Sea, Ukraine, Balkans, India-China border, and more).

Ahead of Trump's inauguration, there were growing fears that the U.S. intended to withdraw from global affairs and focus on domestic matters, act according to a narrowed definition of interests, rely on expected U.S. energy independence, and be reluctant to exhibit a commitment to global leadership and to shaping a functioning global order. Trump's actions and rhetoric thus far have communicated contradictory messages making it difficult to discern a coherent guiding doctrine for U.S. role in international affairs. It is not yet clear the extent to which the defining campaign slogan,

“America First,” will shape U.S. foreign policy. Will the Trump administration neglect American leadership and focus on domestic affairs? Will the business world's principles of profit and loss, which are devoid of ideological considerations, guide U.S. actions?

Trump's meetings with European leaders evoked acute concern as to his commitment to the trans-Atlantic alliance. German Chancellor Merkel proclaimed that once again, “Europe cannot fully depend on anyone else” (May 25, 2017). Despite the haze, it seems that – at least on a rhetorical level – a Trump Doctrine is taking shape, one markedly different from the Obama Doctrine. Compared to President Obama's “Cairo Speech” (June 4, 2009) in which he stressed the importance of democratic values and human rights and proposed turning a new page in U.S. relations with Iran, Trump's “Riyadh speech” outlining his worldview before the leaders and representatives of 50 Muslim nations, differed significantly.¹

At least on a rhetorical level. A Trump Doctrine is taking shape, markedly different the Obama Doctrine

Trump mollified his audience and stated in no uncertain terms that he sees Iran behind the instability and terror in the region: “It is a government that speaks openly of mass murder, vowing the destruction of Israel, death to America, and ruin for many leaders and nations in this room.” Trump vowed to support U.S.

allies and stipulated that this support would not be conditioned upon meeting standards of human rights, democratization, etc. “We will make decisions based on real-world outcomes – not inflexible ideology... And, wherever possible, we will seek gradual reforms – not sudden intervention.”²

These words reflect a significant shift – at least on the rhetorical level – from President Obama’s position, which saw the potential of developing relations with Tehran,³ and urged Saudi Arabia to find an “effective way to share the neighborhood and institute some sort of cold peace”⁴ with Iran. This had further fostered Sunni concern that the U.S. was planning a grand bargain that would grant Iran significant regional status and allow it to deepen its subversive activities and achieve regional hegemony.

Trump’s inner circle, National Security Adviser H.R. McMaster and National Economic Council (NEC) Director Gary Cohn, articulated the president’s foreign policy principles in a jointly written article asserting that the president’s May 2017 trip to the Middle East and Europe signified a “strategic shift.”⁵

McMaster and Cohn promised that the United States would no longer “lead from behind” (as attributed to President Obama) and that the slogan “America First” does not mean “America alone.” Rather, in their view, “America First” signals the restoration of American leadership and our government’s traditional role overseas—to use the diplomatic, economic and military resources of the U.S. to enhance American security, promote American prosperity, and extend American

influence around the world.”⁶ The pair explain President Trump’s remarks as the ideological base of his foreign policy: “The president embarked on his first foreign trip with a clear-eyed outlook that the world is not a “global community” but an arena where nations, nongovernmental actors and businesses engage and compete for advantage. We bring to this forum unmatched military, political, economic, cultural and moral strength. Rather than deny this elemental nature of international affairs, we embrace it.”⁷

Although these articulations shed greater light on a real-politick worldview devoid of illusions, it is not enough to definitively assess how it will translate into actual policy when the rubber hits the road. The first months of the Trump presidency provide conflicting indications as to how the U.S. intends to interact in world affairs.

Thus, for example, as opposed to President Obama who avoided a military response even after the Syrian regime crossed his “red line” by using chemical weapons, Trump responded to a similar incident by launching 59 cruise missiles at a Syrian air base in eastern Syria (April 7, 2017). Trump did not flinch from the expected Russian criticism during the attack (Russia condemned the attack and cautioned that it might harm the relations between the countries). This response pattern was reiterated when Trump did not hesitate to drop the “Mother of All Bombs” for the first time – on an ISIS target in Afghanistan (April 13, 2017). Ostensibly, these steps should clear the fog as to whether President Trump views the U.S. as a proactive leader in the international arena.

However, in other instances, the message has been markedly different. Thus, for example, Trump's decision (June 1, 2017) to withdraw from the Paris Climate Accord to fight global warming, which 195 countries signed, noting: "I was elected to represent the citizens of Pittsburgh, not Paris." Similarly, there were hard feelings among the G-20 summit participants in Hamburg (July 7-8, 2017) when Trump announced that he was not thrilled to shoulder the burden of international commitments, and that he had few warm sentiments for the alliance with Europe. (It was difficult to extract a willingness from Trump to mention Article 5 of the NATO charter, which requires member countries to come to the defense of any attacked member state).

The international arena presents President Trump with challenges that require tough decisions. The manner in which he decides these will be formative milestones that further influence administration policy on other foreign policy issues. Chief among these are the future of the JCPOA nuclear agreement with Iran (discussed later), and the North Korea crisis. The latter is conducting provocative tests that bring it closer to possessing a ballistic missile fitted with a nuclear warhead capable of targeting the U.S. (On July 28, 2017, North Korea launched an inter-continental ballistic missile (ICBM), apparently capable of hitting the West Coast of the U.S., and on September 3, 2017 it conducted an underground test of what it claimed to be a hydrogen bomb.) Based on warnings from American intelligence experts that North Korea is expected to gain the capacity to fit nuclear warheads on these ICBM's

within a year⁸, President Trump's commitment to preventing this emerging threat is expected to be tested.

In light of Kim Jong Un's threats, Trump promised to respond with "fire and the fury like the world has never seen" (August 8, 2017)⁹. War with North Korea would affect the interests of other powers (China and Russia) and could lead to hundreds of thousands of casualties. Pyongyang has a massive military (the fourth largest in the world), nuclear capability, thousands of tons of chemical weapons, and over 20,000 artillery pieces, many of which are pointed at Seoul, the South Korean capital, and could cause mass devastation. (North Korea missiles could easily hit Tokyo, not to mention U.S. naval base in Guam). Trump's handling of the situation so far does not allow us to assess with great confidence how the U.S. will respond to Iran or how it will deal with the North Korean threat. The decisions made regarding these two situations could have great impact on the character of the emerging world order.

Undermining the values at the base of the Western world order – The geopolitical question marks are not confined to the structures of the prevailing world order, but also to the values at its foundation. Certain forces asserting themselves on the global stage today do not draw their values from the liberal-democratic legacy that guided American actions after WWII in shaping the world order in a way that increases stability, encourages freedom and allows free trade. The appeal of these values weakened as a result of the 2008 financial crisis, the deepening socio-economic inequality brought on by globalization, the dashing of hope

that had been sparked by the Arab Spring, the crisis washing over Europe, all of which found expression in the Brexit referendum results in the UK (June 23, 2016). We are now witnessing the rise of reactionary forces at odds with the humanistic values of the modern Western order: isolationism and national seclusion, bolstering borders, economic protectionism, anti-globalization, an erosion of liberal norms, populism, xenophobia, and the rise of the radical right.

Europe, which largely embodied the liberal values at the base of the Western world order in its actions and experiences, is undergoing a simultaneous crisis of identity, structure, and values.

The right's momentum in Europe weakened after Macron's victory in France and the defeat of right wing populists in Holland and Austria

The continent's discomfort with the inability of traditional politics to deal with various challenges – including economic crises, migration waves (affecting other continents as well), and terrorist

attacks – undercut the concept of open borders, the cosmopolitan sensibility, and sense of personal security, fomenting political radicalization on both the right and the left.

The countries of Europe are finding it difficult to agree on a plan for absorbing a million migrants from the Middle East and the possibility that many more will arrive. The momentum of the right in Europe and its push to dissolve the European

Union weakened following Emanuel Macron's defeat of Marine La Pen in the French presidential elections (May 7, 2017). Right-wing populists were also defeated in Holland and Austria. However, doubts surrounding the liberal and humanistic values that stood at the base of the EU founders' vision remain.

This phenomenon has not skipped over the United States. Many commentators see Trump's election as an expression of the empowerment of considerable groups in the U.S. who feel that the existing political structure and world order (with a focus on globalization), harms and deprives them. Therefore, these groups are devoid of any commitment to those liberal values at the foundation of the existing order.

Russia and China's strategic assertiveness – Russia and China do not accept the logic of a world order that does not reflect and respect their power and capabilities. They are acting with growing assertiveness on the global stage and expressing their aim to bring a new multi-polar order based on inter-power competition, in which the legitimacy of their status and interests are not subordinate to those of the United States.

While China leans on its economic power, Russia compensates for its weaknesses with aggression and by projecting its military power and sophisticated cyber-warfare capabilities. Russian Foreign Minister Sergei Lavrov's calls to bring an end to the Western-led world order, which took shape after the Cold War, and bring about a new world order that is not West-centric.¹⁰ Russia is taking advantage of U.S. reticence and Europe's

weakness and the challenges it faces in defining a unified and committed policy. Russia is increasing its involvement in Syria, completing its annexation of the Crimean Peninsula, and continuing its destabilization efforts in eastern Ukraine. With this behavior, Moscow is proving that a nominal summation of military capabilities is not enough in measuring actual power. A critical variable is how willing one is to actually use force.¹¹

The strategic vacuum created by the U.S. during President Obama's tenure, who preferred to "lead from behind," sent a clear signal not just to Moscow. China is offering autocratic leaders around the world an alternative guiding model to follow: rapid and consistent economic development without the need for democracy. In 2015, China became the largest oil importer in the world, most of which comes from the Middle East. China is set to establish its first foreign naval base at the end of 2017, in Djibouti, which will allow it to secure maritime routes around the entrance to the Red Sea and Suez Canal, an area critical to Chinese trade. China is Africa's largest trade partner and sees the Middle East as a promising market for its goods (in the decade between 2004 and 2014, China's trade with the Middle East grew six-fold). It is not for naught that China includes the region in the framework of its "One Belt One Road" initiative intended to connect China with Europe and Asia encompassing a giant marketplace of 4.4 billion people in 26 nations. The Asia Infrastructure Investment Bank (AIIB) was established by China to facilitate this regional integration program.

At the same time, China is raising serious concerns among its neighbors as it challenges international law through vigorous efforts to assert sovereignty over disputed islands in the South China Sea. China is building artificial islands in the area and positioning missile batteries and military forces there (the South China Sea is rich in minerals and fishing resources, and hosts an important maritime route for trade amounting to \$5 trillion annually). Although, in 1992, Chinese premier Deng Xiaoping clarified that his country needed "to maintain a low profile and never lead"; today's Chinese leader, Xi Jing Ping, does not shy away from the challenge of leading the global economy and declared (January 17, 2017) that China should be the one to "guide economic globalization." Israel has an interest in developing its relations with China and Russia, but in both cases, it must navigate these relationships cautiously given the inter-power rivalry and the preeminent interest of not harming its strategic relationship with the United States.

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B. U.S. – Israel Relations and the Resilience of the Triangular Relationship: Jerusalem – Washington – US Jewry

The agreement renewing U.S. military assistance to Israel (MOU) – 38 billion dollars over the next decade, starting at the end of 2018 – was signed in the closing days of the Obama administration. Despite this profound testimony to the depth of relations between the two countries, the Obama years also included worrying trends vis-a-vis the future of U.S.-Israel relations, in regard to the depth of bi-partisan support for Israel and the changes brought by a foreign policy doctrine that could harm Israel's interests.

Unlike his predecessor, President Trump is seen by Israel as a loyal and warm friend. Thus, Israel has an opportunity to correct the problems that arose during the Obama presidency and “turn a new page” in its relationship with the United States – its most significant and only true ally.

Trump's visit to Israel very early in his presidency, and the level of friendship he exhibited, signaled a genuinely positive turn. However, despite the warm atmosphere during the visit, it is hard to ignore that the main points of strategic interest for Israel – the nuclear agreement with Iran, the Israeli-Palestinian conflict, and the future of Syria – could spark disagreements down the road. This is due to both conflict interests and the president's unpredictable nature. An increase in tensions between the two countries could weigh heavily on American Jews, 70 percent of whom voted for Hillary Clinton and reject Trump's policy path.

This puts them between a rock and a hard place, and could erode the resilience of the Jerusalem – Washington – U.S. Jewry triangular relationship, a bedrock of Israel and the Jewish people's strength.

Israel also faces a dilemma as to how much it should openly identify with the new president and the sentiments and ethos that brought him to power. The American Jewish community's reservations about the president sharpen how sensitive this dilemma is. Given the polarizing trends within the U.S., the challenge for Israel to maintain bi-partisan support and its connection with American Jews only increases. Relatedly, one cannot ignore the warnings issued by some of Israel's best friends within the American Jewish community following the Israeli government's decisions regarding the Western Wall (Kotel) and conversion bill. According to these voices, Israel could alienate many of its Jewish supporters, erode their commitment to Israel, and thus cause great long-term harm to Israel's strategic interests.

The geopolitical reality presents President Trump with a series of strategic dilemmas, some directly relating to Israel's security interests:

- **The Regional system:** Will the understanding that the Middle East is of dwindling importance to the U.S. also define the Trump administration's foreign policy? Will the U.S. allow Russia to become a key player that fills the vacuum it created in the Middle East? Does the U.S. intend to rebuild the trust it lost with many in the region, and if so how? Will the U.S. invest resources in order to step up the momentum of the relations forming between Israel and the moderate Sunni states?

- **The Iranian challenge:** What will the fate of the Iran nuclear agreement (JCPOA) be? Despite his campaign promise to “rip up” the agreement, Trump authorized (July 17, 2017) Iran’s compliance with the terms of the agreement and, therefore, allowed the continued easing of nuclear program related sanctions. Will the U.S. continue in this direction given Iran’s growing regional subversion and the strong public positions Trump has taken against Iran? How will Washington respond to Iran’s provocative activity in areas not mentioned in the nuclear agreement: regional subversion, support for terror groups, and continued development of ballistic missiles?
- **The future of Syria and Iraq:** Will the U.S. be dominant in shaping Syria’s future so that it does not become a forward base for Iran and anti-Israel jihadists? Will the U.S. play a lead role in determining what the day after ISIS’ will look like? Will the U.S. allow Russia, Iran, Turkey, and Hezbollah to shape the future of Syria and Iraq? Will the U.S. allow Iran to establish a land corridor through Syria to the Mediterranean? Will the U.S. allow those forces beholden to Iran to take up positions on Israel’s border in the Golan?
- **The Israeli-Palestinian conflict:** Will the U.S. continue to take the lead in the Israeli-Palestinian peace process, or will it recoil from the difficulties it encounters and acquiesce to “internationalizing” the efforts to find a solution to the conflict? And if it does persist, what sort of diplomatic process will it shape

and lead? Will President’ Trump’s ambition to broker the “ultimate deal” bring pressure to bear on Israel should there be disagreements over core issues of a final status agreement? How will the American administration prepare for the expected leadership change within the Palestinian Authority?

The list of challenges mentioned (a more detailed discussion follows below) is, of course, partial. The inability to assess the American president’s moves as the logical outcome of a thought out and coherent foreign policy doctrine frustrates even the best analysts. Some claim that Trump’s interest in foreign affairs will wane, particularly with respect to the Middle East. They believe that U.S. involvement in the international arena will rise and fall according to businesslike considerations of profit and loss. Trump, who they predict will become increasingly disappointed by the lack of quick results on the global stage, may prefer to direct his energies to more domestic challenges: gaining legislative achievements at home, and fending off the repeated attacks against him.

Other commentators dismiss this forecast and argue that Trump cannot disconnect from international affairs, especially the Middle East, due to the inherent potential it would have to create global instability, harm U.S. interests, instigate war, or cause a global economic crisis.

The coming months will show the extent to which Trump’s approach to issues of importance to Israel differs from that of his predecessor. Despite the friendship and warmth Trump has exhibited toward Israel, the true test will likely have less

to do with mere rhetoric but rather on practical matters. Jerusalem's ability to manage an ongoing strategic dialogue with the Trump administration that produces positive practical results will largely depend on Israel's willingness to fulfill Washington's expectations, even if only partly.

In this regard, one cannot underestimate the impact of the polarizing processes and changes underway in the United States, and how they may affect American public opinion vis-a-vis Israel. In recent years, Israel has become an increasingly

In the U.S., support for the Palestinian side within the Democratic party has nearly doubled since 2014, and is gaining steam

partisan issue. The Pew Research Center determined that the American public largely supports Israel in the Palestinian conflict, (54 percent versus 19 percent for the Palestinians). However, support for Israel decreases significantly within the liberal wing of the Democratic Party where

40 percent support the Palestinians versus 33 percent for Israel. Support for the Palestinian side within the Democratic Party has nearly doubled since 2014 (a jump from 21 to 40 percent) – and is gaining steam.¹²

C. The Regional System: Threats and Opportunities

Israel cannot expect a quick improvement in the violent and unstable region in which it must operate. Two-thirds of the region's residents are 29 or younger. The unemployment rate among those capable of work stands at 30 percent (twice the global average). The regional economy is crawling, tribal and clanship affiliation is rising at the expense of civil commitment to the state. Central rule is failing and the nation-state system is weakening. The phenomenon of "failed states", where sovereignty over territory is nominal at best (Iraq, Syria, Lebanon, Libya and Yemen), is increasing.

The harsh disillusionment that resulted from the failure of the "Arab Spring" has yet to subside. Regional shifts have created a power vacuum that allows for the rise of radical armed and violent non-state actors – local militias, terror organizations, and movements guided by radical Islamist ideology. These forces, which at times form new alliances, erode the power of the central authority, destroy economies and infrastructure, and render some national borders irrelevant.

The civil wars in Syria and Yemen and the murderous terror of ISIS have created millions of refugees: Over 2.5 million have found shelter in Turkey, 1.4 million in Jordan, and a million in Lebanon (a quarter of its population). The problem-laden reality of the Middle East – social, economic, political, and religious – has not improved. In states without central rule capable of enforcing its authority in the territory under its

sovereignty, even more murderous groups than ISIS could arise in the wake of the severe setbacks it has suffered.

Despite the Middle East's violence and instability, Israel does not face any immediate military threat from a neighboring country or coalition of Arab countries, as it has in the past. However, this encouraging situation could change if Iran succeeds in establishing a military presence in the Syrian Golan Heights, and actualizes a strategic land corridor between Tehran and the Mediterranean.

This corridor would open a space of direct Iranian influence and empower Hezbollah as a military surrogate of Iran. Egypt, Jordan, and the Sunni camp view Israel as a partner that can assist in pushing back these key threats, and are increasing their security cooperation with Jerusalem. However, one cannot ignore the fact that the advanced weapons systems Arab governments who fear Iran have purchased from the United States for very large sums of money could one day pose a threat to Israel's Qualitative Military Edge (QME). These arms, theoretically, could one day be turned on Israel in the event of policy or regime change.

Israel's immediate security threats emanate primarily from terror organizations that operate from ambiguous territorial realities (Hamas) or from the territories of failed states (Lebanon, Syria). These terror organizations employ an asymmetric strategy and operate from within dense civilian populations. The IDF must therefore contend with a reality in which its

capacity to project deterrence differs from when the opposite side is a functioning country. Even though Assad's forces are exhausted from years of a continuing civil war, Hezbollah is deeply mired on Syrian battlefields, and Hamas is isolated and weakened, there is still the possibility that a conflict with any of these could occur.

The Palestinian "Lone Wolf" intifada has yet to fully subside. The wave of violence that began in October of 2015 has claimed over 50 Israeli lives so far. The Temple Mount shooting attacks (July 14, 2017) and the violent escalation that ensued after Israel installed metal detectors there illustrate the potential for an even more violent escalation, especially if fueled by religious fervor.

Israel also must prepare for threats arising from the 1400-year-old Sunni-Shia conflict and as well as those that result from new technologies and cyber warfare.

After 6 years of fighting, the death toll of the civil war in Syria stands at around half a million

Syria

After six years of fighting, the death toll from the Syrian civil war stands at around half a million. Five million have fled and an additional seven million are internally displaced. The average life expectancy in Syria dropped from 70 to 56. With assistance from Russia, Iran and Hezbollah, Assad was saved from the jaws of defeat and his status has been reinforced since.

This reality caused the U.S. and the West to modify their policy vis-a-vis Assad. They have come to terms with his continued tenure in power and the inevitability of including him in any political talks regarding Syria's future. Given the anarchy that would likely ensue if he were deposed, Assad is now regarded as part of the solution, the best of several bad options. Assad's growing self-confidence may trigger a possible change in his attitude toward and response to Israeli air force strikes on Syrian territory (Syria's air defense command launched a number of missiles at Israeli planes on March 17, 2017).

Currently, hundreds of armed factions, organized according to regional, tribal, ethnic, ideological or religious affiliations, are operating in Syria. Regional powers (Iran, Hezbollah, Turkey, and Saudi Arabia) and outside powers (Russia and the U.S.) are also playing roles in Syria. Russia's intervention significantly swayed the battle in favor of Syrian government forces and halted the rebels' momentum, a favorite target for Russian airstrikes.

The fall of the rebel stronghold in Aleppo (December 2016) – after repeated shelling of civilians, instituting a state of siege, starving the population, and creating a humanitarian catastrophe – was a milestone of the war. President Putin surprised everyone when he announced (March 14, 2016) that his forces had completed their mission in Syria and were pulling out. However, in actuality, Russian jets are still targeting rebel forces and Russia continues to maintain a naval base in Tartus and an air force base in Latakia.

Despite warnings that Putin would “drown in the Syrian swamp,” the Russian leader has managed to achieve his main goals, at least for the time being. These include bolstering Assad's position and creating a reality in which Russia, as the dominant actor, sets the tone and has the defining role in resolving the Syrian crisis. Moreover, Russia is now perceived in the Middle East as an actor that is prepared to use force, loyal to its allies, and therefore cannot be ignored. Russia has leveraged its position in Syria to sign a 49-year agreement giving it exclusive and autonomous use of its naval base at Tartus. Russia can dock submarines and large nuclear-powered battleships there, and can also deploy a comprehensive and independent defense system over the port facilities.

Israel has managed to develop an effective working relationship with Russia, even convincing Moscow to respect its “red lines” vis-a-vis Syria (especially preventing Iran from transferring strategic arms to Hezbollah and allowing Hezbollah and Iran to establish bases in southern Syria). Russia, so far, has not obstructed Israel as it enforces these lines. However, it would be a mistake to interpret this as a sign of the depth of relations: Russia cooperates with Israel's enemies in Syria (Assad, Iran, and Hezbollah) and is engaged in a great power rivalry with Israel's key ally, the United States.

Russia's positioning of S-300 and S-400 air defense systems in Syria highlights the caution Israel must exercise in continuing to intercept arms transfers to Hezbollah without creating friction with Moscow. However, Russia has its own interests, and summoned the Israeli ambassador for a

reprimand after IAF jets struck targets deemed too close to Russian forces.

A key Israeli concern is that Iran will succeed in creating a land corridor between Iran and the Mediterranean controlled by Iranian troops and Shia militias under Iranian command. Undoubtedly, if Iran establishes itself as Israel's neighbor, putting it in a stronger position to back Hezbollah, there will be friction. Iran signaled its intentions and capabilities when it fired ballistic missiles against ISIS targets 600 km from its border, even if they were not all that accurate (June 18, 2017).

Israel does not deny the fact that it takes military action in Syria from time to time. The outgoing air force commander, Maj. Gen. Amir Eshel, revealed that in the last five years, Israel attacked weapons convoys in Syria intended for Hezbollah and other terror organizations nearly 100 times.¹³ Prime Minister Netanyahu noted: "We are operating in Syria from time to time, working to prevent Syria from becoming a front against us."¹⁴ Israel fears a ceasefire agreement that will strengthen the Iranian camp in Syria, but its ability to influence the content of any agreement is limited.

On May 5, 2017, an agreement was struck at the Astana Summit, the capital of Kazakhstan, to establish four de-escalation zones; Russia, Turkey, and Iran were signatories. This was the fourth attempt in the past year to achieve a cease-fire in Syria. The plan could hold the framework for a future agreement that would end the fighting in Syria and define the areas of influence within Syria. The zone nearest the Golan Heights is especially

sensitive for Israel and Jordan, not to mention that Iranian forces would be involved in enforcing the de-escalation under the Astana agreement.

In response to these fears, a separate agreement was reached between Washington, Moscow, and Amman for a cease-fire in southern Syria (July 7, 2017) intended to ensure that Iranian forces stay away from the area. However, this agreement caused Israeli concern because it does not preclude Iran from entrenching itself in Syria, which could eventually lead to the presence of Syria, Iran or Tehran's surrogates, like Hezbollah, very near Israel's border.

Despite Russian Foreign Minister Sergey Lavrov's attempts to dispel Israeli fears by promising that Russia and the U.S. would do everything possible in consideration of Israel's security needs, Israel does not trust Russian oversight on the ground (Russian military police battalions are already deployed in southern Syria to oversee the agreement), not to mention that their presence will limit Israel's ability to act.¹⁵ Prime Minister Netanyahu expressed Israel's complete opposition to the agreement arguing that it does not take Israel's security interests into account, which demand pushing Iran and Hezbollah back from Israel's Ramat HaGolan border, preventing a permanent Iranian presence in Syria, and deterring Hezbollah from arming itself with accurate missiles.

Israel's discomfort could bring a change in its policy, which until now has been to avoid involvement in the fighting, except for limited assistance to moderate militias near its border that formed a buffer between Israel and the fighting in Syria.

Israel's ability to protect its security interests in Syria depend in large part on the United States. However, the U.S. has yet to articulate clear positions on the end game it envisions there, or the strategy it endorses to deal with Iran's ambition to create a strategic corridor and base itself in Syria. Nor has it delineated the scope of the resources it is willing to invest over time in addressing these issues. Recent reporting on President Trump's orders to stop training rebels raises doubts that Washington will take the lead in defining Syria's post-war future, or whether, as it seems now, it will

During Obama's presidency Iran felt a surge of self-confidence to increase its drive for regional hegemony

allow Syria to be divided up into Russian, Iranian, and Turkish zones of influence.¹⁶

Iran

A key question following Trump's election is to what extent his presidency will signal a strategic pivot in

U.S. policy on Iran. The nuclear agreement (JCPOA, July 14, 2015) delayed Iran from becoming a nuclear power, but, at the same time, granted it legitimacy as a threshold nuclear power and permitted it to maintain its nuclear production capacity.

After 15 years, Iran will be able to reduce its "breakout time" to a military nuclear capability to a critical threshold of weeks, or even days. The nuclear agreement further allows Iran to increase funding to its armed forces. It continues to develop its ballistic missile array and conducts missile tests. As such, it has breached the terms of UNSC

Resolution 2231, at least in spirit. Furthermore, the nuclear agreement did not put an end to Iran's regional subversion.

It seems that during the Obama presidency, Iran even felt a surge of self-confidence to increase its drive for regional hegemony, taking advantage of Obama's reluctance to use force and his penchant to "lead from behind," if at all.

There was a widespread perception that Obama was prepared to tolerate Iran's problematic regional behavior as long as it didn't abrogate the nuclear agreement, which he regarded as a key legacy achievement. On the eve of Trump's inauguration, Iran exercised significant influence in four Arab capitals: Beirut, Sanaa, Damascus, and Baghdad.

Iran's influence in Iraq is growing, and Saudi Arabia cannot seem to achieve a decisive victory in Yemen against the Shia tribal Houthi militias Iran supports. The IDF is preparing for the day when Iran's efforts to deepen its influence in the region will intensify. Iran will continue to act through terror and proxy militias.

Indeed, Iranian military officers are in Syria commanding combat systems, and Tehran continues to fund terror groups, transfer advanced arms to Hezbollah, and smuggle arms into the Gaza strip.

The coming months will show whether Trump's declarations turn from rhetoric into an actual strategic turning point. In stark contradiction to his predecessor's policy, Trump is totally in line with the Saudi-led Sunni camp and has clearly blamed Iran for the terror and instability in the

region. Trump has not canceled the nuclear agreement, and has allowed its continued implementation. The terms of the agreement require the president to certify Iran's compliance every 90 days. However, critical decision points are expected down the road, and Trump's original intent to cancel the agreement could still materialize.

In parallel to this dilemma, Congress is moving ahead with additional sanctions against Iran in response to its role in regional terror, its support of Assad, and its continued development and testing of ballistic missiles.

The question as to whether the timeout created by the agreement, 10-15 years, will allow the moderate in Iran camp to defeat the radical camp and pave the way for a more moderate regime remains open. Sixty percent of Iran's population is under the age of 30 and the religious Islamist revolutionary ideology does not appeal to many of them. The re-election of President Hassan Rouhani (May 20, 2017) and the fact that he defeated Ebrahim Raisi, a more conservative opponent, highlights the influence of less radical elements.

However, Israel cannot base its security policy on such hopes. IDF Chief of Staff Lt. Gen. Gadi Eizenkot described Israel's challenge clearly: "Pushing Iran back and limiting its influence in the immediate circle around Israel is no less an important challenge than defeating ISIS, and for Israel perhaps the most important challenge."¹⁷

There are two main, interconnected questions regarding Trump's Iran policy that have strategic implications for Israel: Will Trump steer the

U.S. out of the agreement with Iran and will he formulate and implement a strategy to block Iran from filling the void left in the region after ISIS is defeated? Each of these carries considerable escalatory potential. Passivity from the Trump administration in the face of Iran's efforts to establish itself in Syria could cause tension in the U.S.-Israel relationship (see Israel's public criticism of the de-escalation agreement in southern Syria, of which the U.S. is a party).

Hezbollah

The IDF considers Hezbollah the most serious military threat to Israel. The Iran-backed organization has an annual budget of around one billion USD. Hezbollah's support for Assad eroded its standing in the Arab world and the Gulf Cooperation Council (GCC) even designated it a terror organization (March 2, 2016). However, Russia, Iran, and Hezbollah's success in defeating the rebels and leaving Assad in place, put Hezbollah on the winning side. At least 5000 Hezbollah soldiers are fighting alongside Assad's troops; it is estimated to have suffered at least 1500 dead thus far and around 5000 injured, significant numbers for an organization with an estimated 30,000 full time fighters (and around 25,000 reservists).

IDF: Hezbollah is the most serious military threat to Israel

The Arab world views Hezbollah's standing alongside the hated Assad as joining the Shia front against the Sunnis, which contradicts the image

Hezbollah head Hassan Nasrallah has tried to cultivate over the years, as defending the interests of all Lebanon against Israel. However, Hezbollah's involvement in Syria has not slowed its growth within Lebanon. Lebanese President Michel Aoun said (Feb 12, 2017) that there is a need for Hezbollah as "a complement to the Lebanese army's actions."¹⁸

Although Hezbollah is shedding its blood in Syria, it is, at the same time, gaining valuable military experience fighting in a complex war. From many standpoints, the IDF will face a foe with the operational capabilities of a modern military force in the next conflict. Hezbollah has been deterred from opening another front against Israel, as it has been for the past decade since the Second Lebanon War. The group even refrained from significantly responding to IAF attacks against its strategic arms convoys from Iran through Syria. However, Hezbollah's continued efforts to arm itself with advanced weapons and base itself in southern Syria, together with Israel's tenacity to thwart these efforts, could escalate to revenge attacks against Israel and Jewish targets abroad, and eventually another direct armed conflict.

Hezbollah is currently deployed in around 240 Shia villages in southern Lebanon. It has an array of over 120,000 rockets, some of which can strike deep into Israel and with greater accuracy than those Hamas launched in Protective Edge (August 2014). Nasrallah even threatened (February 16, 2016) that in the next conflict, his forces, by launching missiles at the chemical facilities in Haifa Bay, will have the effect of a nuclear strike on Israel.

It was reported recently that in order to avoid dispatching weapons convoys vulnerable to IAF attacks, Iran is establishing underground arms production facilities in Lebanon to supply rockets and advanced arms for Hezbollah. IDF Military Intelligence (AMAN) Chief Maj. Gen. Herzi HaLevi stated: "We see that Hezbollah is establishing an arms industry on Lebanese soil with Iranian know how," and warned "Israel will not remain apathetic to such a development."¹⁹

Israel is preparing for the possibility that Hezbollah will try infiltrating Israeli territory to conquer areas near the northern border in the next escalation, and strike at critical infrastructure such as Israel's maritime gas platforms. However, intelligence analysts agree that Hezbollah has no interest in opening a second front against Israel in the near future. The group is still fighting in Syria and has suffered heavy casualties. Of course, one cannot exclude the possibility of an unintended escalation that could lead to a war, even against the interests of both sides.

IDF Chief of Staff Lt. Gen. Gadi Eizenkot noted, "The effort to prevent Hezbollah from upgrading the accuracy of its missile and rocket array is one of the top operational priorities for the IDF."²⁰ It is not unfounded to imagine a security escalation in the wake of one of these IDF pre-emptive operations. Experts assess that the next war in the north will be harder on the Israeli home front than any war in the past.

ISIS

ISIS was not able to withstand the onset of the coalition of forces allied against it in recent months. The group lost 50 percent of the territory it had captured in Iraq and Syria, including its stronghold in Mosul, the most significant city it controlled in Iraq. The expected fall of its Syrian capital, Al-Raqqah, would signal a final defeat, but will not end the organization's ability to continue to wreak havoc. In any case, the defeats ISIS has suffered broke its halo of invincibility, and eroded the force of attraction it held for young Muslims around the world. It will likely try to increase its murderous terror attacks abroad – outside the Middle East and within it – to compensate for these losses. ISIS-inspired terror elements are still operating in Sinai. Although focused on fighting the Egyptian army, they have conducted some attacks on Israel and could attempt more. Even in southern Syria, an ISIS presence could turn its guns on Israel if pressed.

Washington has identified ISIS as a main threat. U.S. bombers strike ISIS targets and provide intelligence to coalition fighters (which has created a sort of indirect cooperation between the U.S. and Iran, which also considers the Sunni ISIS a dangerous threat). Achievements in the fight against ISIS do not guarantee the destruction of its social and religious infrastructure, the network through which its ideology spreads. Even if its territorial bases in Syria and Iraq fall, ISIS – or its heirs – could continue to prove a practical threat and significant ideological challenge. After all, there is still a core of significant support for the

ideas and spirit ISIS represents – in the Middle East and beyond. Many ISIS fighters in Syria and Iraq are expected to return to their countries of origin where ISIS' message still resonates for many Muslims. As the demise of ISIS nears, so does the question mark around the day after: Who will fill the void left in Syria and Iraq, and will they be able to impose order and stability? Fulfilling this challenge seems almost utopian.

We will likely witness additional shocks to regional stability. For example, the Kurdish decision to hold a national referendum (September 25, 2017) in northern Iraq on secession and independence could exert a destabilizing effect that energizes the central government in Baghdad's resolve to keep these oil rich territories. Other countries fear that this move could encourage separatist demands in their own countries, especially Turkey and Iran where there are considerable Kurdish populations.

Saudi Arabia

The crowning of the Saudi King Salman (January 23, 2015) has brought significant changes to the kingdom. Muhammad bin Salman, the 31-year-old son of the king who is simultaneously Defense Minister and Chair of the Economic Development Council, and who was recently named first crown prince (June 21, 2017), is leading these changes.

Saudi Arabia has adopted a more assertive foreign policy and has become more aggressive toward Iran and its allies. Based on current low oil prices and the sense that the country requires comprehensive reforms, the crown prince

launched (April 25, 2016) a long-term plan, “Saudi Vision 2030,” to diversify the Saudi economy’s revenue sources – to free it of its dependence on oil and place it on a development and modernization path.

Saudi Arabia is exhibiting its determination to block Iran from achieving regional hegemony. Riyadh was taken aback by President Obama’s comments that it would have to get used to a reality that offers Iran a legitimate space for regional influence. Riyadh sees Iran’s moves to broaden its reach with the

aid of Shia militias in Iraq, Syria, Lebanon and Yemen as an existential threat, and it is determined to block that threat. The Saudi air force is conducting an air campaign in Yemen, and Saudi financial aid is backing rebel forces in Syria.

Half of Egypt’s population subsists on less than 2 dollars a day

Inspired by Prince Muhammad bin Salman, Saudi Arabia is not deterred from taking aggressive action, most recently against Qatar, the tiny kingdom that possesses some of the biggest gas fields in the world. Riyadh seems to have lost all patience for Qatar’s double game.

Qatar, which hosts the giant U.S. air force base Al Udeid with its 11,000 troops, is developing its relations with Iran while also providing sympathetic media coverage of the Muslim Brotherhood and Hamas through Al Jazeera. Saudi Arabia and the UAE, together with Egypt, Bahrain, and Yemen, have severed diplomatic ties with

Qatar and enacted a boycott on air, sea, and land transportation between them and the kingdom. They are demanding Qatar significantly decrease its ties with Iran, halt its support for terror groups, label the Muslim Brotherhood, ISIS, Al-Qaeda, and Hezbollah terror organizations, shut down Al-Jazeera, and put a stop to Turkey’s military presence there.

While Iran, Turkey, and Russia are waiting to exploit the crisis to deepen their grasp on the rich kingdom, the U.S. is trying to mediate between the parties. It is safe to say that the aggressive line Saudi Arabia is taking was reinforced by President Trump’s official visit to the kingdom (May 21, 2017) and his sweeping support of Riyadh in its conflict with Iran. This visit helped secure a massive 110 billion USD arms sale from the United States, which has the potential to threaten Israel’s QME.

Muhammad Bin Salman is seen as more open to the possibility of advancing relations with Israel than his predecessors. However, he is reluctant to take official steps to publically normalize cooperation with Jerusalem as long as there is no real progress on the Israeli-Palestinian issue (see below).

Egypt

Egypt continues to struggle with difficult security and economic challenges. Unless there is a drop in its birthrate (2.6 percent), Egypt’s population is expected to reach 180 million by 2050. Half of Egypt’s population subsists on less than 2 dollars a day. The IMF conditioned aid to Egypt (12

billion USD) on significant economic reforms. The Egyptian government, which agreed to float its currency and cut subsidies for basic goods, faces difficult dilemmas. If it moves to privatize its economy, it would harm the military, which controls considerable parts of the economy. Therefore, the Egyptian government is required to harm its greatest source of support.

At the same time, lifting subsidies – a key requirement of the IMF – would lead to skyrocketing prices of basic goods and could result in public unrest, a public already living under a regime whose record on democratic principles and human rights is perhaps worse than under Mubarak. The Egyptian government continues to hunt the Muslim Brotherhood, which it regards as a grave threat. It has, further, yet to defeat terror groups either loyal to ISIS or inspired by it, or Islamist elements from the fringes of the Brotherhood who became radicalized and violent. They have struck sensitive targets, such as the double attack on Coptic churches in Tanta and Alexandria in which 45 were killed (April 2017), or the suicide bombing in northern Sinai (July 7, 2017) which killed 27 Egyptian soldiers.

The threats from terror and Islamist actors, the chaos in Sinai due to ISIS, and the danger emanating from Iran's growing regional presence, create a situation that invites greater cooperation with Israel.

Jordan

Jordan absorbed 1.4 million Syrian refugees, 13 percent of the kingdom's population. These refugees are draining Jordan's already fragile economy and are a source of instability. These are in addition to the hundreds of thousands of refugees already there from Iraq. Together, they use up almost 20 percent of Jordan's budget. King Abdullah II warned that his country could reach a "boiling point... sooner or later as the dam could burst."²¹

The Jordanian economy further suffers from trade limitations with its neighbors who are mired in violent domestic conflicts – Syria is in a civil war and Iraq is fighting ISIS. Tourism has decreased due to security concerns. Its supply of subsidized gas from Egypt has been cut off because of pipeline attacks in Sinai, which has caused Jordan to turn to more expensive alternatives. These problems come on top of preexisting difficulties undermining the Jordanian economy: just 36 percent of working age Jordanians are employed, only 15 percent of women are in the labor force, and the youth unemployment rate is 40 percent.

The Jordanian economy suffers from trade limitations with its neighbors who are mired in violent domestic conflicts

The Jordanian regime must prepare for outside security challenges such as ISIS attacks and spillover from the Syrian Civil War into Jordanian

territory. A ceasefire agreement in Syria could harm Jordan's security interests as it would place hostile forces on its border, either ISIS or Iran loyalists.

Additionally, the Jordanian regime must contend with domestic radical Islamists (about 2500 Jordanians joined the jihadi ranks in Iraq and Syria, and many are expected to return home) as well a reality in which over half the population is of Palestinian origin and influenced by the upheavals of the Israeli-Palestinian conflict. In an interview in the *Washington Post* (April 6, 2017) King Abdullah spoke about incidents in which his forces killed 40 terrorists, 96 percent of whom were of Palestinian origin. The king's conclusion: "So if we don't move the Israeli-Palestinian process forward, that is a major recruiting [opportunity] for disenfranchised and frustrated people."²²

The foreign media have reported on widespread security cooperation between Israel and Jordan. Israel came to Jordan's rescue and provided a solution to its crippling water shortage. In addition to the 50 million cubic meters Israel transfers each year to Jordan according to the peace accords, Israel has transferred an additional 50 million cubic meters of water from the Galilee. In exchange, Jordan agreed to transfer a similar amount to Israel from a desalination plant north of Aqaba. The two countries are cooperating in planning the water conveyance system from the Red Sea to the Dead Sea, and have signed an agreement for a 15-year gas supply from Israel valued at 10 billion USD. When the first gas supply began flowing from the Tamar gas field to the potash plant in Jordan in the southern Dead Sea area (January 2017), it was

a moment of great significance in the relationship of the two neighboring states.

Despite the mutual interest Jordan and Israel have in closer relations, especially in security matters, there is also a fragility due to the Palestinian context. Disturbances on the Temple Mount, and the killing of a Jordanian attacker and bystander by an Israeli embassy security guard (July 23, 2017) exposed this fragility. King Abdullah issued a warning (July 27, 2017) that the way Israel deals with the embassy guard will directly impact relations between the countries.

Turkey

The failed coup attempt (July 15, 2016) allowed President Erdogan to declare a state of emergency (which he has yet to lift), to get rid of opponents and to shore up his rule. In his extensive purge campaign, some 50,000 people were arrested and 100,000 lost their jobs. Erdogan also achieved his goal of switching the regime from a parliamentary system to a presidential one in which he has the key powers. The decision was reached with a slim majority in a national referendum (April 16, 2017), Erdogan lost in Turkey's three main cities – Istanbul, Ankara, and Izmir.

Erdogan's personality and demeanor have led to sharp polarization within Turkey and widened existing divisions with the West. During the campaign prior to the vote, Erdogan called Germany and Holland "Nazi remnants" when they refused to allow his ministers to disseminate election propaganda in the Turkish immigrant

communities in their countries. Despite whatever aversion to Erdogan, the West cannot ignore the strategic importance of Turkey, its membership in NATO, significant involvement in Syria, and as the gatekeeper controlling the flow of refugees into Europe.

Turkey has suffered a series of terror attacks, some perpetrated by ISIS and others by Kurdish separatists. But the bulk of Turkey's concerns lie in the threat posed by Kurdish nationalism. Turkey fears that pressure from its Kurdish citizens to secede and declare independence will rise if an independent Kurdish state is established on its border. These form the background to Ankara's opposition to the referendum on Kurdish independence in Iraq, and tensions with the United States as it supports the Kurdish forces in Syria (YPG) in its fight against ISIS. Even its relationship with Russia, although remediated from the plummet that followed the downing of a Russian jet in its airspace (end of 2015) and despite cooperation to de-escalate Syria, is mired in mutual suspicion and conflicting interests.

Relations with Turkey show how mercurial the Middle East is and demands that Israel conduct itself with caution and strategic acumen. The rapprochement deal with Ankara (June 28, 2016) and the possibilities it opened for deepening relations (including gas exports) did not prevent President Erdogan from sharply rebuking Israel, accusing it of the "Judaification" of Jerusalem and conducting an apartheid policy: "Each day Jerusalem is under occupation is an insult to us."²³ After the Temple Mount terror attack and Israel's installation of metal detectors in

response, Erdogan warned Israel from trying to wrench Al Aqsa from Muslim control: "The Israeli soldiers defile the ground of Al Aqsa with their combat boots..."²⁴ This was the same Erdogan who justifying the rapprochement agreement to journalists argued the utility of normalized relations with Israel: "This normalization process has a lot to offer to us, to Israel, to Palestine and also to the region. The region needs this."²⁵

On the Israeli side, there are no illusions that relations will return fast, if at all, to the high levels of security and intelligence cooperation that existed before the crisis. Indeed, in the wake of this diminished cooperation with Ankara, and in light of the need to secure the gas fields and prepare for marketing their output, Israel has been working to strengthen relations with Greece and Cyprus.

D. The Palestinian System

President Trump once again stated his aspiration to achieve the "ultimate deal" and broker a peace agreement between Israel and the Palestinians. He called for Israel to restrain settlement construction and delayed his campaign promise to move the U.S. embassy to Jerusalem so as not to hobble chances to advance Israeli-Palestinian negotiations (June 1, 2017). Continued American leadership over the peace process grants Israel the opportunity of working with a sympathetic interlocutor, but American pressure to make painful concessions could eventually sour relations with the Trump administration, supportive as it may be.

Trump's steps, thus far, reflect a strategy to involve the Sunni moderates in a regional deal that includes the Palestinians. Arab League members stepped up to the president's challenge, and reiterated, in the summary statement issued by the League summit in Jordan (March 30, 2017), their commitment to peace with Israel based on the 2002 Arab Peace Initiative. The Saudi king, during Trump's visit, committed his country's help in these efforts to resolve the Israeli-Palestinian conflict (May 20, 2017).²⁶ However, the Arab world is in no hurry to publically show signs of

Continued settlement construction raises doubts about the sincerity of Israel's intentions

normalization with Israel, and demands real progress with the Palestinians as a precondition. The harsh anti-Israel responses of the Arab states after the Temple Mount incident (July 2017) illustrate the limits the Palestinian conflict places on advancing relations with Israel.

At this stage, the Trump administration has yet to formulate a path to success; all its predecessors failed. Formidable gaps between Israeli and Palestinian positions show just how daunting the challenge really is. The passing time does not increase mutual trust, and both sides doubt the sincerity of the other's intentions. Prime Minister Netanyahu has demanded that the PA prove its commitment to peace by stopping payments to the families of terrorists and security prisoners held by Israel.²⁷ (Netanyahu's stance could help

push American legislation that would withhold a significant portion of aid to the PA.)

At the same time, the right-wing faction of the governing coalition is working to obstruct any final status negotiations. HaBayit HaYehudi's proposed amendment to the Basic Law on Jerusalem passed a first ministerial vote (July 26, 2017). The bill stipulates that a minimum of 80 Knesset members (two-thirds) must vote affirmatively before any transfer of Jerusalem territories to a foreign entity. The Israeli political right is even pressing limitations on the prime minister's power to enact "confidence building measures" with the Palestinians. The cabinet decision to freeze the September 2016 plan to build 6000 housing units for Palestinians near Qalqilya is an example of this. (A positive development in Israel's relationship with the Palestinians was the joint announcement (July 13, 2017) of an agreement that will allow the Palestinian Authority to purchase 32 million cubic meters of water at a discounted rate, as part of their participation in the pipeline project, transferring water from the Red Sea to the Dead Sea.)

Continued settlement construction is the issue that draws the most international criticism and raises doubts about the sincerity of Israel's intentions. The Israeli government is maneuvering between Trump's demands to restrain settlement construction in Judea and Samaria and domestic political pressures to build. Thus, when the government authorized planning and construction of 2500 units in Judea and Samaria, and the prime minister announced, "We build – and will continue to build,"²⁸ the White House released

a statement saying that settlement expansion could interfere with the peace process. The EU responded to the construction and to The Judea and Samaria Settlement Regulation Law (intended to retroactively legalize the status of settlements built on private Palestinian lands) by delaying a planned diplomatic summit with Israel.²⁹ In protest of the Regulation Law, Chancellor Merkel cancelled a planned Israeli-German government summit.³⁰ Pressure brought by President Trump forced the Israeli government to limit construction as much as is possible to within existing settlement blocs. As Netanyahu explained to his cabinet ministers: “This is a very friendly administration and we need to take the president’s requests into consideration.”³¹

At this stage, the sides are waiting until the Trump administration initiates a diplomatic plan. It is still unclear what the plan will look like, how it will involve the regional actors, and how insistent the White House will be in light of the considerable gaps between the two sides. Jared Kushner, Trump’s son in law and senior adviser, expressed doubt in a leaked conversation with White House interns (July 31, 2017): “We’re trying to work with the parties very quietly to see if there’s a solution. And there may be no solution...”³²

If the U.S. demurs from advancing an Israeli-Palestinian agreement and abandons its leadership of the peace process, Israel could be at risk as it would allow less sympathetic international actors to take control in America’s stead. On the Palestinian side, there are growing calls to drop demands for an independent state, insisting instead on full rights and equality in one state.

The lack of mutual trust between Israel and the Palestinians is not the only hurdle the American mediator will have to overcome. The Palestinians are split both geographically and organizationally, and a reconciliation between Fatah and Hamas is not on the horizon (although there may be some cosmetic unification steps taken, as in the past). The American side is debating a basic question about the viability of a “two-state solution” if Gaza functions as a separate state. In practice, the Palestinian centers of government, split between Ramallah and Gaza, function poorly (especially in Gaza). A regime change (Abu Mazen is 82 and seems to be nearing the end of his reign), could spark succession struggles and might harm security cooperation with Israel. The West Bank Palestinian public is disappointed in the Palestinian Authority’s performance and is doubtful that the current leadership can effectuate an end to the Israeli occupation.

On the Palestinian side, calls are growing to demand full rights and equality in one state

The title of an essay by two Palestinian professors (August 6, 2017), Hussein Agha and Ahmad Khalidi, who were for many years involved in Israeli-Palestinian negotiations, illustrates the level of frustration: “The End of this Road: The Decline of the Palestinian National Movement.”³³ This atmosphere of frustration – especially among younger Palestinians – set the stage for the outbreak of the “Lone Wolf” intifada. The violence

that erupted in Jerusalem in October 2015 and spread to the West Bank and then other parts of Israel has yet to fully subside. Israel must contend with spontaneous outbreaks of violence that occur without prior warning. The perpetrators are not connected to known terror organizations, and the organizational challenge of obtaining early intelligence is difficult. But diplomatic stagnation is not the only element behind this violence. Among younger Palestinians, there is deep frustration with their own shaky social reality, the high levels of corruption and general failure of the Palestinian leadership and its governance.

The Palestinian prisoner hunger strike, initiated on April 15, 2017 by senior Fatah member Marwan Barghouti, ended without sparking a new uprising, as many feared. This fear was renewed by the gunning down of two Israeli police officers in a Temple Mount terrorist attack (July 14, 2017). In response, Israel placed metal detectors at the site entrances. The Palestinians claimed the move was meant to entrench Israeli sovereignty over the holy site and responded with violent protests that led to the deaths of three Palestinians. Abu Mazen then announced that he was cutting ties with Israel (July 21, 2017). In accordance with the Palestinian Waqf's demands, Israel relented and removed the metal detectors and security cameras (July 21, 2017) it had installed, allowing the Palestinians to celebrate what they viewed as a major victory over the Israeli government.

Hamas – Since the end of “Operation Protective Edge” (August 26, 2014), Hamas has worked to rebuild its capabilities, especially its rocket arsenal and the tunnels that lead into Israeli territory.

Special forces that can infiltrate Israel have been trained, and the manufacture of arms locally – of rockets, mortars, and UAVs – has become more sophisticated.

Hamas' ground forces commander Yahya Sinwar was elected to head the movement in Gaza in place of Ismail Haniyeh (February 13, 2017), an indication of the growing strength of the most militant line within the organization. Haniyeh himself was elected to replace Khaled Mashal as head of the Hamas Political Bureau (May 6, 2017). These developments illustrate the dominance of the “domestic” leadership in Hamas over its “foreign” leadership. Due to growing pressure from Egypt – and possibly to try to appease the US, Hamas even published a modification of its charter (May 1, 2017), according to which it will accept the establishment of a Palestinian state within 1967 borders, but not recognize Israel. The document does not portend a change in Hamas policy anytime soon, and its charter still maintains the commitment to an armed struggle to free all of Palestine. President Trump was also not impressed by Hamas efforts to project moderation. In his speech in Saudi Arabia (May 21, 2017) he mentioned the group in the same breath as ISIS, AL-Qaeda, and Hezbollah.

Egypt sees Hamas as a branch of the hated Muslim Brotherhood and, although highly suspicious of it, is prepared to reach understandings with it. The Egyptians are taking advantage of Hamas' weakness and its dependence on the Rafah Border Crossing as its only connection to the outside world. They deal harshly with it, demand it cut ties with the Muslim Brotherhood, and extradite

Sinai terrorists taking shelter in Gaza, and those suspected of abetting them. The Egyptians created a buffer zone on the Egyptian side of the Gaza border, flooded the smuggling tunnels with seawater, and succeeded in significantly diminishing arms smuggling into Gaza through Sinai. In order to appease the Egyptians, Hamas has also begun establishing a buffer zone on its side of the border in order to deny terrorists free passage and to prevent arms from flowing from Gaza into Sinai.

Hamas, which is under heavy external pressure (from Israel and Egypt), is also the object of domestic criticism and unrest over the ruins that remain from Protective Edge in 2014, the poverty and continued siege, the harsh economic conditions, and high unemployment (in the 20-24 age cohort, unemployment in Gaza stands at 67 percent while it is 30 percent in the West Bank). Gazans have access to electricity just a few hours each day, and the quality of their water is getting worse. At the same time, Hamas rewards its cronies with housing and jobs, and siphons off part of the international humanitarian aid coming into Gaza for its own uses. The situation is dire and leaves a fertile ground for the rise of more extremists Jihadist groups.

The difficult situation in Gaza has been exacerbated in the months since Abu Mazen decided to take advantage of Hamas' strategic weakness and pressure it into accepting his terms for a reconciliation. He presented this to the Trump administration as evidence of his efforts in the war against Islamic terror.

Abu Mazen is fighting against Hamas with economic pressure on Gaza. He cut the salaries of PA employees in Gaza, stopped payments to Gaza's health system, and aggravated the existing electricity crisis by withholding payments to Israel for the power it supplies to Gaza (30 percent of Gaza's electricity comes from Israel).

Egypt and Muhammad Dahlan, Abu Mazen's political nemesis, brokered a deal with Hamas, in which Egypt will help ease the electricity and medicine shortages and reconstruct the Rafah Crossing with an aim to reopen it. In exchange, Hamas agreed to establish a buffer zone on its border with Sinai (mostly to cut off ties between Gaza and ISIS in Sinai). To Abu Mazen's dismay, this allowed Dahlan to deepen his involvement in Gaza's affairs. Hamas' readiness to accept this deal is also partly the result of Saudi Arabia's efforts to isolate Qatar, which has the side effect of causing the Gaza Strip and Hamas harm through the drying up of an important funding source.

Hamas generally works to maintain quiet on its border with Israel, but at the same time encourages terrorist acts from the West Bank. Recent rocket fire from Gaza has usually been launched by rebel jihadi groups, but the danger of an escalation leading to a military conflict with Hamas hovers in the air. The IDF assesses that a military conflict is a possibility given the harsh economic situation in the Gaza and the comprehensive Israeli program to uncover and block terror tunnels into Israel, which deprives Hamas of a strategic asset.

Summary

Israel is currently in the midst of an uncertainty laden strategic environment, in both the global dimension relevant to Israel's security and, perhaps more urgently, the regional dimension. The injection of President Trump as an influential actor into global and regional affairs only compounds the uncertainty.

Israel's growing might does not solve the underlying lack of security stability in the Middle East. Regional stability could be disrupted at any time, even if the parties involved have no interest in a violent escalation in the foreseeable future. It is easy to imagine scenarios that lead to a new intifada in the territories, or another war with Hezbollah, or even war with Syrian and Iranian forces in the north, or against Hamas in the south. The threat of a rapid and violent escalation requires Israel to carefully consider each move it makes.

Alongside these troubling challenges, the past year offered evidence of Israel's improved international standing. This is the result of Israel's military, economic, and strategic prowess, as well as its "soft power."

Israeli innovation (especially in hi-tech, cyber, hydro, and agricultural technologies) has garnered a world-class reputation. Based on this, Israel is fast developing relations with the rising powers of Asia and Africa. Headlining this trend was the first ever state visit of an Indian prime minister – Narendra Modi – to Israel (July 2017). Prime Minister Netanyahu's visit to China (March 2017) reflected the same trend. These two giants, whose

combined populations constitute a third of the world's total population, recognize an interest in cultivating relations with Israel and have not been deterred by pressure from the Muslim world, as in the past. However, despite a certain decrease in efforts to wear away at Israel's international standing with boycotts and de-legitimization campaigns, Israel is still vulnerable to the damage such efforts could inflict. A case in point are the recent UNESCO resolutions ignoring the historical Jewish connection to the Temple Mount (October 13, 2016), and which designated the Cave of the Patriarchs and Hebron's Old City Palestinian as heritage sites in grave danger of being harmed (July 7, 2017).

Along with the challenges and threats, Israel has considerable opportunities ahead of it: to develop its relations with the United States; to deepen cooperation with the moderate Sunni states; and to make use of its assets to further develop its network of international connections (including in Asia, Africa, and the former Soviet Union). Israel's strategic strength and the existence of a sympathetic president in Washington open a window for diplomatic activity that would block the danger of Israel moving toward a bi-national reality that would threaten Israel's Jewish identity. Israel can act now, under relatively favorable conditions, to ensure its future as a strong and attractive Jewish and democratic state. Israel should not dally in taking advantage of this strategic window of opportunity; there is no guarantee it will remain open.

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- 26 *Haaretz*, May 20, 2017
- 27 According to the PA's criteria, a prisoner sentenced as a terrorist by Israel for over 30 years earns a monthly stipend of 3000 USD. This is four times the average salary within the Palestinian territories
- 28 *Haaretz*, January 24, 2017
- 29 *Haaretz*, February 7, 2017
- 30 *Haaretz*, February 13, 2017
- 31 *Haaretz*, March 31, 2017
- 32 *Wired*, August 1, 2017
- 33 *The New Yorker*, August 6, 2017