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Body

Background

Israeli politics and political conditions at large have been strongly influenced by two seemingly contradictory forces: the Jewish people's long history of persecution and repression, culminating with the systematic killing of about six million Jews during World War II. In contrast to -- but paradoxically also as a consequence of -- the Holocaust stands the creation of the state of Israel in 1948, and its continued controversial relationship with the Palestinian people. The haunting memories of the Holocaust and the conflicts between Israel, its neighbors and the Palestinians, have profoundly shaped Israeli society, psyche and politics.

In addition to a rough and markedly unfriendly neighborhood, Israeli society is also formed by strong and divisive domestic fault lines. Domestic Israeli politics runs along at least two major lines. The first cleavage runs between religious and secular Jews, and focuses on the role of religion in Israeli society. Several Israeli governments have been marred by conflict over religious schools and ultra-orthodox Jews' demands for the exemption from taxes and military service. This line also incorporates the conflict between the settlers and the more secular Jews. Also, an ethnic-economic divide is present between the better off American and European Jews (Ashkenazim), and the poorer North African and Middle Eastern Jews (Sephardim). Internal friction and differences in Israeli society has strongly influenced the Middle East peace process.

The Peace Process

Over the last several years, the peace process has gone through faces of progress and recess. Efforts to reach a Middle East peace settlement have customarily been are based on United Nations Security Council Resolutions 242 and 338. In October of 1991, a historic meeting was held in Madrid, Spain, between Israeli, Lebanese, Jordanian, Syrian and Palestinian leaders, to discuss the notion of "land for peace." In addition to the Madrid Summit, another track of negotiations were held in Oslo, Norway, which led to significant breakthroughs on the matter of peace. This set of negotiations and agreements came to be known as the Oslo Accords.

Then, on Sept. 13, 1993, Israel and the Palestinian Liberation Organization signed a Declaration of Principles (DOP) establishing an ambitious set of objectives relating to a transfer of authority from Israel to an interim Palestinian authority, which would augment self-government. The Interim Agreement, which included the details of the previous agreements, was signed on Sept. 28, 1995, in Washington, D.C.

By 1997, a crisis of confidence occured as Israelis complained of the Palestinian failure to crack down on Islamic fundamentalists, while Palestinians pointed to the expansion of current, and an increasing number of new, Israeli settlements in the Occupied Territories. At a meeting at the Wye River in Maryland in 1998, efforts were made to resolve some of these issues raised by both parties, and also to move toward permanent status negotiations.

The Palestinians quickly ratified the 1998 Wye River Agreement, but the process was delayed by debate in the Israeli cabinet. Due to Israel's preoccupation with security concerns, the Israeli cabinet finally ratified the agreement on Nov. 12, but attached several conditions, condemned by both the Palestinians and the Americans. While agreeing to release Palestinian activists, Israel required that the Palestinian cabinet guarantee reforms of its charter before they would move ahead with implementing the agreement. The Israelis also made it clear that they would concede no more than an additional one percent of the territory in future agreements, far less than the Palestinians had demanded. On the Palestinian side, significant efforts were made to arrest Islamic militants, but the conditions placed on the agreement by the Israeli cabinet generated much concern among Palestinians and the United States regarding the future of the peace process.

By early December 1998, the peace process was again at a stalemate. Although the Palestinians had removed the anti-Israel statements from their charter, Israeli troop withdrawals were not proceeding according to the Wye River Agreement, primarily because Prime Minister Netanyahu had demanded that the Palestinians meet several additional conditions before withdrawing Israeli forces. In addition to security measures such as locating and incarcerating more alleged terrorists and confiscating weapons in Palestinian-administered areas, Netanyahu also demanded that the Palestinians agree to not declare their own state.

The Palestinians viewed these additional "security measures" as a stalling tactic, and accused Prime Minister Netanyahu of bowing to the wishes of hard-line elements in his governing coalition. The Netanyahu government maintained that the Palestinians were not fulfilling the agreed-upon security measures and suspended implementation of the Wye River Agreement. In late December, the Israeli cabinet voted to uphold Netanyahu's decision to suspend the agreement.

The Knesset, for its part, voted against Prime Minister Netanyahu's *policy* toward the Palestinians and the 'peace process,' and in favor of dissolving parliament and holding early elections. The peace process was put on hold during the campaigns leading up to the May 17, 1999, parliamentary and prime ministerial elections. In the race for prime minister, Ehud Barak of the Labor Party soundly defeated Netanyahu, garnering 56.2 percent of the vote to Netanyahu's 43.9 percent. Netanyahu resigned his leadership of the Likud Party and retired from politics, and was replaced by hard-liner Ariel Sharon.

Barak pieced together a coalition comprised of smaller parties; in particular the third largest party in the Knesset, the ultra-orthodox Shas. After more than six weeks of wrangling, in late June 1999, Barak formed a coalition government providing him with a 69-member majority government. Prime Minister Barak faced the daunting task of reviving the Middle East peace process (or, more accurately, peace processes), stagnant since December 1998, and balancing the often contradictory demands and ideologies of his parliamentary and governmental coalition members. On the domestic scene, Barak suffered severe setbacks for his coalition. Several ministers resigned, and Barak's presidential candidate, Shimon Peres, was defeated by Likud hard-liner, Mosche Katsav. Barak also faced a no-confidence vote in the last day of the Knesset's summer session.

In the region, Arab leaders, including Palestinian Executive Yasser Arafat, Egyptian President Hosni Mubarak, Syrian President Hafez al-Assad, and Jordanian King Abdullah, reacted with cautious optimism to Barak's election. Barak met personally with all of these leaders except Assad, and also traveled to the United States to meet with President Clinton. Barak stated that he was ready to resume discussions with Syria and wished to pursue peace in the Middle East on multiple fronts. In the initial period of Barak's government, hopes were high for the unfolding of a true peace process in the Middle East.

The Syrian track of the Middle East peace process was shortly revived in January 2000, with Syrian-Israeli negotiations held in the United States. Despite the efforts put in on both sides, the negotiations did not bring the parties to a final agreement. Not even a meeting between Syrian President Hafez al-Assad and American President

Clinton in Geneva in March 2000 saved the process. The coming to power of Bashar al-Assad in June 2000, after his father's death, has so far seen little new developments on the Israeli-Syrian track. The young Assad continues his father's *policy* of insisting that all territory occupied in the 1967 war should be returned.

Barak campaigned on a promise to withdraw Israeli forces from south Lebanon within a year of his election. The withdrawal was widely expected to take place in the end of June/ beginning of July. Due to heavy Israeli losses in the 'security zone' in the beginning of 2000, and following low morale within the Israeli supported South Lebanon Army, the occupation ended hastily on May 25. In July, U.N. troops deployed in the area, but no final agreement on the border between the two countries, and hence no comprehensive peace agreement, has been signed. The border continued to be an area of minor clashes and tensions.

The Palestinian track under Barak saw two major negotiation efforts and agreements. In September 1999, an agreement was signed in the Egyptian resort city of Sharm al-Sheik. Israel promised more transfer of land, and the release of Palestinian prisoners in return for further security guarantees. The agreement set a Feb. 13 deadline for the negotiation of a framework agreement on Jerusalem. However, the stalemate continued, the hand-over of land was delayed, and another deadline passed. In March, Arafat stated that he would declare a Palestinian state by Sept. 13, 2000 regardless of the status of the negotiations.

In July 2000, Camp David was again the place for crucial Middle East negotiations. Then, nearing the end of President Clinton's term, the Americans sponsored marathon negotiations and hoped to see a final agreement before President Clinton left office in January 2001. Despite the enormous efforts and energy all parties put into the negotiations, the meetings did not produce an agreement. Progress was made in three of four core issues: water, refugees and borders, but Jerusalem proved an issue of such symbolic and religious value to both parties, that no agreement could be reached. However, for the first time, the Israeli side opened up for possible suggestions on the future of Jerusalem.

International pressure led the Palestinians to postpone their self-imposed deadline for the proclamation of a Palestinian state, but Arafat stated that he would unilaterally declare an independent Palestinian state by the end of the year. On Sept. 26, 2000, Barak and Arafat met for the first time since Camp David, and their chief negotiators were on their way back to Washington to continue negotiations.

The al-Aqsa Intifada and its Effects

In clear contrast to the optimism generated after Camp David, events unfolding since have taken the future of the peace process into the bleak unknown. On Sept. 28, Likud leader Ariel Sharon visited the sacred site Temple Mount/ Haram al-Sharif (Holy <u>Sanctuary</u>) in Jerusalem. The visit <u>sparked</u> angry protests by Palestinians-disgruntled with the lack of improvement in their daily lives since the Oslo Agreement and the progress of the peace process as a whole-viewing the hawkish Sharon surrounded by police and bodyguards at the Muslim holy site as a clear provocation. The day after Sharon's visit, Israeli soldiers opened fired on angry demonstrators after the Friday prayer at the al-Aqsa mosque in Jerusalem. Five Palestinians were killed and more than 200 wounded. This event <u>sparked</u> the worst violence the Israeli-Palestinian conflict has seen in years.

Almost daily since, clashes between stone-throwing Palestinian crowds and Israeli soldiers firing rubber-coated bullets and live ammunition have wounded and killed protesters and soldiers, as well as onlookers and innocent civilians-including children. Continuous clashes and images of 12-year old Palestinian Mohammad al-Durrah being shot dead in his father's arms and the lynching of two Israeli soldiers by an angry Palestinian mob, set peace and reconciliation efforts many years back.

The United Nations General Assembly issued several resolutions condemning Israel's excessive use of force, while an Arab League meeting in Cairo issued a clear condemnation of the Israeli acts, but failed to satisfy radical Arab states' call for war and sanctions. A United States-led meeting between Arafat and Barak in Sharm al-Sheikh in October only produced a statement calling for the end of the violence, but failed to stop the violence on the ground. The Palestinian representatives demanded an international investigation into the violence and international

peacekeepers disposed to the region. Failing that, Israeli and Palestinian authorities agreed on establishing a "fact-finding mission" whose mandate was to study the causes of the violence. Former United States Senator George Mitchell was chosen to head the international commission.

The failure to end the violence and the continuation of the "al-Aqsa Intifada" provided the background for the calling of early prime ministerial elections in Israel in February 2001. Likud leader Ariel Sharon campaigned on a promise to bring Israel security within 100 days, and profoundly beat his opponent Ehud Barak by winning 62.4 percent of the votes. The election garnered the lowest voter turnout in Israeli history, less than 60 percent, partly a result of the majority of Arab-Israelis boycotting the election. Also, the more than 70,000 blank ballots cast indicated genuine frustration with the situation as well as both candidates in the entire Israeli society.

Ariel Sharon pieced together his new government based on a shaky coalition with former Labor Party Prime Minister Shimon Peres as foreign minister. However, other members of the Labor Party refused to take part in the Sharon-government. Ehud Barak stepped down as leader of the Labor Party, and withdrew from political life in general.

International response to the election was lukewarm, and Arab governments viewed the election of Sharon with disgust and fear. The Arab world holds Sharon responsible for the 1982 Sabra and Chatila massacres in Beirut, and Sharon's military and political career (in the Israel Defense Forces and his position as Minister of National Infrastructure responsible for the expansion of Israeli settlements in the mid-1990s) has done little to improve his reputation as a ruthless fighter and politician in the Arab world.

Sharon struggled to deliver on his election promise of security. The "al-Aqsa Intifada" put Israel and the occupied territories a warlike situation, and the situation has only worsened under Sharon's leadership. On April 16, Israeli fighter-jets bombed a Syrian radar installation on the Beirut-Damascus highway in Lebanon, in retaliation for the killing of an Israeli soldier in the disputed Shebaa farms area. On April 17, Israeli forces for the first time sent troops into Palestinian-controlled areas, and tanks, missile boats and helicopter gun-ships pounded Palestinian Authority buildings on the Gaza strip. The day after, United States Secretary of State Colin Powell marked the re-entry of the new American administration to the conflict, by calling the Israeli incursion excessive and disproportionate.

On May 19, a suicide bomber killed five Israelis in a shopping-mall in Netanya. Israel responded by using American-made F-16 fighter-bombers to bomb Palestinian towns. At the end of May, the international commission examining the causes of the conflict released its report. The Mitchell Report concluded that both parties should cease fire immediately. It called on the Palestinian Authorities to take all measures possible to prevent terrorist attacks, and arrest Islamic fundamentalists, while Israel was asked to freeze the building of settlements immediately.

On June 1, a Palestinian suicide bomber killed 21 Israeli teenagers queuing in front of a Tel Aviv disco. The calls for revenge and counterattacks were only subdued by international pressure for restraint, and to follow the suggestions laid out in the Mitchell report. However, Israeli and Palestinian authorities were under pressure of extremists in both camps, and the situation became increasingly serious and tense. CIA director George Tenet was sent to the region to negotiate a truce. Under immense international and Israeli pressure, Arafat accepted an unconditional ceasefire. In contrast to the Mitchell report, the Tenet-brokered agreement asked for a conditional ceasefire from both parties, but did not require a simultaneous freeze on settlement building.

Israel's government showed cracks in its unity over the response to the Mitchell report. Hard-liners such as Avigdor Lieberman, the Minister of Infrastructure, warned that the government would fall apart if the Mitchell report was accepted by Prime Minister Sharon. Both Israeli and Palestinian authorities faced fierce domestic opposition, and the suspicion that both parties accepted the Tenet ceasefire for tactical reasons loomed in the background. To no one's surprise, the Tenet brokered ceasefire did not hold.

Israel and the Palestinians have since been involved in a seemingly never-ending and game of fatal reciprocity. On the Palestinian side, gunmen have targeted what they claim are legitimate targets-Israeli soldiers and settlers occupying Palestinian land. Suicide bombers have regularly killed Israeli civilians, in response to Israeli

assassinations of Palestinian military leaders, and incursions into Palestinian areas. Israel has continuously stressed that it would not negotiate under terror, and has demanded a period of 'complete calm' before it will return to the negotiating table. This has not happened, and another twist in the vicious cycle of violence turned in the latter months of 2001.

On August 9, a suicide bomber killed 15 Israelis in Jerusalem, and another bomber wounded 15 people in an attack in Haifa three days later. At the same time, Israel took over nine Palestinian institutions in occupied East Jerusalem including Orient House, the de facto political Palestinian headquarter in the city.

The terrorist attack on the United States on September 11 was condemned by both sides in the Israeli-Palestinian conflict. However, the new international climate did not seem to impact the conflict. In the week after September 11, the Israeli army killed 28 Palestinians and mounted 16 incursions into Palestinian Authority areas. Arafat declared a ceasefire on all fronts, and expressed readiness to join the American coalition against terror. On September 24, Israel established a 32 kilometer long "closed military zone" along the northern border of the West Bank in order to prevent suicide bombers to cross into Israel proper.

On October 17, the Israeli Minister of Tourism, the outspoken ultra-nationalist and right-winger Rechavam Zeevi, was assassinated by Palestinian gunmen in a Jerusalem hotel. The Popular Front for the Liberation of Palestine (PFLP) claimed responsibility. As a response, Israeli troops reoccupied six Palestinian-controlled towns, killing some 50 people in the process. In the end of October, Western pressure brought about the withdrawal of the symbolically important city of Bethlehem, the birth place of Jesus Christ.

In November, both the United States president and the secretary of state held speeches outlining United States Middle East *policy*, signaling a change from the hands-off *policy* that the Bush administration had hoped it could adopt to the region. On Nov. 10, President George Bush for the first time endorsed the idea of a Palestinian state in his speech to the United Nations General Assembly. On November 19, Secretary of State Colin Powell outlined the administration's Middle East visions in a speech to college students in Kentucky. Powell promised active engagement in the peace process, and announced the dispatchment of a former marine general, Anthony Zinni, and a veteran Middle East diplomat, William Burns, to the region with instructions of not returning until a ceasefire had been established. Nevertheless, no concrete suggestions on how to get the negotiations restarted were provided.

The Palestinians were pleased to hear the United States call for an end to occupation -- consistent with United Nations resolutions 242 and 338 -- but did not like the fact that they were being required to act immediately, while demands on Israel were more vague and without deadlines. In Israel, Sharon's cabinet called the American speeches constructive, but continued to insist on seven days of complete quiet before a formal ceasefire can begin. Israeli leftists and Palestinians see this claim as a way to defer negotiations indefinitely.

Despite the arrival of Zinni and Burns, the violence continued with almost daily confrontations and killings. On Novomber 23, Hamas' military leader, Mahmoud Abu Hanoud, was assassinated by Israeli forces. He was wanted for planning several suicide actions inside Israel.

December, the month celebrating the season of hope and peace for the region's three main religions Islam (Ramadan), Judaism (Hanukkah) and Christianity (Christmas), heralded all but hope and peace to the holy land. Instead a new round of suicide-bombers and Israeli retaliation effectively ended the peace process.

In a dramatic development, events in December 2001 brought the Israeli-Palestinian conflict to an all-time low, bordering on the verge of war. In retaliation for the killing of Abu Hanoud, three Hamas-members blew themselves up in two separate actions in Jerusalem and Haifa on December 1 and 2, killing 26 Israeli civilians and wounding more than 250.

In response, Israeli bulldozers plowed the runway on Gaza airport and Israeli fighter-jets bombed Palestinian authority buildings. International condemnation of the suicide-bombers and Arafat's lack of action, came without the usual balancing calls for Israeli restraint, and paved the way for the heaviest Israeli bombardment and actions in Gaza and the West Bank in the 14-month-long Intifada.

Tight closures were imposed on several Palestinian towns, and Israeli troops, on several occasions, incurred into Palestinian areas and arrested suspects. Symbols of the Palestinian Authority (PA), including the control tower at Gaza Air Port and PA offices and police stations, were destroyed. Arafat himself was held in virtual house arrest with Israeli tanks surrounding his offices in Ramallah.

On December 12, Palestinian gunmen ambushed an Israeli bus near the Emmanuel settlement in the West Bank, killing 10 people. The al-Aqsa brigades, the armed faction linked to Arafat's Fatah Party, claimed responsibility and said the attack was revenge for the killing of four Fatah fighters in Gaza the day before. A worrying development, the attack resembled the tactics used by Hezbollah in southern Lebanon, and showed greater organization, tactical skills and determination than before. Israel answered with new attacks on Palestinian Authority symbols, including the Palestinian Authority's *radio* transmission tower.

In addition, a new uncompromising line was announced with an Israeli cabinet resolution stating that Arafat was no longer relevant for the state of Israel and effectively breaking off all ties between the Israeli government and the Palestinian Authority. Foreign Minister Shimon Peres and his Labor Party ministers left the Israeli cabinet in protest, accusing Sharon of trying to bring about the downfall of the Palestinian Authority, and questioning their place in the frail coalition government.

International observers found it difficult to identify the logic behind Sharon's aggressive **policy**. By weakening Arafat, it was speculated that Sharon would like to see the Gaza and West Bank divided into small cantons, leaving the Israelis to deal with local Palestinian leaders, and hence retain full control. Critics argued that this was not likely to happen, and that if Arafat went, what might come after him was bound to be more radical and nationalistic.

In his first television speech in a month, Yasser Arafat on December 16 pledged to rein in militants, stop the suicide actions, and called for a return to peace negotiations. Arafat claimed to have arrested 180 Islamist militants, and criticized the Israeli military actions for undermining Palestinian attempts to impose order and arrests suspected militants. Israeli reactions to the speech was that only action, not words, counted as meaningful. The speech was welcomed by leaders of Jordan, Egypt and France. The United Nations envoy to the Middle East, Terje Rod-Larsen, said the speech was one of the most important Arafat had ever given, and marked a potential turning point.

A serious Palestinian political toll of the ongoing Intifada was the reduction of Arafat's personal and institutional authority. The activities of fundamentalist, opposition groups such as Islamic Jihad, Hamas, al-Aqsa Brigades and Popular Resistance Committees have gained support among a large majority of the Palestinian people. The poverty and confinement has bred a generation of radicals, and the occupied territories have become cradles for martyrs. On the Israeli side, the "peace camp" has been increasingly frustrated and disillusioned, while the most extremist hawks have been calling for an all-out war.

In addition to the appalling human toll, the Intifada extracted a heavy economic one. In 2001, a report released by the United Nations reported unemployment in the Palestinian territories at 38 percent, the rise of absolute poverty had risen by 50 percent, and the reduction of Palestinian GDP by a stunning 50 percent. The cost of caring for the 20,000 Palestinians injured in the course of the Intifada was estimated at over \$2 billion. In addition comes the cost of damage to property. Over the course of the conflict, Israel has withheld the payment of more than \$50 million in taxes to the Palestinian Authority. An international aid-package was put together in order to prevent total collapse of the Palestinian Authority.

The Israeli economy suffered losses as well. Many Israeli businesses employ Palestinians who had not made it to work for long periods, and in the volatile situation foreign investment and tourism had been reduced.

Developments in 2002

On Wednesday, Jan. 30, 2002, Israeli Prime Minister Ariel Sharon held discussions with various leading Palestinian officials. Since the start of the Palestinian Intifada against the Israelis, no such discussions ocurred due to ever-continuing violence between Israeli and Palestinian forces. Also surprising was the fact that Sharon suggested that there would be follow-up meetings in the weeks to come, after he returned from a visit to the United States.

These developments were hailed as highly unexpected since Sharon frequently asserted that he would not negotiate with the Palestinian leadership until there was a sustained cease-fire. Indeed, since September 2000 when the Intifada began, there have been over 1,000 deaths and no sign of sustainable peace. The developments were particularly ironic given the fact that Sharon made very polemical remarks earlier in the week regarding his regret that he had not killed Arafat in 1982 during the invasion of Lebanon when he had the opportunity to do so. Many observers suggested that Sharon may have been ensconced in discussions with leaders he viewed as the successors to the post-Arafat Palestinian Liberation Authority.

In the next months, Palestinian suicide bombers attacked Israelis in various urban centers. Meanwhile, Israeli forces surrounded Palestinian territories and villages, even destroying the homes of some Palestinians believed to have ties to terrorist organizations such as Hamas. They also attacked Palestinian Liberation Authority property, including the destruction of Yasser Arafat's helicopters and launch pad, and the Palestinian media building, reportedly because it regularly broadcasted stories that allegedly incited violence. These efforts were launched against Palestinian interests, according to Sharon's government, because Arafat was unable to stop the everincreasing violence by the likes of suicide bombers.

The discovery of a ship in the waters off Israel, supposedly with arms and munitions, originating from Iran and bound for Arafat's store of weaponry only served to bloster the conviction of the Sharon government that Arafat was in league with terrorists. Still, to date, Arafat has denied any involvment in such activities. Meanwhile, Arafat was literally confined to his quarters in Ramallah, some say in a form of "house arrest" by the Israeli government, because of the increasing doubt about Arafat's credibility and effectiveness in negotiating the peace process. Arafat, for his part, did, indeed, attempt to crack down on Islamic militants, arresting more than 100 people, including the spiritual leader of Hamas. Public outcry by the Palestinian populace, however, destroyed any sustained effort on the part of Arafat to continue these measures.

On Feb. 28, 2002, Israeli forces launched an offensive against suspected Palestinian militants by raiding two refugee camps in Balata and Jenin, reportedly because the camps had become safe havens for militants indulging in alleged terrorist activities. The raids, which began overnight, involved house to house searches and the breaking of walls between adjoining buildings, in order to minimize contact with Palestinian militants in the area. As a consequence of the were the first of this sort of operation since the Intifada began.

The operation came on the heels of another episode of violence the day before when a female Palestinian suicide bomber blew herself up at an Israeli checkpoint in the West Bank. The suicide bombing wounded three Israeli policemen as well as the two Palestinians who apparently accompanied the bomber.

Palestinian militants threatened to retaliate against Israelis in the occupied territories; they also demanded that the Israeli forces pull back their forces from the camps. Marwan Barghouti, the head of Yassar Arafat's Fatah movement, described the on-going operations by Israeli forces in Balata and Jenin as a massacre. Both Barghouti of Fatah, as well as representatives of the al-Aqsa Martyrs Brigade (the group that claimed responsibility for the suicide bombing at a checkpoint the day before), called for retaliation. Later, in April 2002, Barghouti was himself arrested by an elite Israeli army unit in Ramallah on charges of being responsible for numerous terror attacks in the region. Previously, in 1996, Barghouti was elected to the Palestinian Legislative Council with overwhelming support

and at one point, launched a campaign against human rights abuses by Arafat's own security services and corruption among his officials.

As Israeli-Palestinian tensions escalated, and as Israeli and Palestinian representatives discussed security issues aimed at decreasing the level of tension, an international effort was launched to end the violence. The effort was led by Javier Solana, the European Union's (EU) foreign *policy* chief, and the peace plan itself was proposed by Saudi Arabia's Crown Prince Abdullah. Central to Crown Prince Abdullah's peace proposal was the idea that Israel should withdraw from the occupied territories to the pre-1967 borders and sigh a peace deal with the Palestinians. In return, Israel would be granted full diplomatic relations with all Arab states, as well as trade relations and security guarantees. The proposal would also offer Arab recognition of the state of Israel. The Israelis, including Israeli Foreign Minister Shimon Peres and Prime Minister Ariel Sharon, were cautiously optimistic in their assessment of the Saudi plan, which Crown Prince Abdullah presented at the Arab summit in the next month.

The issue of the occupied territories -- a central component of the Saudi peace proposal -- has become increasingly contentious. Although Israeli harliners do not consider the return of lands acquired during wartime to be negotiable, Israeli peace activists have long expressed the need to withdraw from the occupied territories. They have specifically suggested that the high death toll among Israeli army personnel has occurred because these officers have been charged with protecting Israelis who chose to live in so-called "occupied" areas.

In a related matter, hundreds of Israeli army officers signed a petition expressing their refusal to fight "beyond Israel's Green Line (Israel's pre-1967 border) for the purpose of dominating, expelling, starving and humiliating an entire people." Other soldiers and activists said that they were thinking of taking a similar position on the West Bank and Gaza. The signatories of the original petition stated that many of their new duties, such as guarding roadblocks, and protecting Jewish settlements in occupied territories (land occupied by Israel in 1967), had very little to do with the security of the state of Israel, and instead, were for the sole purpose of dominating the Palestinian people.

Although their refusal (as stated in the original petition) was expressed in patriotic terms, some critics suggested that the only reason the petition was created was because many of the soldiers reaching their second round of service saw no end in sight to the Intifada. Certainly, it is true that many of the officers served on the front lines of the conflict. Regardless of their motivation, however, the petition and its sentiments are illustrative of an increasingly vocal segment of the Israeli population, who are tired of endless violence and conflict. A poll conducted for Israeli radio suggested that 31 percent of Israelis supported the officers' petition and their perspectives therein. Indeed, its circulation appeared to have revitalized the efforts of Israeli peace activists who have been less apparent on the country's landscape since the start of the Intifada.

Nevertheless, attacks by Palestinians against Israeli targets intensified in February and March 2002, spurring retaliation by Israeli forces. Indeed, attacks at roadblocks and checkpoints became regularized fare. For example, an Israeli police officer and two Palestinians were wounded in a battle on the Maccabim-Modi'in roadblock close to the border with the West Bank. Also, on February 19, 2002, six Israeli soldiers were killed in a checkpoint shooting near the West Bank city of Ramallah.

On March 2, 2002, in the orthodox Jewish neighbourhood of Beit Israel in Jerusalem. In this attack, a Palestinian suicide bomber killed nine people, including several children and an 18-month old baby. The suicide bomber appeared to have targeted people as they filtered onto the streets at the end of the Jewish Sabbath. More than 57 people were wounded in the attack.

On March 3, 2002, a Palestinian gunman opened fire at a checkpoint killing seven Israeli soldiers and two civilians (some reports suggest that 10 people in total were killed), and wounding some 14 other people. The shooting took place at an Israeli army roadblock near the Palestinian village of Silwad and the Jewish settlement of Ofra, near Ramallah, according to reports. Another Israeli soldier died in hospital on that same day, after coming under fire near a checkpoint at Kissoufim, between the Gaza Strip and Israel. Another three soldiers were injured as well.

Israel responded to the Jerusalem suicide bombing with missile attacks on targets in Bethlehem. There, a Palestinian government building and a weapons factory were hit. Yasser Arafat's Palestinian Authority had condemned the suicide bombing, however, many Palestinians celebrated the news of more Israeli deaths, in some ways, numbing the effects of Arafat's condemnation. Yasser Arafat's Fatah movement, the al-Aqsa Brigade, claimed responsibility for the bombing. The group said it was a response to Israel's unprecedented assault on two West Bank refugee camps the previous week, which left more than 20 Palestinians dead.

Only days after, on March 6, 2002, following Israeli cabinet meetings concerning the upsurge in violence, Israeli F-16 warplanes attacked Palestinian targets in the West Bank city of Ramallah. In these assaults, Israeli air power attacked the headquarters of Palestinian leader, Yasser Arafat, in retaliation for several attacks by Palestinian in the previous week. In this way, the most intense Israeli army assaults on the West Bank and Gaza Strip were launched, since the start of the Intifada.

As a new cycle of violence rapidly accelerated, the United Nations Secretary-General, Kofi Annan, was said to be appalled by the rising death toll due to Israeli-Palestinian assaults, as well as what Annan called their "increasingly aggressive rhetoric." These sorts of expressions have come on an almost daily basis as the bloodshed from attacks and reprisals have increased to the point at which one cannot be distinguished from the other.

Throughout March 2002, Israel continued to pound Palestinian targets in a concerted air campaign, in conjunction with extensive ground operations, aimed at fighting against terrorist attacks. Indeed, there was a spate of bombings and shootings in various cities across Israel. Meanwhile, United States envoy, Anthony Zinni, was expected in Israel to facilitate a truce mission. Two such previous missions by Zinni ended unsuccessfully.

In late March 2002, another terrorist suicide attack ensued, which left 20 people dead in a seaside town of Natanya at Passover. The militant group, Hamas, claimed responsibility. Palestinian leader Yasser Arafat called for an immediate and unconditional cease-fire. His efforts, however, were not well-received by the Israelis, who dismissed his offer. An Israeli spokesperson for Israeli Prime Minister Ariel Sharon noted that this initiative on the part of Arafat was the 10th cease-fire declared, and as such, Israel did not intend to take Arafat at his word.

For his part, Arafat stated that he was willing to immediately implement the Tenet Plan, which was the blueprint for a truce, drafted by United States CIA director George Tenet. The Tenet plan was intended to be the foundation for the implementation of the Mitchell Report, a peace plan which was itself drawn up by former United States Senator George Mitchell. (Tenet's entry into the Midde East peace process, as well as Mitchell's key role in this regard, are mentioned above.) Only days earlier, the Israelis appeared to have had some cautious interest in the Middle East "land for peace" proposal offered by Saudi Arabia (also discussed above), which was approved and sanctioned at the Arab Summit in Beirut, Lebanon.

The latest attack, called the "Passover massacre," however, put an effective end to any such truce. Indeed, even as Arafat put forth his offer of a cease-fire, yet another terrorist attack ensued as a Palestinian militant shot and killed three people in a Jewish settlement in the northern part of the West Bank. Israeli Foreign Minister, Shimon Peres, noted that the resolution on the Saudi peace proposal remained a promising prospect, however, no such proposals could be entertained unless there was an enduring cease-fire.

The Israeli army thus began a massive military operation against Palestinian targets in the last few days of March 2002. By April 1, 2002, Israeli efforts were intensifed in the West Bank, in an apparent effort to deal with the threat of terrorism. In Ramallah, intense gunfire occurred in the downtown area of the city between Israelis and Palestinians, while an anti-aircraft gun fired at various office buildings. Other structures, including a hospital, were searched by Israeli forces. Israeli Prime Minister Ariel Sharon declared that his country was at war with terror. In the face of international criticism about the military offensive against the Palestinians, the Sharon government insisted that it was not pursuing the Palestinian people, but rather, it had targeted terrorists and the terrorist infrastructure. Prime Minister Sharon, however, was categorical in his assertion that the terrorist attacks were directed by

Palestinian leader Yasser Arafat. Sharon contended that Arafat was -- and is -- the head of a coalition of terrorism, which operates an infrastructure of terrorism.

Yasser Arafat's Ramallah compound, which the Israelis said was part of the terrorist infrastructure, had been under attack from March 29, 2002, and for several weeks after, with Arafat himself confined within the compound. It was alleged that large numbers of weapons were found at the compound. The Sharon government stated that the assault in Ramallah would be followed by action against various terrorist enclaves, such as Hamas, Islamic Jihad, and the Popular Front for the Liberation of Palestine.

Even amidst these aggressive actions against organizations deemed to be involved in terrorist activities, Sharon maintained the view that he was open to peace talks, and he even entertained the possibility of discussing the newly-proposed Saudi peace plan. Sharon also expressed the idea that new or already-existing peace plans and proposals could ensue without the involvement of Arafat, whom he considered to be an irrelevant element of the Middle East quagmire. Sharon, like many other officials in the Israeli government, noted that they were not interested in killing Arafat, but rather, in confining him. The ultimate result of such confinement, however, was not known.

Despite the presence of Israeli tanks, the firing of gunshots, and Palestinian gunmen in Arafat's compound, a collection of international journalists and peace activists were able to march into the headquarters and conduct an informal and unscripted interview with Arafat. In the interview, Arafat asserted that he would remain in his headquarters, even though his life was at risk. Indeed, he stated that he would die a martyr if the Israelis decided to kill him. The group of impromptu visitors observed that Arafat was surrounded by approximately 10 of his advisors, and that he seemed to be of the opinion that as the person under seige, the end result of the assault and confinement were not up to him. When asked about why he had not uttered a declarative statement regarding the spate of attacks and bombings against Israelis in recent days, Arafat said that he already made several statements condemning the attacks, and that he had done everything posssible to stop them.

As the violence in the Israel increasing due to a combination of attacks and military assaults, the Israeli government closed down the West Bank and ordered all international journalists to evacuate the area. Regardless, many reports of injuries to civilians and journalists occurred. Journalists, cameraman and peace activists from Western countries were shot and injured close to a refugee camp in Beit Jala on the West Bank, with other incidences occurring in Ramallah.

With all international news focused on the events in Israel, on March 30, 2002, the United Nations Security Council held an emergency session. At the session, the Council adopted Resolution 1402 calling on Israel to withdraw troops and tanks from Palestinian areas and urging both parties to work toward an immediate and lasting cease-fire. The Council's actions were aimed at resuming negotiations, implementing the Tenet truce, and thusly, moving toward the Mitchell Peace Plan. The Council also restated its previous Resolution 1397, which called for an immediate stop to all acts of violence, terror, provocation, incitement and destruction.

The United States, as a member of the United Nations Security Council, was part of the unanimous vote adopting Resolution 1402. As terrorist attacks by Palestinians occurred with frequency in Israel, United States President George Bush condemned them as acts of terrorism. Bush also noted that Arafat was required to stop these attacks, and that Israel should do whatever was needed to protect its homeland from terrorism. Palestinian leaders argued that the Palestinian people were merely acting in self-defense against 35 years of illegal occupation by another country and since they lacked the sophisticated army and weaponry that Israel has (which some say is largely funded by the United States), suicide bombings are a desparate attempt to "fight back." The Bush administration later expressed the view that although suicide bombers were to be viewed as terrorists, it did not apply the "terrorist" label to Arafat because of his past efforts to negotiate on behalf of peace.

In this way, the Bush administration sidestepped the perception of inconsistency on its much-repeated stance that those who harbor terrorists are terrorists themselves. Subsequent comments from the Bush administration

suggesting that Israel's situation was not the equivalent of the United States position on terrorism also appeared inconsistent with previous statements (noted just above) that seemed to provide tacit approval to Israel's offensive into Palestinian areas. White House spokesperson Ari Fleischer however, denied that any such tacit approval was provided. The Bush administration also attempted to move further away from its apparent approval of Israel's incursions into Palestinian areas by urging Sharon to keep the possibility of peace alive. President Bush also expressed the view that Sharon remained committed to following through with the Tenet and Mitchell plans.

United States Senator Joseph Lieberman stated that much bolder and more intensive measures were required from the Bush administration in dealing with the Middle East conflict. He observed that the gravity of the situation demanded the attention of United States Secretary of State Colin Powell, rather than envoy Anthony Zinni. Other United States senators, such as Arlen Specter and the Chair of the Foreign Relations Committee, Joseph Biden, also urged the Bush administration to be more deeply involved in resolving the conflict.

In the background of these political machinations lay the routine incidences of violence. On Sunday, March 31, 2002, a suicide bombing in the diverse port city of Haifa killed approximately 14 people and injured over 33 individuals. A group associated with Hamas, called Izzedine al Qassam, claimed responsibility for the attack. Only hours after this incident, four more people were wounded in a suicide bombing near the Jewish West Bank settlement of Efrat. In this way, in only a matter of days since the Passover massacre, more than 40 Israelis were killed and more than 100 were wounded.

The number of Palestinians killed or wounded in those days were sketchy, however, reports suggest that about 350 Palestinians were killed. There have also been several reports of gunfire against Palestinian demonstrators. In late March 2002, troops fired tear gas and stun grenades against a few hundred Palestinian women protesting against the closure of the West Bank. Several people were injured including the well-known Palestinian politician Hanan Ashrawi. On April 1, 2002, in Tulkarem, masked Palestinian militants shot and killed at least 11 Palestinians suspected of collaborating with Israel. The militants burst into the building where Palestinian intelligence officers were holding these suspected collaborators and shot at them.

With the international community demanding more intensive engagement from the United States in resolving the crisis in Israel, United States Secretary of State Colin Powell was finally dispatched to the region for talks with various leaders. No resolution was projected as a result of the meeting.

More armed conflict continued in the area of Palestinian refugee camps, around Nablus and Jenin. Inhabitants of the camps were told to leave their homes as Israeli forces intended to use force to move through the camps, however, some reports indicate that people were too scared to leave their homes for fear of being shot. Ambulances were unable to take injured people to hospitals due to movement restrictions and gunfire.

Meanwhile, since the start of Israeli incursions into Palestinian areas, a group of Palestinians took refuge in Bethlehem's Church of the Nativity. Included in the group were Palestinian civilians as well as militants; Catholic and Orthodox priests in the church refused to leave the compound, for fear that the sacred church would be destroyed. A stand-off between the Palestinians inside and the Israeli military outside went ensued for weeks. On April 30, 2002, a number of people, including 26 Palestinians, exited the church. Each Palestinian who left the church was escorted by a monk and upon exit was taken into Israeli custody. The Israeli army speculates that about half of these 26 Palestinians were members of Palestinian security forces, however, none are thought to be members of an armed militant group, which originally entered the church at the beginning of April. Remaining in the church were a number of police, civilians, monks and nuns, as well as the militant cadre, who were still ensconced in the standoff.

On May 10, 2002, the stand-off at Bethlehem's Church of the Nativity ended when the 13 militant Palestinian fighters left the church and were taken into custody, and bound for exile. The other individuals in the church, including several monks and civilians were also able to finally leave the church. The 13 militant fighters, who were on Israel's "most wanted" list, were sent to first to Cyprus, under the conditions of a European-brokered agreement

with Israeli authorities. From Cyprus, they will be taken to various third country destinations. Meanwhile, Israeli troops retreated from Manger Square. These events brought the 38-day standoff to a close.

Meanwhile, in late April 2002, following allegations of massacres during the Israeli offensive in the Palestinian refugee camp at Jenin, the United Nations Security Council authorized a fact-finding mission via its Resolution 1405. The mission was aimed at acquiring as much accurate information as possible on the humanitarian situation in the Jenin camp, where an extensive death toll had been reported. Any progress on the mission was at first halted when Israeli officials declared that the exercise was not intended to find facts, but, instead, to "set up" the Israelis instead in the eyes of the international community. Their resistance to the inquiry only served to fuel suspicion about the situation in Jenin. To the dismay of much of the world, the fact-finding mission was ultimately disbanded largely because of Israel's refusal to co-operate. This angered not only Palestinians but many other nations, who believe Israel had violated international law by blocking huminatarian aid from reaching people in need.

Following the hiatus, when independent journalists, international observers and researchers were finally allowed into Jenin, they determined that the actual death toll was around 50 people, and not in the thousands as had been originally alleged. The human rights group, Human Rights Watch, notes that although they documented only 52 deaths, these deaths included 22 civilians, and appeared to have been committed willfully in some cases. Other international observers noted evidence of war crimes committed by the Israelis and alleged Israel had ample time to "clean up" its actions by the time such groups were allowed in the region. Israeli officials vociferously denied such allegations. No final judgement on the situation in Jenin can be offered due to competing reports.

On May 1, 2002, Israeli officials stated that their forces would withdraw from Arafat's compund in Ramallah, the siege would end, and Arafat would be given some degree of freedom to move within the Palestinian territories. Arafat, however, would not be promised passage back into Palestine, should he choose to travel elsewhere.

On Tuesday May 7, 2002, a suicide bomber blew himself up on the third floor of a building in the suburb of Rishon Letzion, on the outskirts of Tel Aviv, killing 15 people and seriously wounding 50. The explosion also resulted in the collapse of the ceiling. The suicide bomber carried a suitcase up the three floors of the building, which had no security because most patrons were generally known to one another. An individual from the militant group Hamas claimed responsibility for the attack via telephone. Several hours later, a second suicide bomber attempted to detonate himself at Megiddo Junction near the city of Haifa. Reports suggest that his target was actually a group of soldiers standing at a bus stop in close proximity to the junction.

Israeli Prime Minister, Ariel Sharon, on a trip to the United States, blamed Palestinian Authority leader Yasser Arafat for the attack and promised retaliation. For his part, Arafat offered an almost-immediate condemnation for the attack. His comments did not assuage doubts about tacit Palestinian approval for such attacks against Israeli civilian targets.

In mid-May 2002, a controversial development over the issue of Palestinian independence and autonomy ensued when Israel's Likud party voted against the establishment of a Palestinian state. The issue was brought to a vote by Benjamin Netanyahu, the formidable rival of Israeli Prime Minister Ariel Sharon.

At the end of May 2002, the Israeli army arrested a number of Palestinian militants - including a local commander of the militant group Hamas - in a fast and sudden incursion into the West Bank town of Jenin. The incursion occurred in the aftermath of an earlier suicide attack in which a Palestinian suicide bomber killed two Israelis (including one baby), and injured more than 30 others in the town of Petah Tikva just outside Tel Aviv. Israeli tanks and helicopters, soon re-entered Jenin. Clashes with Palestinian gunmen ensued and one Palestinian was reportedly killed in the exchange of gunfire. This incursion into Jenin by Israel follows one that was enacted a month prior.

In a controversial ruling, the Palestinian Authority's High Court ordered the immediate release of a prominent suspect in the assassination of Israeli Tourism Minister Rehavam Zeevi last October (noted above). The court in Gaza declared that there was no evidence linking Ahmed Saadat, the leader of militant group Popular Front for the

Liberation of Palestine (PFLP), to the murder. While Israel criticized the ruling and promised its own justice for the PFLP leader, the militant group celebrated the verdict and asked for the release of another four PLFP members being held. The court verdict case posed a dilemma for Arafat. If he abided by the verdict he faced the ire of Israel, but if he ignored it, his credibility among Palestinians might be damaged.

In early June 2002, Israeli armed forces raided a refugee camp near Nablus and arrested approximately 500 men between the ages of 15 and 50. Israeli tanks also rolled into the Palestinian town of Qalqilya, in order to conduct house-to-house searches.

On June 10, 2002, Israeli tanks again surrounded the Ramallah headquarters of Palestinian leader Yasser Arafat, and Israeli officials arrested 27 Palestinians, most of whom were policemen. The raid came before Arafat's scheduled cabinet meeting. The day before, Arafat announced the reduction of his cabinet, appointed a general to overhaul the security forces, and promised new elections in the Palestinian Authority. The changes were made presumably in response to calls for reform of the Palestinian Authority.

Despite these changes, United States President George W. Bush stated that he was not willing to set a timetable for the establishment of a Palestinian state, despite pressure from Arab leaders in this regard, and indeed, he has expressed skepticism that Arafat is the right person to lead the Palestinian cause. Although he subsequently put forth a peace proposal that included the establishment of a Palestinian state three years down the road, he maintained his view that Palestinian leadership must be reviewed.

In mid-June 2002, Israel began the construction of a controversial new security fence to try to stop Palestinian militants crossing into its territory. Reports say the fence will be electrified and will have devices to detect any movement on it. Sharon claimed construction of the fence was necessary to halt the wave of suicide attacks in Israeli cities and towns. Palestinian Cabinet Minister Saeb Erekat accused Israel of seeking to divide Palestinian territories into small cantons and establishing a divisive system, similar to apartheid in South Africa.

After several weeks of calm, there were two bloody suicide bombings in Israel in mid-September. Another siege of Yasser Arafat's Ramallah complex then ensued, leaving Arafat and about 200 of his aides and security detail imprisoned in a wing of his offices. The Israeli government stated that it wanted to question 50 men, who were apparently among the 200 people confined in the office wing. The Israelis were hoping that Arafat would produce a list of all the 200 persons trapped in the building. Arafat, however, refused to comply with that request. Saab Erekat, Arafat's chief negotiations officer, met with Israeli military officials, in hope that they would offer a list of the 50 wanted men. He was also hoping to arrange political and security discussions with the Israeli authorities, which would ideally include the participation of the United States. Both of these goals are not likely to be realized.

Despite international calls for the Israeli military to withdraw from the area of Arafat's complex, the Israelis remained in place. Some reports suggested that an Israeli flag was planted in the area of the complex. Nevertheless, the destruction of Arafat's compound stopped following an international outcry. The Israelis seem prepared to wait out the process and allowed Palestinian representatives and leaders to meet and discuss proposals aimed at ending the siege and meeting Israeli demands. They also insisted that their intention was not, at all, to hurt Arafat. Meanwhile, thousands of Palestinians protested the siege in the streets of major Palestinian areas. Analysts suggest that although the Sharon government repeatedly describes Arafat as "irrelevant," their actions against Arafat suggest a different perspective on the Palestinian leader.

The Palestinian-Israeli situation turned grim when the Israelis killed nine Palestinians in a siege in the Gaza Strip several days later. Tanks, armored vehicles and helicopter gunships arrived in Gaza City only hours after Israeli Prime Minister Ariel Sharon determined that military attention should shift from Arafat's complex in Ramallah to the Gaza area, which is the power center of the militant Islamic group, Hamas. Much speculation emerged noting that the raids in Gaza came after the Israeli media criticized Sharon for focusing attention on Arafat instead of Hamas, which has been the source of many suicide bombings over the last two years of the Intifada (uprising). Indeed, Hamas was responsible for one of the two most recent suicide bombings in Israel.

Meanwhile, the Israeli government suffered quite a blow at the United Nations when the Security Council adopted a resolution demanding an end to the siege. Notably, the United States abstained from voting on the resolution. The Bush adminsitration observed that Sharon's current siege was "unhelpful" to the cause of Palestinian institutional reform and long-term peace possibilities. Also included in the text of the resolution was a call for the Palestinian Authority to bring those responsible for the suicide attacks to justice.

Finally, after 10 days of being under siege, Arafat was finally allowed to exit the complex. Despite the Israeli pull-back from the complex, however, Israeli forces remained in place in nearby areas, and a curfew was issued for the city of Ramallah. Nevertheless, it has been widely reported that international pressure, in conjunction with the threat of resignation from the Foreign Minister, Shimon Peres, contributed to the Israeli decision to end the siege.

A week later, in the wake of Israeli incursions in the Gaza Strip, approximately 14 civilians were killed. The incursions were launched by the Israeli army in order to destroy the terrorist infrastructure in the area where explosives and bomb-making equipment had been discovered. The militant group, Hamas, promised revenge for the deaths of the 14 individuals, noting that such deaths must be punished with equivalent deaths. As such, the cycle of violence is almost certain to continue.

By the fall of 2002, in an Intifada lasting two years, close to 2,000 people had been killed, and more than 20,000 people wounded, the large majority of them Palestinians. The plurality of Palestinians killed, however, should not obfuscate the devastating toll on Israelis as well. In terms of sheer numbers, less Israelis have been killed than Palestinians, but when one considers the diminutive size of the Israeli population, it is clear that terrorist attacks on the Israeli civilian population has been terribly devastating.

Meanwhile, human rights organizations strongly criticized both Israeli and Palestinian authorities for their human right standards in general, and their actions in the latest round of violence in particular. Back in March 2001, the American State Department accused Israel of committing "serious human-rights abuses." Israeli human rights organizations express concern about judicial inaction and public apathy toward breaches of human rights during the current violence. Likewise, Palestinian security services receive harsh criticism for continued cases of torture, arbitrary arrests, and prolonged detention without charge or trial. Death sentences have been issued by military and state security courts after short and grossly unfair trials.

Political climate in late 2002 through early 2003

In mid-October 2002, violence erupted between civilians and the military when a group of Jewish settlers defied the Israeli government and illegally re-occupied an area in the West Bank. Although Israel's Prime Minister Ariel Sharon was typically known to support settlement construction, in this particular case, he decried the attacks on the Israeli military as well as the unnecessary violence. The situation was creating further cleavages in his already fragile coalition government, some of whom warn of resulting civil instability. Certain cabinet ministers also threatened to resign from cabinet, most notably, Defense Minister Ben-Eliezer, who ordered the settlements to be dismantled, in the long term best interests of Israel.

Then, in late October 2002, six of the Labor Party's members who were part of Sharon's coalition government resigned, including Defense Minister Ben-Eliezer and Foreign Minister Shimon Peres. The Labor Party members' exit was prompted by Sharon's failure to secure approximately \$145 million from the budget for jobs and social services. Sharon and other members of his cabinet wanted the funds to go toward Jewish settlements -- a measure which the Labor Party members strenuously opposed. For Labor Party members, there was the belief that everything had been done militarily to deal with terrorism and security concerns, while at the same time, nothing had been offered to help Israel's poor, or to revive the peace process. Moreover, many Labor Party members believed that further Jewish settlements have only served to exacerbate the conflict and violence between Israelis and Palestinians.

The Labor Party resignations effectively dissolved Sharon's majority and as such, he was compelled to court other parties' support in order to restore his majority in government. In this regard, reports suggested that Sharon was in discussions with the ultra-nationalist National Union-Yisrael Beiteinu Party, which tends to align itself with the interests of Sharon's rival within the Likud party, Benjamin Netanyahu. Sharon was also in discussions with other right-wing and religious parties for coalition building purposes. It is difficult to discern whether or not any of these parties have any interest in joining Sharon's coalition. Sharon may have to tried to govern with a minority administration, however, he was faced with a non-confidence vote, which was called by the left-wing Meretz party. With such a prospect looming ahead, new elections were called within 90 days.

Also notable was the feeling that the prospects for peace were further diminished when Sharon chose to appoint the hawkish Shaul Mofaz as Israel's new Defense Minister. Leading Palestinian voices stated that the appointment of Mofaz signified a strident move to the right, further away from peace, and with very little hope of resolution between Israelis and Palestinians.

In early January 2003, two Palestinian suicide bombers set off consecutive explosions in central Tel Aviv, killing 23 people and wounding more than 100 others. The area was populated mostly by immigrants and foreign workers. The Al Aqsa Martyrs' Brigade, a military branch of Yasser Arafat's Fatah movement, said the suicide bombers belonged to their group. Earlier, the militant Islamic Jihad claimed responsibility for the back-to-back blasts but later recanted. The attacks, which were the first suicide bombings since a November 2002 attack in Jerusalem, came just three weeks before Israel's general election. As such, there was speculation that they might inspire support for more hardline parties, such as Prime Minister Sharon's Likud Party.

Sharon held an an emergency meeting of key Cabinet ministers to discuss how to respond. In this regard, it was decided that targeted attacks against Palestinian militants would be intensified, Palestinian officials would be prevented from attending scheduled talks, travel restrictions would be increased, and Palestinian universities (a hotbed of militant inspiration) would be closed. Previous attacks of this sort resulted on the reoccupation of many West Bank towns -- however, as Israeli forces remain in control of many Palestinian areas, further options were limited. Also, with the United States poised to strike against Iraq, there was a shared desire to avoid raising the ire of the Arab world over the Israeli-Palestinian conflict. For its part, the Palestinian Authority condemned the bombings. Meanwhile, Israel carried out a test launch of its Arrow missile interceptors. The anti-ballistic missile test -- the biggest launch of Israel's new air defense system -- was carried out in anticipation of a war on Iraq.

Elections of 2003

By mid-January 2003, pre-election polls suggested that Prime Minister Ariel Sharon's right-wing Likud Party was headed for re-election. Meanwhile, the opposition Labor Party, which withdrew from Sharon's national unity government and prompted new elections, appeared headed for a substantial loss. Another possible winner in the elections would likely be the secular centrist Shinui Party, with polls indicating it may end up being the country's third largest party.

Polling data indicated that Likud may increase its seats in the 120-member Knesset to approximately 32 (up from 19), while Labor would decrease its seats to approximately 19 (down from 25). Shinui, which at the time of writing held only six seats, were predicted to more than double that number; some polls showed the party holding as many as 15 or 16 seats after the election.

As was the case in the last election, security was the main campaign issue. Despite being ravaged by scandals, Sharon campaigned successfully by reminding voters that he could only fulfill his prime ministerial duties with a wider base of power in the Knesset. In addition, his hawkish stance with Palestinians has been popular since the start of the second Intifada. Labor leader Amram Mitzner appealed to disillusioned Labor supporters, asking that they return to the party's fold in the interests of hope. Mitzner pledged to withdraw Israeli forces from most Palestinian area. Although Sharon tried to attract Shinui supporters, the number of cross-over voters from Shinui to Likud was likely mitigated by the large number of Labor supporters who decided to vote for Shinui instead.

Israel's daily newspaper Ha'aretz forecasted a right-wing coalition of seats approximating 67 in number; a left-wing constellation of 37 seats; and a centrist bloc of about 16 seats. Whatever the outcome of the election in terms of seat allocation, the fact remained that a coalition government would have to be formed. With Labor refusing to join another national unity government with Likud, and with a Likud - Shinui alliance unlikely due to ideological and personality differences between Sharon and Lapid (Shinui's leader), it was expected that Sharon would likely form a government with other hard-line and religious parties in a right-wing coalition. Sharon's main challenge would be to have a strong enough Likud presence in the Knesset, so that he would not be unduly pressured by other parties' interests.

The Israeli government warned there might be an increase in suicide bombings and other such attacks by Palestinian militants during the time of the election. As the election loomed on the horizon, Palestinians were prevented from entering Israel. The curfews and entry prohibitions were expected to continue until after the election was over. Meanwhile, the Israeli army carried out incursions in the Gaza Strip over the last weekend; 12 Palestinians were killed and 50 were wounded.

When the official election results were declared, Prime Minister Ariel Sharon's Likud party garnered 37 seats, Labor 19 seats, and Shinui 15 seats. Although Likud won a plurality of seats, it did not have an absolute majority and had to form a coalition government. Likud launched coalition talks with various parties. In this regard, a national unity government would have been preferable, and would preferably included Labor. The Labor party, however, maintained its position that its differences with Likud were substantial and could not easily be dismissed. For example, Labor wants the withdrawal of Jewish settlements from Palestinian areas, as well as significant changes in the national budget. These matters are unlikely to be resolved. A coalition between Likud and Shinui seemed unlikely because Shinui is secular and expressed reticence about joining a coalition that includes religious parties. With both Labor and Shinui refusing to enter a Likud coalition, analysts from both sides of the political divide predicted a right wing coalition with a totality of 62 or 63 seats. Sharon challenge, as such, was to create -- and hold together -- a coalition that did not sit on the far right of the political divide.

Political developments in early 2003

In early 2003, in the face of the increasing violence in the West Bank and Gaza, Prime Minister Ariel Sharon issued Palestinians a challenge to find new leadership without terrorist inclinations. Interestingly, however, these developments took place even as Sharon was meeting with members of the Palestinian leadership for the first time in about a year. Reportedly, Sharon offered to withdraw from certain Palestinian areas currently under siege, presumably in an effort to win some support from the Labor Party, which he desperately needed to form a government of national unity.

Sharon's efforts to create a national unity government were not realized as the divisions between his own Likud Party and Labor were too great on two major issues: (1) dealing with the Palestinian uprising (or Intifada); and (2) the matter of Jewish settlements. Sharon did manage to create a coalition with the secular centrist party, Shinui, and the far-right wing National Religious Party (NRP). The coalition will give Sharon 61 seats and a two-seat majority in the Israeli Knesset and he will be able to form the next government of Israel. Shinui and NRP will have five and two cabinet portfolios respectively. The coalition, however, is characterized as tenuous, with Labor excluded, as well as the ultra-Orthodox Shas Party. As such, most political experts do not expect the coalition to last more than a year.

Meanwhile, in a surprise announcement, Palestinian President Yasser Arafat declared that he would share power with a yet-to-be-determined Prime Minister. The new governmental structure would divide political power in such a way as to make Arafat's presidency a more ceremonial function, while leaving the fundamentals of governmental *policy*-making to a Prime Minister. The historic announcement was overshadowed by ongoing Israeli-Palestinian violence.

In April 2003, Palestinian leader Yasser Arafat and the new Palestinian Prime Minister Mahmoud Abbas (also known as Abu Mazen), agreed on the composition of a new cabinet, which was later approved by the Legislative Council. The changes in Palestine's government structure had been a pre-condition for the United States' involvement in the Israeli-Palestinian conflict, and was intended to pave the way for the Israeli-Palestinian peace process.

In addition to the new structure and formation of the Palestinian government, the issue of security was also considered to be a major issue. Israel and the United States both favored a crackdown on militant factions, such as Hamas and al-Aqsa Martyrs Brigade, and both countries warned that the peace process would not be considered without the implementation of such measures. Yet at the same time, the United States urged Israel to ease restrictions against Palestinians and to pull back from Palestinian areas. The Israeli government, however, said that operations against Palestinian militants would continue if the Palestinian Authority failed to deal with attacks and terrorism by militants.

Within the new government of Palestine, one of the key issues of contention was Abbas' choice of Interior Minister - Mohammed Dahlan, former security chief from Gaza. Dahlan's promise to deal with militant groups produced some reticence by Arafat and the Fatah movement. Arafat and many members of Fatah believe that unless Israeli occupation of Palestinian areas is reduced, and unless military incursions by Israeli forces are ended, a proposed crackdown on militants would be politically untenable. (Dahlan was eventually included in the government but not in the role chosen by Abbas.)

Complicating matters was the fact that many Palestinians have viewed Prime Minister Abbas' cabinet as an American creation. As such, the conditions being set forth as precursors to the peace process have been regarded with suspicion. Moreover, some analysts claim that Abbas is a threat to Arafat's power. Yet, the final decision-making regarding the cabinet ultimately illustrated Arafat's prevailing authority in Palestinian affairs, in spite of efforts by Israel and the United States to sideline him.

The "Roadmap for Peace"

Following the approval of the new cabinet, international mediators presented a "roadmap for peace" as a starting point for efforts aimed at resolving the Israeli-Palestinian conflict. The United States Assistant Secretary of State, William Burns, met with Abbas in Ramallah to discuss this "roadmap for peace," which Abbas said had been accepted by the Palestinian government. The United States also intended to invite Abbas to the White House for talks related to the peace process. Notably, Arafat has never been included in any such high level talks. Abbas, however, has expressed uneasiness with the idea of excluding Arafat from any such discussions. Regardless, the gesture by the United States was the first of its kind since the collapse of the peace process under United States President Bill Clinton.

There were reports that Israeli Prime Minister, Ariel Sharon, might also meet with Abbas. As well, Israel released approximately 100 Palestinian prisoners as part of confidence-building measures for the implementation of the peace plan. Still, Sharon's government had not yet actually endorsed support for the "roadmap for peace" and during talks in the Middle East, United States Secretary of State Colin Powell was forced to downplay this reality. The "roadmap" includes a plan for a provisional Palestinian state by year's end, however, the Israeli government's immediate priority did not lie with the creation of such a state, but rather with the cessation of terrorism and violence.

The "roadmap" encompasses three phases as follows:

Phase 1 (to May 2003):

End of terrorism, normalization of life for Palestinians; Israeli withdrawal and an end to settlement; Palestinian political reform and elections

Phase 2: (June-Dec 2003):

Creation of a provisional but independent Palestinian state; international conference and international monitoring of compliance with roadmap

Phase 3 (2004-2005):

Second international conference; permanent status agreement and end of conflict; agreement on final borders, Jerusalem, refugees and settlements; Arab states to agree to peace deals with Israel

A new spate of violence threatened to upset the roadmap for peace. Apart from violent confrontations between Israeli defense forces and Palestinians, several diplomatic vehicles from Switzerland, Sweden, Denmark and the European Union were shot at by Israeli forces as they progressed through the northern Gaza town of Beit Hanoun. Governments of these countries have asked for an inquiry into the incidences, however, the Israeli army has said that the shots were merely fired into the air as the vehicles attempted to circumvent roadblocks. The Swedish Consulate observed that bullets hit the windshield of its armored vehicle and insisted that the diplomatic cars had been fired upon.

The confrontations came on the heels of a declaration by Israeli Prime Minister Ariel Sharon to conditionally accept the "roadmap for peace." Sharon had for a long time maintained the view that there would be no action on the peace process without a cessation to violence and terror (as noted above). Sharon's acceptance, even in this conditional form, garnered intense criticism from members of his Likud Party. Most of their ire was directed at Sharon's statements about Israeli "occupation" of the West Bank and Gaza because the right-wing of Israel believes that these territories are legitimately under Israeli control. By articulating the term "occupation," Sharon symbolically distanced himself from the hard-line position of other members of his party. In a measure aimed at building confidence for the peace process, certain outposts in "occupied" areas were dismantled.

The issue of occupation aside, Likud members also expressed their discomfort with the "roadmap for peace" because they believe that it favors Palestinian interests. Sharon's critics on the left of Israel's political divide criticized him for being insufficiently clear about his support for the establishment of a Palestinian state. They accused him of being purposefully ambiguous so that he could present the illusion of support for the peace process to the United States, while at the same time, having no genuine intention of following through.

Regardless, Sharon met with the new Palestinian Prime Minister Mahmoud Abbas (also known as Abu Mazen). In June 2003, following a meeting in Egypt with Arab leaders, United States President George W. Bush was scehduled to travel to Jordan for trilateral talks with Israeli Prime Minister Ariel Sharon and Palestinian Prime Minister Mahmoud Abbas. The trilateral talks were one of the initial steps in the "roadmap for peace" aimed at ultimately establishing the peaceful coexistence of Israeli and Palestinian states.

The Israeli-Palestinian "roadmap for peace," which was marred by escalating violence, garnered a diplomatic victory when the militant Islamic groups, Hamas and Islamic Jihad, both agreed to truce (referred to as "hudna" by Palestinians). The truce was achieved after intensive diplomatic efforts by the United States' Bush administration, which had been working toward the adoption of the peace plan by Israeli and Palestinian interest groups. While the Bush administration in the United States welcomed the development of the truce, United States Secretary of State, Colin Powell, noted that it would not ensure enduring peace. Instead, he offered the view that Palestinian areas had to be demilitarized and all weaponry had to be under the control of the government. Earlier, United States President George W. Bush had said that the armed infrastructure of groups, such as Hamas, would have to be dismantled.

The al-Aqsa Martyr's Brigade, a militant offshoot of Palestinian President Yasser Arafat's Fatah movement did not sign on to the truce. In fact, the al-Aqsa Martyr's Brigade claimed responsibility for an attack against a worker at an Israeli company in the northern West Bank on the first full day of the truce. Interestingly, Arafat's Fatah movement joined Hamas and Islamic Jihad in agreeing to the truce.

Meanwhile, in accordance with the provisions of the "roadmap for peace," there was an Israeli pull-back from the Gaza Strip. Palestinian police replaced Israeli troops in the northern and central parts of the Gaza Strip, and the Israeli army withdrew from the main checkpoints along the Gaza's main highway, which runs north to south and back. The withdrawal along the highway effectively allowed Palestinians free movement for the first time in approximately two years. Discussions about a similar pull-back in the West Bank were on-going.

Amidst this backdrop, as an incentive for political cooperation, the United States also advocated a free trade program with countries in the region. The United States government expressed the belief that free trade commerce might advance greater networks of cooperation and political reforms. At present, only Israel and Jordan have free trade agreements with the United States, although several other such agreements have been planned. Not all countries in the region are enthused about the free trade incentive as they believe that the focus should be on the peace process and the security situation, rather than economic and commercial interests.

Political machinations in late 2003

Within the political landscape of Israel, a significant development ensued when the leader of Israel's opposition Labor Party, Amram Mitzner, resigned. Mitzner explained that the reason for his resignation was sourced in conflicts within the Labor Party. Apparently, some Labor members were not in agreement with Mitzer's decision to stay out of Sharon's coalition government following the last elections.

In September 2003, following an almost continuous power struggle, Palestinian Prime Minister Mahmoud Abbas (also known as Abu Mazen) resigned. Abbas complained that his efforts had been stymied by a lack of support from the Palestinian legislature and sabotage by Arafat. Palestinian President Yasser Arafat nominated one of his allies, Ahmed Qurei, to replace Abbas.

Ahmed Qurei (also known as Abu Ala) had been the parliamentary speaker and a key member of Arafat's Fatah movement. He was also instrumental in the negotiation of the Oslo peace accords signed with Israel 10 years prior, which led to Palestinian autonomy in the West Bank and Gaza Strip. Regarded as a moderate and a pragmatist, he is a banker by trade.

Ahmed Qurei's appointment was to be confirmed by parliament, however, the nominee accepted the position, noting that the United States and the European Union would have to show commitment to the peace process.

The appointment of a new prime minister was barely off the ground when a spate of deadly attacks by Palestinians on Israelis began. In retaliation, the Israeli authorities halted the military's withdrawal from Palestinian areas, cut off talks with Palestinian negotiators, and targetted key members of militant groups, such as Hamas. The cycle of violence did nothing to build confidence between the two sides.

Then, in mid-September 2003, the Israeli cabinet announced its decision to remove Palestinian leader Yasser Arafat, whom they declared to be a complete obstacle to any process of reconciliation. At the time, it was unclear initially if Israel meant death or expulsion when it spoke of removing Arafat. Either way, the international community reacted with dismay. The decision to send the Palestinian leader into exile was followed by a shocking declaration by Israel's Vice President Ehud Olmert, which noted that the government had not ruled out killing Arafat. He also offered another option, which would include keeping the Palestinian leader in prison-like conditions. As such, the situation in the Middle East deteriorated futher and the so-called "roadmap for peace" appeared to be in dire jeopardy.

The United Nations Security Council quickly drafted a resolution condemning such an act, however, the United States was the only country out of 15 in the Security Council to oppose the resolution. Britain, Germany and Bulgaria all abstained from voting. The United States argued that the resolution was flawed because it did not condemn Palestinian terrorist groups such as Hamas and the Islamic Jihad. The draft resolution, sponsored by Syria, had demanded that Israel "desist from any act of deportation and cease any threat to the safety of the

elected president of the Palestinian Authority." Meanwhile, Arab nations criticized the United States' opposition to the resolution.

Soon thereafter, on Sept. 19, 2003, the United Nations General Assembly voted overwhelmingly in favor of a resolution calling on Israel to lift its threat to exile Arafat. The vote -- 133 in favor, four against and 15 abstentions -- followed the Security Council debate discussed above. The resolution got huge support due to last-minute changes introduced by the European Union to condemn Palestinian suicide bombings as well as Israeli extrajudicial killings. However, even those concessions were not enough to enlist the support of the United States, which reportedly opposed the text. Unlike the Security Council, a General Assembly resolution has no binding powers - it simply carries the weight of global opinion.

On Oct. 5, 2003, Arafat declared a state of emergency in the Palestinian territories and signed a presidential decree approving the formation of an emergency cabinet for the Palestinian National Authority (PNA) that consisted of nine members. The emergency government consists of the following: Ahmed Qurei, prime minister; Nasser Yousef, minister of interior; Sallam Fayad, minister of finance; Nabil Shaath, minister of foreign affairs; Na'eem Abu Al-Homos, minister of education; Saeb Erekat; Jawad Al Tibi; Jamal Al Shoubaki.

Qurei confirmed to reporters the forming of the emergency cabinet, saying that its mission would be to keep national unity among the Palestinians and act to end disorder and implement discipline and the rule of law.

Arafat signed the decree a day after a deadly suicide bombing in Israel's northern coastal city of Haifa, which killed 19 people and wounded over 50 others. Soon after, rumors emerged suggesting that Arafat had a heart attack and was in poor health. The revelation led to speculation about new presidential elections and fears of a possible power vacuum.

By the close of 2003, truce talks in the Egyptian capital city of Cairo between Palestinian factions failed to obtain a full ceasefire on Israeli targets. The factions were unable to agree on the issue of ceasing suicide attacks against Israeli civilians. The presence of the Palestinian Prime Minister Ahmed Qurei during the talks did not help to resolve the ideological dissonance. Observers have said that the fact that Palestinian factions were not able to agree even on a limited ceasefire did not bode well for the prospects of peace. Moreover, the militant group Hamas promised the resumption of suicide attacks. Further discussions among Palestinian factions are expected to ensue regardless.

For its part, the Israeli government expressed pessimism regarding the lack of progress coming out of the Cairo talks. In particular, Israel's Deputy Prime Minister Ehud Olmert said there had been no sign "on the ground" of a Palestinian commitment to end attacks. He went on to assert that there was no room for negotiation until "terrorist actions" were stopped.

Also at the end of 2003, Israeli Prime Minister Ariel Sharon delivered a **policy** speech announcing that Israel would take the initiative if the Palestinians failed to begin disbanding militant groups, as required under the so-called "roadmap for peace." The core of Sharon's speech dealt with the idea of "disengagement" from the Palestinians. In this regard, Sharon's government said it might dismantle settler outposts and accelerate the construction of a barrier to separate Israel from the Palestinian territories.

The fallout of Sharon's speech has been far-reaching. At home in Israel, most of the 220,000 settlers expressed anger over the government plan. A senior minister within Sharon's cabinet warned that the dismantling of settlers' homes would result in a mixture of heartbreak and confrontation. Meanwhile, both Palestinian and United States officials have criticized Israel's possible unilateral action. For both, they believe that a lasting solution to the Israeli-Palestinian conflict can only be accomplished via a negotiated agreement.

Developments in 2004:

In February 2004, the issue of Israel's proposed wall separating Israelis from Palestinians faced the International Court of Justice. Palestinians argued against Israel's West Bank barrier, claiming it could prevent the eventual creation of a Palestinian state by annexing and entrenching portions of land. For its part, Israel said that the wall is needed to prevent suicide bombers from killing civilians. In fact, the Israelis have suggested that the hearing at the International Court of Justice might even undermine the peace process. The case was brought before the International Court of Justice by the United Nations General Assembly.

Any possible ruling was unlikely to be made for some time and ultimately would not be legally binding. Still, should a ruling be made on the matter, it would hold symbolic -- if not de jure -- authority and influence. Meanwhile, Israeli government officials said that ongoing attacks by militants demonstrate quite clearly why the construction of the security barrier has been necessary to save lives.

In late March 2004, the leader of Hamas, Sheikh Ahmed Yassin, was killed in an Israeli air strike. According to witnesses in the Gaza Strip, Israeli helicopter gun ships hit Sheikh Yassin, a quadriplegic, as he was being wheeled to his car to be transported -- either from or to -- a mosque. Yassin founded Hamas in 1987. In addition to the social and welfare functions of Hamas, the organization also had a terrorist militant faction, which was responsible for the killing of hundreds of Israelis and other such attacks.

Since the time of a double suicide bombing in Israel in mid-March, Israel's military had been engaging in an offensive in the Gaza Strip against Hamas, while Yassin had been specifically identified as a target of the Israeli military action. In fact, Israeli Deputy Defense Minister Zeev Boim said that Yassin had been "marked for death" and media reports suggested that the targeting Yassin had been directed by Israeli Prime Minister Ariel Sharon. Analysts suggest that the assassination was an attempt to emphasize Israeli strength as Israeli forces prepare to withdraw from Gaza.

Palestinians responded with anger as thousands demonstrated in the streets in protest of Yassin's killing. The Palestinian Prime Minister Ahmed Qurei, though not aligned with Hamas, denounced Yassin's killing as "a dangerous, cowardly act." For their part, Hamas militants in Gaza City pledged to avenge Yassin's death, as loudspeakers broadcast the message "We will send death to every house, every city, every street in Israel." In addition to acts of revenge, it would seem that the killing of Hamas' leader will also affect efforts to return to the peace process.

On March 23, 2004, hard-liner Abdel Aziz Rantisi, was chosen as the new leader of Hamas. The next day, Rantisi pulled back from threats against the United States, saying his group's militant activities were aimed solely at Israel.

Also in March 2004, even as Israeli Prime Minister Ariel Sharon focused public attention on his government's decision to target the leadership of terrorist organizations like Hamas and the building of the dividing wall between Israel and Palestinian territories, he is facing challenges on other political issues. In particular Prime Minister Sharon was facing a series of bribery allegations that may threaten his hold on political power. Israel's chief prosecutor recommended that Sharon be indicted on corruption charges. The decision of whether or not this step should be taken was to be made by Israel's attorney general, Menachem Mazuz. Although in 1993, the Israeli Supreme Court ruled that a person under indictment could not serve in a major national capacity, the ruling applied to a cabinet minister rather than the head of government.

A month later, Israel's Likud political party decided to vote on Prime Minister Ariel Sharon's plan to withdraw Israeli forces out of the Gaza Strip. In the aftermath of the vote, Sharon suffered a political setback when his Likud Party rejected his plan to withdraw Israeli troops and 7,500 Jewish settlers from the Gaza Strip. For many Israelis, disengaging from Gaza was regarded as a form of retreat and thus may have contributed to the outcome. With final results of the poll showing that 59.5 percent of the ruling Likud party voted against Ariel Sharon's proposals, questions arose in the Israeli media as to whether of not Sharon would be able to survive politically as prime minister. For his part, Sharon dismissed suggestions of his resignation and refused to admit that his plan was

entirely off the table. In this regard, Sharon noted that although he respected the outcome of the vote, he did not intend to "do nothing" for the remainder of his elected term in office.

Soon thereafter, a siege in the Gaza Strip by the Israeli army left more than 40 Palestinians dead and dozens of houses demolished. Israeli officials said that the siege was necessary to prepare for a complete withdrawal from the area, despite the vote to reject Sharon's plan within his Likud party.

Indeed, a revised plan was to be presented to the cabinet which stipulated a withdrawal from the Gaza Strip and four West Bank settlements in phases rather than all at once.

Faced with continued opposition to his withdrawal plan from within his own government, Israeli Prime Minister Ariel Sharon planned to dismiss two cabinet ministers. Without the two hardliners to deal with, Sharon was able to secure support -- in principle -- for his revised plan to withdraw from the Gaza Strip and the West Bank.

In mid-2004, the Israeli leader was faced with a political crisis as one of his coalition partners threatened to pull out of government. Once that threat became a reality and he was left without a majority, Sharon commenced coalition talks with Shimon Peres of the Labour Party. Within his own Likud party, Sharon could count on little support for either the settlement withdrawal or an alliance with the Labour Party. Indeed, bringing the Labour party into the government would likely alienate members of Likud. The other coalition possibility would involve bringing in religious parties; such a prospect would be likely to upset the secular Shinui party. Consequently, Sharon warned Likud members that if they failed to support his coalition negotiations with the Labour Party, they would have to face new elections.

For its part, the Labour Party said that in exchange for its parliamentary support, it would call for a more rapid withdrawal from Gaza and the West Bank, as well as dialogue with the Palestinians. Some members of the Labour Party, however, were not pleased about the prospect of propping up Sharon's government and said that they should be moving toward fresh elections instead.

Meanwhile, within Prime Minister Sharon's cabinet, there was another episode of dissonance following remarks from a cabinet minister. Yosef Lapid, the justice minister and head of Sharon's main coalition partner, angered several fellow cabinet members by stating that the Israeli army's offensive in Gaza reminded him of his family's experience during World War II. Lapid said that the television depictions of an elderly Palestinian woman in the rubble recalled memories of his own grandmother. In response, he was reprimanded by Prime Minister Ariel Sharon.

In July 2004, Palestinian Prime Minister Ahmed Qurei resigned in protest of the security situation in Palestinian territories. Technically, control over, and reform of, Palestinian security should have been administered by the prime minister; however, no such turnover had ensued. Having been placed in an impossible situation, Qurei believed he had no choice but to resign. While the younger Palestinian militants clamor for more influence, the old guard of Arafat loyalists have not been eager to relinquish their authority. Gaza, therefore, has become the terrain of a Palestinian power struggle in anticipation of Israel's possible withdrawal.

Also in July 2004, the International Court of Justice ruled that Israel's separation barrier in the West Bank violates freedom of movement and should be demolished because it threatens a "de facto annexation" of Palestinian lands for Jewish settlements. The court's nonbinding, 14-1 decision was set at the time of writing to go to the United Nations General Assembly. Palestinians applauded the decision while the United States Department of State called the referral to the court "inappropriate." Israeli Prime Minister Sharon maintained that "the fence works."

In October 2004, violence between Israelis and Palestinians continued even as an Israeli withdrawal from northern Gaza took place.

Israeli Prime Minister Ariel Sharon said that following a disengagement vote in the Knesset, he intended to establish a unity government that would include its traditional rival Labor Party.

The vote to disengage from Palestinian areas was expected to result in the withdrawal of the hardline National Religious Party from the ruling coalition. As such, Sharon had to seek other allies to continue to govern. If the vote for disengagement failed, Sharon would be forced to call for new elections. Talks with Labour were not particularly fruitful in late 2004.

By early 2005, the Labour Party of Israel had tabled a non-confidence motion prompting Prime Minister Sharon to try to bring Labour and two other parties into a new coalition government. In this regard, Sharon's ruling Likud party subsequently authorized the formation of a new government that included the opposition Labour Party as well as two religious parties, Shas and United Torah Judaism (UTJ).

Israel and the Palestinian Territories: Relations from late 2004 through 2005

Meanwhile, Palestinian leader Yasser Arafat died in late 2004. Palestinians and Israelis prepared for would-be successors most notably exemplified by the call for new elections to the Palestinian National Authority.

In early December 2004, in anticipation of elections in January 2005, positioning for the Palestinian leadership role was in full swing. Mahmoud Abbas appeared to be leading the polls and from this position of advantage, he signaled a potential shift in strategy by calling for an end to armed resistance.

In January 2005, Abbas won the election for the leadership of the Palestinian people with over 66 percent of the votes cast. Abbas' stance calling for a halt to suicide bombings and the revitalization of the peace process was not well-received by extremist factions, such as Hamas. Still, such factions said they would support Abbas.

The implications for Israel and the peace process were not yet known as violence continued with an attack by Palestinian militants on Israelis at the Karni commercial center, and also the continuation of hand made rocket attacks against Jewish settlements in the Gaza Strip. The incidents resulted in the decision by Israel to cut ties with the newly-elected Palestinian leadership. Israeli Prime Minister Ariel Sharon also ordered a crackdown against militants. Amidst these developments, Abbas and the Palestinian authorities continued to call for a halt on attacks against Israelis and for a return to the peace process.

Along this path, Abbas engaged in serious talks aimed at establishing a cease-fire between the Israeli authorities and Palestinian militants within weeks of coming to power and despite the earlier decision by Israel to cut ties with him. His efforts appeared to have been productive because by the last week of January 2005, Israeli government sources said that it would suspend operations in Palestinian areas if Palestinian militants would halt rocket attacks on Jewish settlements. Israel's Defense Minister Shaul Mofaz even went to so far as to predict that there might no longer be the presence of Israeli soldiers in Gaza and the West Bank later in the year. Although, a spokesman from Hamas denied that a cease-fire had been finalized, he acknowledged that talks were ongoing. He also expressed interest in serious dialogue and did not foreclose the possibility of an eventual truce, if Israel halted its "aggression" in Palestinian areas.

By mid-February, Palestinian and Israeli leaders announced a cease-fire. But the news was followed by comments from leaders of Hamas and Islamic Jihad who said that they were not bound by the ceasefire agreement. Nevertheless, Israel said that it would release up to 500 Palestinian prisoners as part of a ceasefire deal with the Palestinian Authority.

By late February, Israel's cabinet backed Prime Minister Sharon's plan to withdraw both troops and settlers from the Gaza Strip and portions of the West Bank. Members of the cabinet voted 17-5 in favor of Sharon's plan, which would go into effect in July 2005. The plan had been previously approved by the Israeli parliament. Cabinet also approved the new route of the barrier wall in the West Bank. As noted previously, even as the Israeli government asserted that the wall had a positive effect on security, Palestinians argued that the wall might potentially shape the

future border between separate Israeli and Palestinian states. As such, Palestinians feared that even as Israel loosened its grasp on Gaza, it was attempting to tighten its grip on the West Bank.

In April 2005, the decision by Israel to go forward with settlement expansion in the West Bank was met with opposition. While Palestinians expectedly decried the plans for further expansion, Israel's closest ally, the United States, said that such a move would be at odds with the so-called "roadmap for peace," which calls for a halt on further Jewish settlement. The issue was to be part of the discussions between Israeli Prime Minister Ariel Sharon and United States President George W. Bush during a meeting at Bush's ranch in Crawford, Texas.

In another development, ultra-nationalist Jewish Israelis planned a rally at the Temple Mount -- a site regarded as sacred to both Jews and Muslims. Ariel Sharon's visit to this site in 2000 is believed to have been the catalyst for the start of the recent Palestinian Intifada (uprising). Consequently, security forces were deployed to prevent such a rally.

In the first week of May 2005, Israeli Prime Minister Ariel Sharon decided to halt the scheduled release of Palestinian prisoners. His decision came days after the Israeli defense ministry had frozen the handover of West Bank towns to Palestinian control. Instead, Sharon demanded a stronger hand in dealing with militant activities and warned that militant groups had to be disarmed. His change of heart was presumably due to frustration over the increased incidences of rocket attacks from the Gaza Strip onto Israeli targets. Palestinians responded by noting that Israel had not kept its promises on the issue of settlement or the release of prisoners.

By the close of May 2005, Israel's cabinet backed the release of 400 Palestinian prisoners. The announcement by Israeli Prime Minister Ariel Sharon to resume the prisoner release program was regarded as strategic. On the heels of positive talks between Palestinian leader Mahmoud Abbas and United States President George W. Bush, Sharon may have wished to circumvent criticism that he was not doing enough to promote the peace process.

May 2005 also marked the municipal elections in the Palestinian territories. The Fatah movement, founded by Yasser Arafat, won over the Islamic militant movement Hamas in these local elections.

By July 2005, a Palestinian suicide bomber killed four Israelis in the town of Netanya. The attack ended months of calm in Israel. While suicide bombings had waned in Israel, rocket and mortar attacks by Palestinians were ongoing. Indeed, in the first half of July, there were over hundreds of rocket attacks on Israeli targets around the Gaza Strip. In response, Israel warned that it would launch a ground offensive to stop further attacks on Jewish communities. For his part, Palestinian leader, Mahmoud Abbas, said that he was committed to doing everything possible to end the violence. His efforts, however, were not likely to be helped by Hamas, which said that it supported a conditional calm and the ongoing truce, but would not cease its activities in cases of "resistance" and "defense."

Withdrawal from Gaza and the West Bank

In the backdrop of these developments was the path toward the planned withdrawal of Israeli troops from the Gaza Strip in August 2005. In mid-July 2005, a rally in support of Jewish settlers was met with resistance from Israeli authorities. Then, in the first week of August 2005, Israeli Finance Minister and former Prime Minister Benjamin Netanyahu resigned in protest of the planned withdrawal from the Gaza Strip. His resignation announcement was tendered just as the Israeli cabinet voted by 17 to five in favor of the removal of the first group of Jewish settlers from the Gaza area. Throughout, Netanyahu had been a strong critic of the pullout plan put forth by Prime Minister Ariel Sharon. About a year prior, Netanyahu threatened to resign over the same issue but later withdrew his ultimatum. With the pullout now imminent, he renewed his criticism. On Israeli <u>radio</u>, Netanyahu warned that withdrawing from Gaza would only serve to make it a base for terror. On the matter of his resignation, he said, "I cannot be part of this irresponsible move that divides the people and harms Israel's security and will in the future pose a danger for the wholeness of Jerusalem."

While his resignation was expected to bolster Israel's political opposition parties, it was not expected to have any measurable effect on the pullout itself. Instead, the significance of Netanyahu's resignation resided in its symbolism of the ongoing tensions within the ruling Likud party. The withdrawal from Gaza has been a source of acrimony for Prime Minister Sharon and his hard-liner rivals, including Netanyahu. Both sides have held opposing stances on the question of how to deal with the Israeli-Palestinian divide. Netanyahu's resignation may well serve as a harbinger for a power struggle set to take center stage within the ruling Likud party. Many analysts expect Netanyahu to challenge Sharon for the leadership of the party, in anticipation of the next election. Meanwhile, with Netanyahu leaving the cabinet, Deputy Prime Minister Ehud Olmert was appointed to succeed him.

Israel's withdrawal from the Gaza Strip officially began at midnight on August 14, 2005. Once the midnight deadline passed, it became illegal for Israeli citizens to live in Gaza, effectively closing off Jewish settlement in the area. At dawn on Aug. 15, 2005, Israeli soldiers informed the remaining residents of Jewish settlements in Gaza that they would have two days to leave, or they would be at risk for being forcibly removed. Several Jewish settlers had already left; however, there were still several thousands of settlers and protestors remaining in Gaza at the time of the passage of the deadline for withdrawal. The remaining settlers refused to leave.

Meanwhile, at the Kissufim crossing between Israel and Gaza, Israeli troops constructed a red road barrier to prevent the passage of traffic into Gaza. The sign on the barrier, written in both Hebrew and English, read, "Stop, entry into the Gaza Strip and presence there is forbidden by law." To ensure that the controversial withdrawal ensued as peacefully as possible, Palestinian security forces were also deployed to make certain that there were no attacks by Palestinians on Jewish settlers.

The last Jewish settlers in the Gaza Strip were expected to leave on Aug. 22, 2005, effectively bringing Jewish settlements in the area to a close. As people left the settlement of Netzarim, security forces said that they did not expect significant resistance. Nevertheless, there were many reports of soldiers weeping and praying with settlers as they carried out their orders to permanently evacuate them from Gaza.

Israeli Prime Minister Ariel Sharon, who devised the withdrawal plan, visited some of the troops responsible for enforcing the controversial and emotionally wrenching exodus from Gaza. At the Ein Hashlosha base, Prime Minister Sharon addressed the troops saying, "You have carried out this operation, which has been very difficult for you and

the residents, in a way that demands respect and I thank you." He went on to say, "No state in the world can be as proud of having mobilised such a force in such difficult conditions."

The Israeli leader also expressed his appreciation for the settlers' handling of the difficult situation

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With the withdrawal from Gaza almost complete, the task of demolishing homes began and was expected to take several weeks to complete. Once the Israeli military departs from Gaza and the military installations were dismantled (set for September 2005), the Palestinian Authority would assume responsibility for the land in Gaza.

Meanwhile, attention was shifting to the West Bank where clearances in a few settlements was expected to begin on Aug. 23, 2005. Several people were leaving the area ahead of time in anticipation of violent altercations between angry settlers and Israeli troops. Indeed, the remaining settlers and about 2,000 activists were gathering at two west Bank settlements -- Sanur and Homesh -- in order to strongly resist their forced evacuation from the area. In fact, a number of confrontations had already been reported. Whereas the soldiers enforcing the withdrawal in Gaza were unarmed, the soldiers being deployed to the West Bank were reported to be armed. The former head of Israeli intelligence, Ami Ayalon, said on Israeli television that about 10 percent of the settlers in the West Bank should be regarded as a threat because they did not recognize the state's authority. Nevertheless, the withdrawal from the West Bank commenced without incident.

On Sept. 11, 2005, Israel formally ended its military rule in the Gaza Strip. Troops began to withdraw from the area after a 38-year occupation, which began after conflict ended in Israeli capture of the narrow coastal area. The full military withdrawal was expected to be completely as quickly as possible and followed the removal of Israeli settlers from Gaza, the bulldozing of their homes and the demolition of military bases. Untouched by the outgoing authorities, however, were the Jewish synagogues of Gaza. Originally, the Israeli government had intended to bulldoze the synagogues along with the homes to preclude desecration by Palestinians. Jewish rabbis, however, argued against such action saying that destruction of Jewish synagogues would be in violation of religious law. Although the synagogues were thusly abandoned rather than razed, they were not expected to be left standing for long. As Israeli troops left Gaza, incoming Palestinians entered the area that had been emptied of settlements. Some of the abandoned synagogues were set on fire.

In another development, the Israel's cabinet also voted to officially hand over control of the conflict-ridden Gaza-Egyptian border to Egypt.

In November 2005, the Israeli government and the Palestinian authorities forged an agreement on border crossing, allowing for freer movement of Palestinians into Israel and Egypt.

Israel would be able to view the borders through close circuit television and would have the ability to raise objections of certain travelers.

Israeli-Palestinian relations in late 2005

On Aug. 28, 2005, a suicide bombing at a central bus station left at least 10 people injured in the southern Israeli city of Beersheba. Among those critically injured were two security guards who suffered grave shrapnel wounds and burns. The attack took place during the morning rush hour.

On Israel *Radio*, a bus driver said that the suicide bomber had been carrying a large bag. The size of the bag caused suspicion and security guards stopped the suicide bomber before he could board the bus. Police said that the suicide bomber -- identified as a West Bank resident named Ayman Za'aqiq -- blew himself up at the station. His remains were scattered at the scene. Later, the Al Aqsa Martyrs Brigades and Palestinian Islamic Jihad claimed joint responsibility for the attack bombing. This was the first suicide bombing to take place in Israel since the withdrawal of settlers from the Gaza Strip.

Following this latest Beersheba suicide bombing, Palestinian leader Mahmoud Abbas expressed his condemnations, and characterized the attack by the two Palestinian extremist groups as a "terrorist operation."

Abbas called for the ongoing truce between Israelis and Palestinians to be maintained. Nevertheless, he also pointed to a recent Israeli raid in the West Bank in which five Palestinians were killed, suggesting that it had been a "provocation" of sorts. Indeed, one of the two terrorist organizations claiming responsibility for this latest attack, Islamic Jihad, had earlier promised to avenge the deaths of the five Palestinians in the West Bank town of Tulkarem.

For its part, Israel said that the five people killed in the West Bank raid were militant extremists wanted in connection with several suicide bombings carried out against Israelis. A spokesperson for the Israeli government said that the latest bombing in Beersheba reinforced the imperative for the Palestinian Authority to crack down on terrorism, or risk no movement in the peace process. Meanwhile, in a direct reference to Israel's withdrawal from Gaza, Israeli Prime Minister Ariel Sharon said "Israel has taken the necessary steps to further the prospects of peace with the Palestinians." He then went on to warn that if attacks by Palestinian extremists continued, there would be dire consequences. "To an outstretched hand we shall respond with an olive branch," Sharon said, "but we shall fight fire with the harshest fire ever."

Approximately 40 rocket attacks were fired at Israel in the second part of September 2005. Faced with such action by Palestinian militants, Israel resumed its *policy* of targeting militant leaders via air strikes. Indeed, Israeli Prime Minister Ariel Sharon authorized unrestricted strikes of this type. As a result, one woman was hit by shrapnel from the missile, which had been aimed at a road used by Palestinians for launching rocket attacks. As well, two Islamic Jihad militants were killed in retaliatory air strikes by the Israeli military.

Presumably in response to this turn of events, the militant Palestinian group, Hamas, announced an end to rocket attacks on Israel from the Gaza Strip. In his address, Mahmoud Zahar, the Hamas leader, said that his group was fully committed to adhering to the ceasefire, which had been agreed upon earlier. This announcement came after pressure was placed on Hamas by both Palestinian mediators leaders and Egyptian mediators to stop its attacks on Israel from Gaza.

In an address to the United Nations General Assembly in September 2005, Israeli Prime Minister Sharon expressed recognition of the Palestinians' right to sovereign statehood. He also called for compromise in order to effect an end to the violent conflict that has marred Israeli-Palestinian relations for decades. At the same time, he called on Palestinians to prove that they want peace by cracking down on militants in the aftermath of Israel's pullout from Gaza after close to 40 years of occupation. His words were sufficiently conciliatory as to seem shocking to many in the international community who viewed him as a hard-liner.

At home in Israel, Sharon's remarks evoked criticisms from the political right and praise from the political left. Benjamin Netanyahu, Sharon's rival for leadership of the Likud party, said that the prime minister had turned his back on the right. Conversely, Interior Minister Ophir Pines who belongs to the left-leaning Labour Party commended him for joining the side of peace. For their part, Palestinians were skeptical and said that Sharon's ultimate strategy was to give way on Gaza in order to permanently hold on to Jerusalem and the remaining West Bank.

In December 2005, a Palestinian suicide bomber's actions left five people dead and dozens injured dozens in the Israeli town of Netanya on the coast. The attack occurred at a shopping center after the Palestinian attacker, Lutfi Amin Abu Salem, was prevented from entering the shopping center by security officials and decided to detonate the explosives outside the gate instead. The Palestinian Islamic Jihad group claimed responsibility for the attack while Israeli security officials said they would meet to discuss possible responses, such as air strikes targeting militant leaders in the West Bank and Gaza Strip. Israeli Defense Minister Shaul Mofaz was also supposedly going to request permission to resume the practice of demolishing the homes suicide bombers. For his part, Palestinian leader, Mahmoud Abbas, characterized the suicide bombing in Netanya as an act of "terrorism" and promised justice. Meanwhile, Palestinian negotiator Saeb Erekat warned that such attacks hurt Palestinian interests and renewed the call to abide by the declared ceasefire. Nevertheless, a spokesperson for the Israeli government said the Palestinian Authority had failed to act against militants.

Political realignment

Meanwhile, in late September 2005, both the Palestinian and the Israeli leaders were confronted with challenges to their leadership. Within the Palestinian parliament, there were plans to hold a vote of non-confidence in Prime Minister Mahmoud Abbas and his government. As well, Israeli Prime Minister Ariel Sharon was faced with opposition from within his own Likud Party. This was largely as a result of his decision to withdraw from Gaza -- a move highly unpopular among the right wing factions of Israeli government.

At an acrimonious meeting of the Likud Party, where members were set to debate the future course of its leadership, Sharon was prevented from giving his speech. When he attempted to begin his address to the group gathered, it was discovered that the microphone cord had been deliberately cut. He left the stage without speaking.

Sharon's staunchest opponent for the leadership of Likud, Benjamin Netanyahu, who was strenuously against the pullout from Gaza, charged that such a move would only embolden Palestinian militants in their attacks against

Israel. But Sharon said that Israel would continue in its efforts to unrelentingly hunt down the terrorists that attack the Jewish state.

On Sept. 26, 2005, Likud members were scheduled to vote on whether or not to hold early elections for the party leadership. The vote was being regarded as a referendum on Sharon's leadership. Indeed, some factions were deciding whether or not to back Netanyahu for leadership of the party. Despite whom is chosen to lead Likud, polls suggest that the party would perform more favorably under Sharon rather than Netanyahu in a general election. Moreover, if the time comes for building a ruling coalition, Sharon, more than Netanyahu, would likely enjoy broader parliamentary support, particularly from the centrist Shinui Party and from the Labour Party.

On Nov. 21, 2005, Israeli Prime Minister Ariel Sharon offered his resignation to the Chairman of the Likud party stating that he was withdrawing from the ruling Likud party to run for re-election in 2006. Prime Minister Sharon had helped to found the Likud party in 1973, however, in recent years, his *policies* regarding the West Bank and Gaza have not been popular among the right-wing faithful of Likud. As a result, Sharon was increasingly in a conflicted relationship with many members and factions of his own party.

In order to run for re-election outside the realm of Likud, Sharon was set to form a new political party, named Kadima, apparently in the centrist mode politically, economically and socially. He was also ensconced in discussions with political allies in regard to the new party's formation. Sharon apparently had the support of 14 of Likud's 40 members of parliament, including a number of cabinet ministers.

Prime Minister Sharon's decision to withdraw from Likud was apparently made following discussions with his political aides. The decision also came on the heels of the decision by the new leadership of the Labour party to leave Sharon's governing coalition. A week earlier, the Labour Party underwent a significant shift in leadership when Simon Peres was ousted in favor of Amir Peretz -- a virtual unknown who was born in Morocco and whose support for socio-economic amelioration suggested a move within the party to more socialist roots. His victory over Vice-Prime Minister Peres came as a surprise since polls had shown the incumbent sporting a strong lead. Complicating matters was the fact that by late November 2005, Peres said that he would back Sharon's bid for reelection under the aegis of the new Kadima party, effectively abandoning Labour, which he had led for years.

Another national election was not scheduled until late 2006, however, as a result of Labour's withdrawal from Sharon's ruling coalition, it was expected that new elections would have to be held ahead of schedule. A discussion between Sharon and Peretz apparently ended in agreement about the election date being changed to March 2006. Speculation ended after Prime Minister Sharon met with President Moshe Katsav to request that parliament be dissolved in anticipation of early elections. The president was said to be in consultations regarding the matter following the request by Sharon.

Fresh elections with Sharon at the helm of a new party would function as a referendum on his leadership. Because voters will have very little knowledge of whatever new party Sharon forms, they will essentially be voting on the basis of their relationship with Sharon, and in tandem with their approval of his leadership and his *policy* stances. Although starting a new party months before an election is something of a risky proposition, it may actually work to his advantage. Despite Sharon's differences with the hard right within Likud, most mainstream Israelis have given him high marks for navigating the difficult times of the Palestinian Intifada. Moreover, many Israelis have also supported his controversial withdrawal from Gaza and the West Bank, as measures intended to bring about peace with the Palestinians and stability for Israel.

Meanwhile, fresh elections would simultaneously function as a test of Peretz' leadership as the head of Labour and in the spotlight of national politics.

As well, Sharon's withdrawal from Likud would leave a vacuum in the party, which, undoubtedly, hardliner politician and former Prime Minister Benjamin Netanyahu will be happy to fill. Thirdly, the decision by Peres to back Sharon

effectively indicates the consolidation of their political alliance, and the fact that there political fates were now tied to one another.

In these ways, the Israeli political landscape was set to undergo a significant realignment, which will reverberate well into the future. This realignment was in the offing for some time as a result of intra-party conflict, and in conjunction with the emergence of unexpected alliances. In 2006, the elections would offer Israelis a choice between Likud on the right, Labour on the left, and Kadima in the middle. For Sharon specifically, this would be terrain rather ironic for the man who was a founder of Likud and who was believed to have *sparked* the second Intifada.

Prime Minister Ariel Sharon had a small stroke on December 18, 2005 but was expected to leave hospital on December 20, 2005. As speculation arose about whether or not he would be replaced as the head of the newly-established Kadima Party ahead of elections, he said in a conversation with journalists, "There are people who are already interested in a replacement? Well, maybe it's too soon. I'm still here, no?"

Meanwhile, on December 19, 2005, exit polls showed that Sharon's main opponent on the right, Benjamin Netanyahu, was positioned to become the leader of the Likud Party, which Sharon had left. Netnayahu apparently beat out Foreign Minister Sylvan Shalom for the job. Although Sharon's centrist Kadima Party was in the lead in polls taken before his stroke, it was difficult to determine if conservative voters would switch their vote back to Likud, given Sharon's health situation. Kadima, after all, has been built around Sharon's personality and political philosophy. An article in the Yedioth Ahronoth daily newspaper noted, "Kadima's existence depends on one man. It is reasonable to assume that the stroke... damaged his party in electoral terms."

The political realm without Sharon

In the first week of 2006, Israeli Prime Minister Ariel Sharon was hospitalized following a second stroke. He underwent surgery at the Hadassah Hospital and then fell into an induced coma. Doctors attempted to bring Sharon out of the coma a few days later -- a process that was expected to be gradual. As well, the amount of anesthesia was slowly reduced.

Doctors noted that Sharon was able to breathe independently although he remained connected to a ventilator. Hadassah Hospital Director Dr. Shlomo Mor-Yosef said that Sharon's ability to breathe independently indicated a sign of activity in the brain. Doctors also noted that Sharon had moved his right arm and leg. While these developments were collectively characterized as positive, doctors noted that the Israeli leader was not yet out of danger.

Dr. Jose Cohen, the neurosurgeon who operated on Sharon, warned that although Sharon's chances of survival were good, his ability to continue functioning as prime minister of Israel would likely be severely compromised. A complete medical assessment of both Sharon's cognitive responses and potential brain damage was expected to take place after he was completely weaned off sedation. The details of this assessment would then be passed on to Attorney General Meni Mazuz. If the assessment concluded that Sharon was permanently incapacitated and, as such, he would be unable to function as head of government, a cabinet meeting would be convened to choose a caretaker prime minister until the time of the general election. Members of Sharon's Kadima Party within cabinet would be the eligible candidates, including Acting Prime Minister Ehud Olmert, Justice Minister Tzipi Livni, and Defense Minister Shaul Mofaz. Ehud Olmert, who as Sharon's deputy assumed the duties of prime minister when Sharon went into surgery, was viewed as the most likely person to be the caretaker leader. Among Olmert's immediate decisions has been the question of whether or not to permit Palestinian candidates to campaign in East Jerusalem for legislative elections scheduled for Jan. 25, 2006.

By mid-January 2006, Prime Minister Sharon underwent a tracheotomy intended to help to move him off a respirator. Doctors were in the process of trying to wake Sharon from a medically induced coma several days after he suffered a massive stroke. They also attempted to determine the extent of the damage caused by the stroke.

While initial tests showed activity on both sides of Sharon's brain, there were few signs of his awakening from the coma.

Meanwhile, Israelis were faced with the reality that the political landscape in the future would be one without Sharon. On Jan. 15, 2006, Israel's Attorney General Meni Mazuz released a statement saying that under Israeli law, Sharon could not be declared permanently incapacitated until three months had passed. As such, he ordered Sharon's deputy and the current Acting Prime Minister, Ehud Olmert, to continue functioning in that capacity until elections in March 2006. His government, however, for the interim period would not include the original membership. On Jan. 12, 2006, three of the four Likud party ministers in Israel's government resigned from the cabinet. Their resignations came after Likud party leader Benjamin Netanyahu ordered them to step down saying, "The Likud cannot present itself as an alternative if it remains in the government and continues to implement its **policies**." The fourth Likud cabinet member, Foreign Minister Silvan Shalom, was also expected to follow suit.

In other developments, the Israeli government approved voting by Palestinian residents in occupied East Jerusalem in the elections scheduled for Jan. 25, 2006. There had been some speculation that the voting there would be stopped in order to protest the participation of the militant group, Hamas.

Israel's own election day was scheduled for March 28, 2006. With Sharon's chances of returning to political life in Israel looking quite slim in early 2006, there have been many questions about the performance of his newly-formed Kadima political party in the upcoming election. Moreover, there have been doubts about the prospects of the party itself. For many Israelis, Sharon's charisma and political domination has been inextricably linked with Kadima. Indeed, Kadima has essentially been a product of Sharon's political vision, particularly with regard to the Palestinian question.

Until the deterioration of Sharon's health, Kadima was leading the polls ahead of the election. But without Sharon at the helm, it has been difficult to discern whether or not Kadima will continue to be viable. Indeed, the political balance has now been shifted so that the traditional parties -- Likud on the right, and Labour on the left -- may well have the opportunity to be more competitive in the 2006 election. Some analysts have postulated that Benjamin Netanyahu, the newly-elected head of Likud, may well benefit from the situation by capitalizing on the conservative and hardliner votes. However, other analysts have argued that the center-right vote share will continue to be split between Kadima and Likud. Will this trend continue so that the corresponding center-left vote share will be split between Kadima and Labour? Will the polls taken prior to Sharon's stroke continue to show Kadima's ascendancy - even without the party leader playing a political role? These are questions that remain yet unanswered and which will likely depend on the performance of Acting Prime Minister Ehud Olmert in the immediate future. Effective leadership by Olmert may well demonstrate the viability of Kadima as a political party independent of one person, and it may be illustrative of the resonance of Kadima's centrist political philosophy among the Israeli public.

In one of his first *policy* addresses on January 24, 2006, Acting Prime Minister Ehud Olmert said that Israel would have to withdraw even further from parts of the West Bank. He said that it would not be possible for Israel to continue to control parts of areas where the majority of Palestinians live. He also noted that the key objective should be to formalize Israel's permanent borders. Explaining this pragmatic position, he said, "The choice between allowing Jews to live in all parts of the land of Israel and living in a state with a Jewish majority mandates giving up parts of the land of Israel." He nonetheless acknowledged that Israel would have to maintain security zones, as well as places vital to Jewish interests, such as main settlement areas as well as the city of Jerusalem. On this issue, he staked out clear ground asserting, "There can be no Jewish state without Jerusalem under Israeli sovereignty." As regards the Palestinian election, which was ongoing at the time, he characterized it as a step for Palestinians along the path to statehood.

Radical shift in Palestinian politics

In the January 2006 Palestinian election, results showed a strong victory for Hamas. After the election results were publicized, President Mahmoud Abbas suggested that those working toward peace might wish to bypass Hamas in parliament entirely and continue to work with the Palestinian Authority through him. He also warned that he would resign if he could not effectively pursue his peace agenda with the incoming Hamas majority in parliament. Meanwhile, many Israeli politicians expressed outrage over the election of a group responsible for manifold acts of terrorism. Indeed, Hamas has carried out several suicide bombings against the Jewish state and it has refused to accept the right of Israel to exist. For its part, Hamas co-founder Mahmoud Zahhar promised the possibility of continuing violence when he said, "The Israelis are continuing their aggression against our people, killing, detention, demolition and in order to stop these processes, we run effective self defence by all means, including using guns." As well, Hamas' political leader, Khaled Meshaal, called for the establishment of a militant force for defense against aggression but he also said that Hamas would be willing to observe the ongoing truce with Israel if it met the interests of the Palestinian people.

As such, the victory by Hamas has presented significant challenges in the global efforts to re-energize peace talks between Palestinians and Israel. The most notable of these challenges was the fact that Israel simply would not deal with Hamas. Prime Minister Olmert said on January 26, 2006 that Israel would not negotiate with a Palestinian government that included Hamas. Olmert's offered an official statement noting that "Israel will not conduct any negotiation with a Palestinian government, if it includes any (members of) an armed terror organization that calls for Israel's destruction."

Further, Israeli Defense Minister Shaul Mofaz warned that no Hamas leader would be safe from targeted killings if the group continued to carry out terrorist attacks and maintained its refusal to respect Israel's sovereignty. He said, "Whoever stands at the head of a terror organization and continues to carry out terror attacks against Israel is not immune."

At the international level, world leaders expressed shock at the election of Hamas, noting that working with the newly-elected Palestinian parliament would be extraordinarily difficult. The Middle East "Quartet," composed of the United States, the European Union, the United Nations, and Russia, issued a joint statement calling for Hamas to renounce violence and respect Israel's right to exist. United States President George W. Bush said that Washington would not engage with Hamas unless it met these two requirements and warned that \$400 million in aid could be cut. Likewise, the European Union warned that it would not fund the Palestinian Authority under Hamas unless the two requirements -- renouncing violence and respecting Israel's sovereign state -- were met. The situation created a massive conundrum for the West, which was compelled to take a principled stand against terrorism while simultaneously confronting the possible ramifications of cutting off funding. Indeed, without external funding, the Palestinian Authority would likely disintegrate and conditions on the ground in Gaza and the West Bank might well devolve into further instability. Secondly, without the help of external funding, the dire socio-economic conditions in Gaza and the West Bank would invariably worsen. Both of these two possible outcomes would likely fuel further resentment, insecurity, poverty and despair -- the very conditions that foment terrorism in the first place.

In February 2006, Israel decided to implement a number of punitive measures against the Palestinian Authority, including the withholding of monthly tax payments, increased security checks at crossings between Israel and Gaza, a ban on the transfer of equipment to Palestinian security forces, and stricter restrictions on the movement of Hamas officials. Israeli Acting Prime Minister Ehud Olmert also said he would request that foreign donors cease all payments to the Palestinian Authority, with the exception of humanitarian aid to the Palestinian people. Even without such a request from the Israeli government, both the European Union and the United States have said they would likely stop funding from going to the Palestinian Authority unless Hamas renounced violent action and announced its adherence to the truce with Israel forged in 2005.

The newly-elected speaker of the Palestinian parliament, Hamas legislator Aziz Duaik, reacted by noting that the new measures were counter-productive and would only result in further acrimony and hatred.

Moscow convened talks with Hamas in March 2006. During those key talks, Foreign Minister Sergei Lavrov said that Russia respected the democratic choice of the Palestinian people when they elected Hamas to power. On

behalf of Russia, Lavrov nevertheless said that Hamas must transform itself from a militant entity to a political organization if it wanted to have a serious political future. Lavrov also expressed Russia's commitment to achieving a lasting peace in the Middle East, however, he called on Hamas to recognize the Jewish State of Israel.

For his part, the Hamas representative insisted that peace would only be possible if Israel withdrew from territory occupied in 1967.

The decision by Russia to meet with Hamas constituted a gap in otherwise coordinated efforts by the Quartet to achieve peace in the Middle East. Until the Russian meeting, the members of Quartet had refused to deal with Hamas, on the basis of the militant group's dubious legacy of carrying out numerous terrorist attacks in Israel. For its part, Israel expressed outrage about the meeting.

In early 2006, Hamas' political ascendancy, in conjunction with Sharon's incapacitation, further shifted the Israeli political landscape in a significant manner. Together, these two considerations were expected to highly influence the voting choices Israelis were yet to make on election day.

Elections of 2006

Israelheld parliamentary elections on March 28, 2006. Thirty one parties reportedly contested the elections as they vied for representation in Israel's 120-seat parliament or Knesset. Turnout was less than in previous elections with only 62.3 percent of the electorate going to the polls. The lower than usual turnout was blamed on election fatigue in a country where coalition governments have fallen, and where snap elections have been called with teeming regularity in recent years.

Polling data ahead of election day showed Israel's newly-formed centrist Kadima party was going to be the likely winner, albeit with a smaller plurality than was originally hoped. Even with Kadima founder Ariel Sharon incapacitated, polls on the eve of the election forecast 34 seats for Kadima, 19 seats for Labour, 13-14 seats for Likud and the far-right party, Yisrael Beitenu, just behind. Polling data regarding the election excluded the large number of undecided voters who could swing the outcome in a number of directions.

Although interim Prime Minister Ehud Olmert said he would need at least 40 seats for a stable government, taking a plurality of seats would constitute a victory nonetheless. Indeed, a plurality of seats for the newly-formed Kadima Party would provide a remarkable legitimization of the political vision of Ariel Sharon for a secure Israel with permanent borders. Moreover, it could well mean a step forward in the path toward disengagement from some Palestinian areas -- by dismantling Jewish settlements in the West Bank, while simultaneously annexing portions of that territory. Following Sharon's lead, Olmert has suggested that peace negotiations with Palestinians might also be possible down the line, if compromise was sought.

Many Palestinians opposed the plan by Kadima, charging that it would make the formation of the borders of a future Palestinian state difficult. Still, Kadima's moderate approach stood in sharp contrast to the tough stance of Yisrael Beitnenu, which has advocated the forcible transfer of Palestinian towns within Israeli terrain to Palestinian territory.

Exit polls on election day, including one by Israeli Public Television, showed Kadima poised to take about 29 seats in parliament -- less than was expected, however, still in position to form a coalition government. The likely coalition partner was thought to be the Labour Party, which, if the exit polls were correct, performed better than was expected and was projected to secure betweeb 20 and 22 seats. The far-right party, Yisrael Beitenu, also accrued better support than was anticipated and was projected to garner between 10 and 14 seats in parliament. The real loser of the election, if exit polls were on target, was shaping up to be Likud, with only 11 or 12 seats. There was some speculation that many center-right voters who might normally have voted for Likud, transferred their vote to the moderate centrist Kadima, while more right-wing voters split their votes between Likud and Yisrael Beitenu, thus accounting for Likud's less that stellar election performance.

At the time, analysts warned that exit polls in Israel had not always been reliable. Still, if the polling data proved to correctly reflect the actual election results and if Kadima, indeed, won a plurality of seats, the early speculation was that Olmert would forge a ruling coalition with Amir Peretz's Labour Party. Such an end would deliver quite a blow to Likud, now led by hardliner Benjamin Netanyahu. Acknowledging his party's resounding defeat, Likud leader Benjamin Netanyahu conceded that the party had "suffered a tough blow." He went on to say that the process of revitalizing Likud and moving its agenda forward had only just begun.

Late on election day, Ehud Olmert declared victory. Official results several days later showed the following outcome: Kadima (centrist): 29 seats; Labour (center-left): 20 seats; Shas (ulta-Orthodox): 12 seats; Likud (rightwing): 12 seats; Israel Beitenu (far-right): 11 seats; Arab parties: 9 seats; National Union/Religious (far-right, settlers): 9 seats; Pensioners (single-issue): 7 seats, Torah Judaism (ultra-Orthodox): 6 seats; Meretz (left-wing): 5 seats. The ascendancy of the newly-formed Kadima augured an historic shift in Israel's political landscape since the country had been governed by either Labour or Likud parties since the time of the creation of the modern state of Israel in 1948.

In the first week of April 2006, Israeli President Moshe Katsav asked acting Prime Minister Ehud Olmert to form a new government. Olmert's centrist Kadima party won a plurality of seats in recently-held general election but needed a coalition partner to govern. Olmert said that he would open coalition talks with the center-left Labour Party. A new government has to be formed within 42 days, and must be backed by at least 61 members of the 120 seat parliament.

Israel's Kadima party signed an agreement with the Labour party to form a coalition government at the close of April 2006. Negotiations between the center-left Labour party and Kadima ensued for several weeks and dealt with a number of ideological differences ranging from economics to the division of cabinet positions. On the issue of economics, Labour and Kadima have stood to the left and right of one another respectively. However, the election of Peretz as the new Labour chief has moved that party further left, as exemplified by a stated *policy* of poverty alleviation. On the issue of Palestinian relations, both parties have shared a commitment to giving up some land in order to secure Israel's permanent borders. Still, in order to achieve this end, Labour has favored dialogue with Palestinians President Mahmoud Abbas, while Kadima has favored a unilateral approach. The intimations by Kadima leader Ehud Olmert that Labour leader Amir Peretz will serve as defense minister suggested a major breakthrough on, at least, the contentious issue of withdrawal from occupied territories. In total, Labour, who came second in the general election in March, was expected to hold seven cabinet posts.

The close of April also marked agreement between Kadima and Israel's ultra-religious Jewish party, Shas. That party voted affirmatively to join the coalition government of Kadima head, Olmert. The deal was forged only after Olmert agreed there would be no absolute obligation to back the evacuation of West Bank settlements. But this agreement appeared to contradict Olmert's previously-expressed position to dismantle isolated Jewish settlements in the West Bank in order to establish final territorial boundaries for Israel by the end of the decade.

This ideological disconnection notwithstanding, it is only with a majority in parliament that Olmert would be positioned to withdraw Israel from parts of the occupied West Bank, while also strengthening Jewish settlements in other sections of the territory. Indeed, it is a solution that many Israelis have supported, especially given the apparent absence of a peace process with the Palestinians.

Earlier, Kadima concluded a deal with the Pensioners Party. With the Labour and Shas on board as well, Olmert now controlled 67 of parliament's 120 seats and therefore, enough constituencies to form a workable coalition. That is to say, a coalition with Kadima, Labour, Shas, and the recently-formed Pensioners Party, gave Olmert a majority in the 120-seat parliament and the necessary backing to form a government.

Side-stepping Hamas

The Hamas-led government of the Palestinian territories (discussed above) was the primary challenge for the new Israeli government. With many countries and blocs of the West refusing to contribute funds to the Hamas-led Palestinian Authority (noted earlier), there was growing concern about the livelihoods of Palestinians who depend on external aid.

Following a meeting between Palestinian President Mahmoud Abbas and Israeli Foreign Minister Tzipi Livni in Egypt, it was agreed that Israel would release approximately \$11million of frozen tax revenue, on the condition that it not be paid to the Hamas-led government. To this end, Livni said that the released tax funds would be paid directly to Palestinian health services, rather than to the Hamas-led Palestinian Authority, which she described as "a terrorist government."

Livni went on to state that her government wanted to help the Palestinian people.

The method being employed by Israel to convey the tax funds -- effectively bypassing Hamas -- was one supported by President Abbas. For his part, he had been encouraging Israel to bypass Hamas and negotiate directly with him about the peace process.

Amidst these tensions, Hamas agreed to back an initiative regarding the establishment of a Palestinian state. There were conflicting reports about whether or not the initiative included provisions for a two-state solution in which the Jewish state of Israel would be recognized. Currently, the Hamas charter expressly calls for the destruction of Israel by force and eschews peace negotiations.

A return to violence

On April 17, 2006, a Palestinian suicide bomber killed approximately 10 people and injured around 50 just outside a restaurant in Tel Aviv. The attack occurred during the Jewish festival of Passover and shortly before Israel's new parliament was set to be sworn into office.

The militant group, Islamic Jihad, claimed responsibility for the blast. The group issued a videotape in which it named the bomber as Sami Salim. Another known extremist group, al-Aqsa Martyrs' Brigades, appeared to align itself with the attack when it declared that the bombing was carried out to avenge "Israeli massacres" in the Gaza Strip. Presumably, the group was referring to the spate of strikes by Israeli forces in Gaza earlier in April 2006, which were intended to mitigate against rocket attacks by Palestinians. Echoing a similar sentiment, the newly-elected Hamas government said the attack was a measure of self-defense. Sami Abu Zuhri, a spokesman for Hamas, characterized the attack as "a natural result of the continued Israeli crimes" against Palestinians. He went on to say, "Our people are in a state of self-defense and they have every right to use all means to defend themselves." Palestinian leader Mahmoud Abbas was the only leading Palestinian to condemn the bombing. He warned that such acts of terrorism worked against Palestinian interests.

For its part, the Israeli government said it held the Hamas-led Palestinian Authority responsible. Prime Minister Ehud Olmert said Israel would "act with all means at [its] disposal" to prevent further acts of terrorism. Indeed, Israel's security leadership was scheduled to meet to consider what action should be taken in response to the most recent terrorist attack.

On May 20, 2006, Israel carried out a targeted assassination of Mohammed al-Dahdouh in Gaza. The missiles fired at the car he was traveling also two women and a four-year-old boy in the car behind. As such, Israel announced that it would launch an inquiry into the incident. In that regard, the Defense Ministry of Israel released a statement that read, "The minister has ordered an inquiry in order to determine the circumstances behind the death of the civilians in this incident."

On June 9, 2006, eight Palestinians died on the beach in Gaza. Included in the civilian deaths were three young children. The incident, as well as the television footage of the aftermath, resulted in an international outcry.

A report by Human Rights Watch suggested that their deaths were likely due to the firing of artillery shells by the Israeli military. Hamas then said that the deaths of the Palestinians on the beach had been caused by shelling from an Israeli warship. Israel expressed regret over the matter, however, Israeli General General Meir Klifi later said that the deaths were not the fault of Israeli troops and that the likelihood that artillery shells hit the area were "nil." Nevertheless, Defense Minister Amir Peretz announced that an offical internal inquiry was to be launched into the incident. Meanwhile, United Nations Secretary General Kofi Annan called for a full and independent investigation.

On June 25, 2006, an attack by Palestinian militants left two Israeli soldiers dead and one young soldier missing. Lieutenant Hanan Barak and Sargeant Pavel Slutsker were named as the two soldiers who had been killed in the attack. The missing soldier, 19-year old Corporal Gilad Shalit, was believed to have been captured. The incident marked the first capture of an Israeli soldier by Palestinian militants since 1994.

Palestinian militants apparently dug a 300-meter tunnel under the Gaza border fence and burrowed their way out of Gaza so that they could attack the army post at Kerem Shalom. The attack ensued when several armed Palestinians threw grenades at a tank on which Corporal Shalit was the gunner. An armored personnel carrier was also targeted.

Israel's government said it held the Palestinian Authority responsible for the capture and care of the soldier. As well, Israel's Defense Minister Amir Peretz warned that there would be a "painful" response to the attack at Kerem Shalom.

In a media interview, Israeli Prime Minister Ehud Olmert said, "This was a very serious Hamas terrorist attack." The Israeli leader also noted that the Palestinian Authority -- headed by President Mahmoud Abbas as well as the Hamas-led government -- was would be held to account for the incident.

For his part, Palestinian President Mahmoud Abbas called on Hamas to release Shalit, and warned that his capture would work against Palestinian interests. He also convened talks with Hamas Prime Minister Ismail Haniya to discuss the incident.

Hamas' political leaders said that they knew nothing about the capture of the Israeli and urged that he be well-treated. The denial of culpability by the political wing of Hamas laid bare a chasm within the group since the armed wing of Hamas claimed responsibility for the attack and capture. The political wing of Hamas, which had been serving as the ruling Palestinian party since the 2006 election, ended a de fact ceasefire in June 2006 following the aforementioned deaths of eight Palestinians on a beach in Gaza.

On June 26, 2006, a day after the attack at Kerem Shalom, Palestinian militants demanded the release of Palestinian women and children from Israeli jails as a precursor to the disclosure of information regarding Shalit. The demands were laid out in a faxed statement, which was signed by Hamas' armed wing -- Izzedine al-Qassam Brigades, as well as the Popular Resistance Committees umbrella group, and a hitherto unknown group called the Army of Islam.

A day later, the Palestinian militants who had abducted Shalit admitted that he was actually alive. Mohammed Abdel Al, a spokesman for the Popular Resistance Committees, said, "The soldier is in a secure place that the Zionists cannot reach."

In response to the demands of the Palestinian militants in Gaza, the government of Israel rejected the militants' demands and characterized it as "blackmail." Instead, Israeli authorities promised to secure the release of Shalit and threatened to use extensive military action in this regard. To this end, Prime Minister Ehud Olmert placed the Israeli military on standby for extensive military action and instructed that Israeli tanks and armored vehicles be

assembled on the Gaza border. As well, the Israeli prime minister warned that a large-scale military operation in Gaza was in the offing.

In the early hours of June 28, 2006, Israeli forces commenced air strikes against targets in Gaza. Three bridges and a power station were among the first set of targets that were hit.

The helicopter attack on Gaza's power plant cut off electricity to most of the area. Soon thereafter, Israeli troops moved into southern Gaza with air strikes.

A day later on June 29, 2006, Israeli troops were reportedly amassing at the northern border of Gaza. Amidst the climate of increased hostilities, Israel said that it would postpone sending troops into northern Gaza in the hopes that a diplomatic efforts might prevail. Egyptian President Hosni Mubarak was trying to broker a resolution whereby Shalit would be released.

While ground troops did not enter Gaza by the close of June 2006, Israel was nevertheless carrying out air strikes in the area. In fact, Israeli warplanes fired missiles into the Palestinian interior ministry building, which was empty at the time. Other targets hit by Israeli warplanes included an office of Fatah, several militant training camps, sites used by militants to fire rockets at Israel, and a weapons storage facility in Gaza City. As well, a missile strike in southern Gaza killed a member of the militant group, Islamic Jihad.

As the air strikes intensified, Israel simultaneously carried out political measures. Israeli authorities detained scores of cabinet ministers and legislators from the Hamas-led government. Additionally, the Israeli Interior Ministry made the decision to revoke the East Jerusalem residency rights of a cabinet minister and three parliamentarians belonging to Hamas. The legal counsel for the four men said that the decision would be reviewed by Israel's Supreme Court. However, if the appeal failed, the four men would be barred from freely traveling within Israel. These moves were presumably intended to increase the pressure on the Hamas government, ultimately aimed at securing Shalit's release.

The intensifying conflict was not limited to the Gaza Strip but, in fact, extended to the West Bank. In one case, a faction of the Palestinian group, the Popular Resistance Committees, said that they had captured a Jewish settler in the West Bank. While Israeli authorities were focused on Shalit in Gaza, reports emerged that the settler had been killed by Palestinian militants in the West Bank. Palestinian security sources said that the body of 18-year old Jewish settler, Eliahu Asheri, had been found in the city of Ramallah. Meanwhile, reports from the West Bank town of Nablus suggested that a second Israeli soldier had been abducted by the Al Aqsa Martyrs' Brigade [the militant wing of Fatah]. The Israeli authorities said at the time that they were looking into this claim. Also in Nablus, Israeli troops apparently killed a militant.

In early July 2006, the crisis regarding the abduction of the Israeli soldier by Palestinian militants was ongoing. Palestinian militants said that they would release Shalit in return for the release of Palestinian women and youth prisoners. The situation took a negative turn when Palestinian militants issued a deadline of July 4, 2006 to release the approximately 1,500 prisoners or face "consequences." The statement by Palestinian militants, which referred to "the Zionist enemy," said that if Israel did not meet its demands, it would "consider the soldier's case to be closed." The statement concluded with the warning, "The enemy must bear all the consequences of the future results."

For its part, Israel outright rejected the ultimatum and called for the release of its soldier. To this end, Israeli Prime Minister Ehud Olmert said his government would not be blackmailed and would not conduct negotiations on a prisoner release. The Israeli leader said, "The government of Israel will not yield to the extortion of the Palestinian Authority [PA] and the Hamas government, which are led by murderous terrorist organizations." Israel also promised intensified action in Gaza. Already, Israeli forces sent artillery fire into northern Gaza and also deployed the first of its ground forces into the region. Elsewhere in Gaza, Israeli air strikes continued along with targeted strikes against militants.

Shortly thereafter, a rocket attack by Palestinians on the Israeli city of Ashkelon evoked a sharp warning from Israeli Prime Minister Ehud Olmert that "far-reaching consequences" would follow. Meanwhile, Israeli strikes on Palestinian targets were ongoing. By July 6, 2006, Israeli forces had advanced into Gaza and the ensuing violence left an Israeli soldier and about a score of Palestinians dead -- most of whom were identified as militants. Overall, the situation did not augur well for improved Israeli-Palestinian relations.

As the Israeli-Palestinian hostilities in the Gaza Strip continued in the second week of July 2006, Israel rejected calls by Ismail Haniya, leader of the Hamas-led Palestinian government, for a ceasefire. One Israeli official said categorically that his government did not negotiate with terrorists. As well, spokespersons from the office of Israeli Prime Minister Ehud Olmert warned that there could be no truce unless the captured Israeli soldier, Shalit, was released.

Nevertheless, even having taken this hard-line stance, Israeli troops withdrew from their positions in the northern part of Gaza (they remained in southern Gaza). It was unknown as to the motive for the withdrawal, however, it was believed that the move would stabilize the situation on the ground. That area had been particularly hard hit by fighting.

Air strikes by Israeli forces, in addition to clashes on the ground, were said to have been responsible for the deaths of several people.

Even as Israel was embroiled in a conflict with Lebanon-based Hezbollah in mid-July 2006 (discussed below), Israeli forces were launching strikes into Palestinian territories in response to the earlier capture of Shalit. By mid-July 2006, the latest major strikes involved two bombings of the Palestinian Foreign Ministry in Gaza. No one was apparently hurt in the attacks, which Israel said had been carried out because that particular compound was administered by senior Hamas leader, Foreign Minister Mahmoud Zahhar. The Palestinian Foreign Minister responded by calling the strike a crime by Israel.

On July 16, 2006, Israeli forces returned to northern Gaza, having withdrawn several days prior. The Israeli military was moving in the direction of the town, Beit Hanoun, presumably because it was an area known to be a site for launching rocket attacks into Israeli terrain. A few days later, a fresh offensive into Palestinian territories was ongoing that lasted the duration of the month and beyond.

In early August 2006, Israeli forces detained Aziz Dweik, the the Speaker of the Palestinian parliament and a leading member of Hamas. The Israeli aithorities said that as a member of the terrorist group, Hamas, Dweik was a legitimate target. Israel also noted that it was taking such action in the aftermath of the capture of one of its soldiers, Galid Shalit, in June 2006. In response, Palestinian Prime Minister Ismail Haniya expressed condemnation of Israel's action, and demanded the release of Dweik as well as the other parliamentarians who had been earlier arrested.

On August 5, 2006, Hamas officially rejected a request by the Red Cross to visit the captured Israeli soldier, saying that more than 10,000 Palestinian familes have been denied the right to visit prisoners. However, Israel responded by asserting that it has always allowed international organizations to access its prisoners.

Meanwhile, as intimated above, Israel was carrying out an offensive operation into Palestinian territory. In the first days of August 2006, the Israeli military resumed positions in southern Gaza and conducted searches for Gilad Shalit. Operations in the area were ongoing a month later and led to many deaths.

Sharon's Fate

On August 14, 2006, reports emerged regarding the deteriorating health of former Israeli Prime Minister Ariel Sharon. The Sheba Medical Center where Sharon has been treated since slipping into a coma in early 2006 said that a new brain scan indicated deteriorated brain function. As well, decreased urine output as well as a chest scan indicated the presence of a new infection.

Special Extended Coverage Report: Israeli-Hezbollah Conflict in Lebanon

Prelude

On May 28, 2006, the United Nations (U.N.) announced that it brokered a truce following incidences involving mutual missile attacks along the Israel-Lebanon border. In one of the most significant attacks since December 2005, Katyusha rockets from Lebanon were fired across the border toward northern Israeli bases around Mount Miron. While no specific militant group claimed responsibility, it the past, such attacks have been carried out by the likes of Hezbollah as well as Lebanon-based Palestinian militants. In retaliation, Israeli jets fired on guerilla bases in Lebanon. Clashes between guerillas and Israeli troops then ensued along the boundary between Israel and Lebanon and residents in the area were instructed to take cover. The area has been a particularly volatile zone despite the withdrawal of Israeli troops from southern Lebanon in 2000, following an occupation that lasted close to two decades. Still, there has remained a contested territory in the border region called the Shebaa Farms, which remains the site of periodic confrontations.

Background and Primer

In mid-July 2006, the leader of Lebanon-based Hezbollah announced that his militant Islamic group had captured two Israeli soldiers. The Hezbollah leader, Hassan Nasrallah, asserted that the soldiers would only be returned through a combination of dialogue and prisoner exchange. He added that the operation had been planned in advance of the capture of another Israeli soldier by Palestinian militants in Gaza. Underscoring his militant stance, the head of Hezbollah also said that if Israel wanted to escalate the crisis, his group would be ready to deal with a possible confrontation.

The Israeli government held urgent cabinet meetings regarding the situation and approved a strong military offensive in Lebanon -- in response to Hezbollah's actions and also for the purpose of finding the two captured soldiers. Israel warned that it would hold Lebanon responsible for the fates of the two captured soldiers, pointing to the fact that Hezbollah had been allowed to attack Israel from within Lebanese borders with impunity and irrespective of the parameters of international law. Israeli Prime Minister Ehud Olmert characterized the actions of Lebanon-based Hezbollah as an "act of war." The Israeli leader's promise of "painful" and "far-reaching" consequences was issued just as its forces launched a military assault on southern Lebanon.

The military assault left several Israeli troops and civilians dead, even as roads as well as Hezbollah interests were attacked within Lebanon. Indeed, as the conflict raged on, parts of the Lebanese capital of Beirut were decimated - particularly southern suburban areas known to be Hezbollah strongholds. The country's main infrastructure, including major highways, were bombed in order to prevent Hezbollah from receiving arms and support - allegedly from Iran via Syria. The human dimension was not to be ignored as hundreds of civilians were killed in Lebanon as a result of Israel's military actions. On the other side of the border in Israel, the death toll and injury list, albeit in notably lower numbers, continued to rise as a consequence of a relentless barrage of rocket attacks by Hezbollah. Indeed, rocket attacks became systematically more pronounced over time -- traveling further distances and more deeply into Israeli territory and with greater frequency.

The two main players in the drama unfolding in the Middle East had their own perspectives as well. With no sign that the conflict was easing, the government of Lebanon called for a ceasefire with Israel and also requested assistance from the United Nations. Lebanon was desperate for an end to the violence as its terrain bore the brunt of the conflict between Israel and Hezbollah. As a result, the Lebanese people, a first outraged at Hezbollah for placing them in an untenable position, had now turned their anger toward Israel. Meanwhile, Israel maintained the view that its two soldiers had to be returned and Hezbollah rocket attacks against Israel had to be stopped. To these ends, Israel was willing to take radical actions to achieve a long-term solution.

On the international scene, leaders laid primary blame for the situation at the feet of Hezbollah. They echoed Israel's demand for the release of the two abducted soldiers and a cessation of rocket attacks on Israel, which had left scores of people dead and hundreds injured. Nevertheless, they also demanded that Israel cease its military operation, which had destroyed several Hezbollah interests at a terrible cost. They pointed to the devastation of the city of Beirut, as well as hundreds of civilian Lebanese lives and thousands of injuries, which were taken as collateral damage. The deaths of the United Nations peacekeepers as well as the deaths at Qana were particularly bleak examples of the high cost of Israel's operation. Israeli Prime Minister Olmert asserted that his country was cognizant of the humanitarian aspect of the situation regarding Lebanon's civilians. In fact, his Lebanese counterpart, Fuad Siniora, said on United States television that it was something the two of them had discussed. That said, Olmert maintained the position that Israel was compelled to defend itself against terrorism.

Diplomatic efforts were underway to try to bring an end to the violence. Attempts to draft a United Nations Security Council Resolution on the matter were marred somewhat by different **policy** imperatives of various countries. Lebanon's failure to enforce a previous United Nations Security Council Resolution (1559), which was intended to disarm militias from attacking Israel from within its borders, was a key concern. Indeed, it led to discussions about the creation of a new international force, which would be tasked with ensuring that security was maintained in the border region. Israel's heavy-handed military operation was also a source of great concern with many critics wondering whether it would not result in increased animosity in the Middle East, rather than regional peace and stability. Iran and Syria became increasingly implicated in the conflict as backers of Hezbollah, while the United States' support for Israel and its refusal to call for an immediate ceasefire became the source of global debate.

On August 11, 2006, United Nations Security Resolution 1701 called for an end to the hostilities and provided for the stablishment of more robust United Nations enforcement in the border region. By August 14, 2006, the ceasefire was officially in effect. A few days later, Lebanese troops crossed the Litani River to take up positions on the southern border with Israel. Their presence, however, was viewed as more of a symbolic development than a strategic one since it remained unknown how they would control the region that had become a Hezbollah stronghold over a period of decades. The fragile ceasefire was holding despite occasional flare-ups of violence. Still, the United Nation was warning that the ceasefire was at risk of collapsing in the aftermath of a raid by Israelis in the Bekaa Valley due to apparent attempts by Hezbollah to rearm itself. In the last days of August 2006, there were also rising accusations about the violations of humanitarian law during the conflict.

Meanwhile, displaced Lebanese people were returning home. As well, the United Nations said that it was hoping to establish 3,500 troops in southern Lebanon within two weeks and up to 15,000 in a month. There was also a call for European countries to contribute troops since Israel objected to the presence of peacekeepers from countries that do not recognize its right of existence. In addition to the orchestration and deployment of the United Nations peacekeeping mission on the Lebanese-Israeli border, there were also efforts underway to raise funds to be used to reconstruct Lebanon's destroyed infrastructure.

In the backdrop of these developments both Israel and Hezbollah made competing claims of victory. However, by the close of August 2006, Hezbollah's leader expressed regret that his orders to capture two Israeli soldiers had **sparked** a war that had left more than 1,000 people dead and which had decimated southern Lebanon.

Editor's Notes:

Hezbollah (Hizbollah) --

Hezbollah (also known as Hizbollah) is a militant movement founded with the assistance of Iran's late revolutionary leader, Ayatollah Khomeini. Although it is accused of being a terrorist organization by the West, it is regarded as a legitimate resistance movement by many Arabs and Muslims. The group endeavors to restructure Lebanon as an Islamic state and has called for the destruction of the state of Israel. Functionally, it has had control of the border region between Israel and Lebanon since the withdrawal of Israeli forces in 2000. Like the militant group, Hamas,

in the Palestinian territories, Hezbollah also has a political wing, which has won representation in government. Indeed, there is a Hezbollah representative serving as a government minister in Lebanon.

The following countries made pledges toward the peacekeeping mission along the Lebanese-Israeli border --

France: Leadership and 2,000 troops

Italy: 2,500-3,000 troops; also offered to take on leadership of the mission

Bangladesh: Two battalions (up to 2,000 troops)

Malaysia: One battalion Spain: One battalion

Indonesia: One battalion, an engineering company

Nepal: One battalion

Denmark: At least two ships

Poland: 500 troops Finland: 250 troops

Belgium: 302 troops to be increased to 392

Germany: Maritime and border patrols but no combat troops

Norway: 100 soldiers

Introduction to Day-to-Day Coverage: Positions in the Conflict

The initial assault left several Israeli troops and civilians dead, even as roads as well as Hezbollah interests were attacked within Lebanon. Israel was now dealing with crises on two fronts. First, it was carrying out an operation in the Gaza Strip to rescue Corporal Galid Shalit, who had been captured by Palestinian militants. As a result, there was an ongoing conflict between Israeli forces and Palestinian militants taking place in Gaza. A second operation into Lebanon was now being launched to rescue Ehud Goldwasser and Eldad Regev -- the two soldiers captured by Lebanon-based Hezbollah. Nevertheless, despite the overwhelming task of fighting on two fronts, Prime Minister Olmert ruled out any negotiations with Hezbollah, just as it had foreclosed the discussions with Hamas. Additionally, his government filed a complaint with the United Nations, calling on the Security Council to enforce an existing resolution [1559] that required the Lebanese government to disarm militias.

For its part, Lebanon said it had no knowledge of Hezbollah's activities and would not take responsibility for the abduction of the two Israeli soldiers. To this end, Lebanese Prime Minister Fuad Siniora said, "The government was not aware of and does not take responsibility for, nor endorses what happened on the international border." Experts on the ground in Lebanon also pointed to the fact that despite the existence of United Nations Security Council Resolution 1559, the country simply was not in the position -- politically or militarily -- to disarm Hezbollah on its own.

July 13, 2006

On July 13, 2006, the situation intensified after Israeli forces bombed the Beirut international airport and later a main Lebanese army base in the Bekaa Valley. As well, Israeli warships blocked Lebanese ports. An assault on targets across southern Lebanon at that time left approximately 50 people -- most of whom were civilians -- dead. There were also reports of several Israeli casualties as a result of attacks by Hezbollah in the northern part of Israel.

With a war-like scenario unfolding, both Israelis and Lebanese on their respective sides of the border were fleeing to safety. Tourists in the region also joined the exodus, with many trying to cross the northern border into Syria. Special emergency flights were being planned to pick up stranded tourists trying to escape the escalating violence. Lebanon's Social Affairs Minister, Naila Mouawad, called for the two Israeli soldiers to be returned home. She also reiterated Lebanon's previously-noted position that her government was neither aware of Hezbollah's plan, nor supported it. That said, Mouawad criticized Israel's response for being too heavy-handed, particularly with regard

to the lives of Lebanese civilians. She warned that Lebanon was experiencing a catastrophe and explained that her government could not disarm Hezbollah by force.

In the late hours of July 13, 2006, at least two rockets hit Haifa. Hezbollah quickly denied firing them. Nevertheless, the timing of the attacks -- only hours after the group had threatened to carry out this very act -- did little to assuage suspicions that Hezbollah was responsible.

That said, it should be noted that although Hezbollah fired several rockets into Israel over the course of the previous days, none had traveled more than 12 miles (approximately 20 kilometers). As such, there was some skepticism that Haifa could be hit at all. Regardless, the distance traversed by the rockets suggested that since Israel's withdrawal from Lebanon, Hezbollah had been busy accumulating more sophisticated weaponry. Left unsaid at the time was the matter of who would have furnished more technologically-advanced rockets to Hezbollah. For its part, Israel reacted to the rocket attacks on Haifa by characterizing it as a major escalation.

Global Reaction

With no sign that the conflict was easing, the government of Lebanon called for a cease-fire with Israel and also requested assistance from the United Nations. To this end, the United Nations Security Council was set to meet on July 14, 2006 to discuss the crisis unfolding in the Middle East. The European Union said that it would deploy its head of foreign *policy*, Javier Solana, to the region to try to assist in bringing an end to the violence. The Arab League was also reported to have scheduled an emergency session.

Meanwhile, there was a growing state of anxiety across the globe, with many countries calling for restraint from all parties involved. United Nations Secretary General Kofi Annan condemned both the abduction of the Israeli soldiers as well as the resulting offensive by Israeli forces into Lebanon. Russian, France and the European Union expressed the view that Israel's response to the capture of two soldiers was disproportionate. But Israeli spokesman, Mark Regev, said that Israel was simply responding to an "unprovoked act of aggression." United States President George W. Bush characterized Hezbollah as terrorists and supported Israel's right to defend itself. However, he also warned that whatever action Israel took, it should be mindful of the stability of the Lebanese government. Margaret Beckett, the Foreign Secretary of the United Kingdom, took a similar position saying that while Israel had to ensure its own security, it should do so in a way that avoided civilian deaths. The Vatican later added its condemnation of the situation - calling for the release of the soldiers by Hezbollah and decrying Israel's strikes against the sovereignty of Lebanon.

Conditions on the Ground

Amidst these varied calls for restraint, the crisis intensified further. Along the Israeli-Lebanese border, heavy fighting took a toll. Reports suggested that Israel had endured its worst losses in the area in several years. Hezbollah fired rockets in the direction of northern Israel and threatened to attack Israel's port city of Haifa if any attacks on Beirut took place.

As noted above, Israel did, indeed, bomb the airport in Beirut earlier in the day and further strikes on the city followed.

July 14, 2006

By the early hours of July 14, 2006, reports emerged that Israeli forces were carrying out a new round of attacks on Hezbollah targets inside Lebanon. Among the targets were various Hezbollah interests in the southern part of Beirut --buildings believed to house Hezbollah weapons caches and offices of Hezbollah's leader (Sheik Hassan Nasrallah).

Other strategic targets, such as a power plant and the main highway between Beirut and Damascus (Syria), were also hit by Israeli strikes. Several spokespersons said that in addition to trying to free their two captured soldiers (as noted above), Israeli forces were also endeavoring to stop Hezbollah's flow of weaponry between Lebanon and

Syria, which have been used to carry out terrorist attacks against Israel. Earlier, Israel had warned Lebanon that the suburbs of the country's capital city should be evacuated -- presumably a foreshadowing of what was to follow.

Later on July 14, 2006, Israeli forces struck bridges, Hezbollah's media and security headquarters, and the Beirut offices of Hassan Nasrallah. The Hezbollah leader was not hurt in the attack. In an address broadcast after the striking of his offices, Nasrallah declared "open war" on Israel. Meanwhile, Hezbollah continued to systematically launch rocket attacks into northern Israel. The violence left several people dead on both sides of the Israel-Lebanon border.

On that day, the United Nations Security Council met to discuss the crisis, which was taking on the characteristics of warfare. Lebanon's ambassador to the United Nations, Nouhad Mahmoud, called for an end to Israel's operation in Lebanon saying, "The Security Council meets today in the shadow of a widespread, barbaric aggression waged by Israel to this very moment against my nation, Lebanon." But Israeli Ambassador Dan Gillerman responded by saying that his country had no choice but to respond to Hezbollah's actions. He also noted that the Lebanese people were the ones suffering because of their government's ineffectiveness in disarming Hezbollah, as set forth in United Nations Security Council Resolution 1559. United States Ambassador John Bolton called for disarmament saying, "All militias in Lebanon, including Hezbollah, must disarm and disband immediately, and the Lebanese government must extend and exercise its sole and exclusive control over all Lebanese territory."

July 15, 2006

By July 15, 2006, the level of violence was escalating. In one attack by Hezbollah, an Israeli warship off the Lebanese coast was hit by an Iranian-made missile. Three Israeli sailors were reported missing while Israeli media said that the body of a fourth sailor had been found. The leader of Hezbollah had earlier alluded to such an attack in his aforementioned address threatening "open war" on Israel. Then, Israeli air strikes on southern Lebanon resulted in the deaths of several Lebanese civilians who were attempting to flee the region.

Israeli strikes on targets across Lebanon, stretching as far north toward the border with Syria, were ongoing. Beirut continued to bear the brunt of the Israeli offensive with the city's port, gas stations, key roads and Hezbollah interests being struck. Meanwhile, Hezbollah continued its systematic pounding of northern Israel with rocket attacks. The town of Tiberius was among those hit in Israel. There were reports of casualties on the ground.

Lebanese Prime Minister Fuad Siniora repeatedly emphasized his country's call for a cease-fire, calling on the United Nations to administer such a move. In response, the United Nations said it would send a peace delegation to the region to assess the situation. For his part, Israeli Prime Minister Ehud Olmert said he would concur with a cease-fire so long as certain conditions were met. He said that Hezbollah had to release the two abducted soldier and cease rocket attacks at northern Israel, while Lebanon had to comply with the existing United Nations Security Council resolution [1559]. Israel also accused Syria and Iran of conspiring with Hezbollah and the Palestinian group, Hamas, against the Jewish state. In this regard, Israel particularly drew attention to the Iranian-made missiles, which allegedly hit its warship, as noted above. Iran, however, denied supplying Hezbollah with the missiles. Earlier, in a telephone conversation with Syrian President Bashar al-Assad, Iranian President Mahmoud Ahmadinejad reportedly warned of a strong response to any Israeli military offensive against Syria.

July 16, 2006

On July 16, 2006, an attack by Hezbollah on Haifa killed several Israelis. Israeli Prime Minister Ehud Olmert warned that the attack on Haifa -- the country's third largest city -- would yield grave consequences. Indeed, the resulting retaliation came in the form of intensified Israeli air raids across Lebanon, including the northern part of that country. About seven Lebanese soldiers at a military post at Abdeh were killed in the strikes. The city of Tripoli was also among the areas struck by Israeli forces. Israeli air strikes ongoing in southern Lebanon also left a number of people dead. An attack on Tyre and a border village left several more people dead, including some holding Canadian citizenship. Strikes against strategic interests, such as fuel tanks at the Beirut airport, also continued. Meanwhile, Hezbollah's rockets were traveling more deeply into northern Israel, as exemplified by attacks on the town Afula, located close to Nazareth. In this way, the death toll was also mounting on the Israeli side of the

Lebanese-Israeli border. Nazrallah, the leader of Hezbollah, promised that the battle against Israel had only just begun.

July 17, 2006

A day later on July 17, 2006, Israeli strikes resulted in the deaths of about 10 Lebanese as they crossed a bridge; several others died in strikes elsewhere in Lebanon as the death toll in that country rose. There were some reports that Israeli forces crossed the border into southern Lebanon, however, this activity was not regarded as a large-scale operation. In Israel, the continuous series of rocket attacks by Hezbollah resulted in Israeli casualties. Also, Hezbollah said that it had brought down an Israeli F-16 fighter jet over Beirut, however, that claim was dismissed by Israeli authorities who said all their jets were accounted for.

Within the Israeli parliament, Prime Minister Ehud Olmert made it clear that strikes on Lebanon would continue unless the two abducted soldiers were released, Hezbollah was disarmed and Lebanon showed that it was taking control over its own southern border with Israel. Olmert said, "When missiles are launched at our residents and our towns, our answer will be war waged at full strength, with all determination, courage and sacrifice."

He also noted that Israel was not looking for war or direct conflict, but it would deal with that reality if necessary. The Israeli government continued to assert that militant groups, such as Lebanon-based Hezbollah and Hamas in Gaza and the West Bank, were functioning in tandem with accused state sponsors of terrorism, Iran and Syria. Those two countries were referred to as "an axis of terror."

Also on July 17, 2006, French Prime Minister Dominique de Villepin traveled to Beirut as a measure of French solidarity with the people of Lebanon and to try to advance a ceasefire agreement. As the French head of government was arriving in Lebanon, the foreign *policy* head of the European Union, Javier Solana, was returning from his trip to that country and warned that a ceasefire might not be quickly reached. Likewise, United Nations Special Envoy Vijay Nambiar said that although he had made some initial progress during ceasefire talks in Beirut, much was yet to be done. Nambiar also noted that it was imperative that Lebanon be more involved in the ceasefire process. Clearly, Hezbollah's unilateral actions against Israel served to essentially marginalize the Lebanese government. The government was also faced with the reality that conflicting ideas about where to place blame served only to create dissonance within the military -- a condition that could *spark* factionalism or another civil war.

July 18, 2006

The following day, Lebanese Prime Minister Fuad Siniora again blamed Hezbollah for **sparking** the conflict and repeated his call for the release of the Israeli soldiers. At the same time, he condemned Israel for its harsh military response. Indeed, he reportedly said in an interview with British media that Israel had opened "the gates of hell and madness" on Lebanon.

Lebanon's pro-Syrian President Emile Lahoud took a somewhat different view as he promised to stand by Hezbollah's leader, Sayyed Hassan Nasrallah. The different stances of Siniora and Lahoud laid bare the brewing political discord within Lebanon.

July 18, 2006 was also the day a delegation from the United Nations, led by Vijay Nambiar, was set to meet with Israeli Foreign Minister Tzipi Livni to discuss the terms of a possible ceasefire. At that meeting, Livni asserted that there could be no ceasefire until its conditions (delineated above) were met. Israel also hinted that its offensive in Lebanon could last for another week in order to ensure that it had destroyed as much of Hezbollah's arsenal of weaponry as possible. A day later on Arabic television, Hassan Nasrallah made it clear that the Israeli soldiers captured by Hezbollah would only be released if there was a prisoner exchange with Israel. The respective positions of Israel and Hezbollah made the notion of a resolution appear rather elusive.

The casualty list on July 18, 2006 included the deaths of 11 Lebanese soldiers as a result of Israeli strikes. One Israeli was killed in Nahariya as a consequence of Hezbollah rocket attacks. Across northern Israel, a barrage of Hezbollah rockets hit cities and towns such as Haifa, Safed, Acre, Kiryat Shemona, and the Gush Halav region.

July 18, 2006 also marked the day in which the United States Senate passed a non-binding resolution of support for Israel.

July 19, 2006

The next day saw little change from the previous ones. Indeed, July 19, 2006 appeared to have been a day of even greater bloodshed and violence in Lebanon and Israel respectively. Israeli air strikes targeted eastern and southern Lebanon and left over 50 people dead. In one case, around a dozen people died in one village. Meanwhile, Israel lost some of its soldiers in heavy clashes with militants from Hezbollah on the ground, just inside the border of Lebanon. The Israeli forces were attempting to locate and destroy weapons and facilities used for terrorist attacks. A spokesperson for the Israeli government, Miri Eisin, told both British and American media that her country would not allow a terrorist organization to deploy along its border. In the city of Nazareth in northern Israel, three people died as a result of rocket attacks by Hezbollah.

July 20, 2006

On July 20, 2006, United Nations Secretary General, Kofi Annan, called for an immediate ceasefire, blaming Hezbollah for <u>sparking</u> the conflict and Israel for using excessive retaliatory force. The United Nations chief also indicated that because of the destruction of Lebanon's infrastructure, a humanitarian crisis was evolving. Indeed, several sources noted that there were now hundreds of thousands of displaced people across the country. Annan noted that the crisis could only be dealt with via urgent funding and the European Union - which had also called for an end to the violence - pledged to contribute financially to the cause. Recognizing that a ceasefire would be difficult to achieve but that the humanitarian crisis had to be addressed nonetheless, the French government put forth a proposal for the establishment of safe corridors in Lebanon by which aid could be transported. In response, the Israeli government agreed to the proposal of a humanitarian corridor between Lebanon and Cyprus.

It was also announced that the Secretary General would hold a private meeting with the European Union's Foreign **Policy** Chief, Javier Solana, as well as United States Secretary of State, Condoleezza Rice. For her part, Rice later characterized the notion of an immediate ceasefire as "a false promise."

The casualty list on July 20, 2006 included the deaths of two Arab Israeli children in Nazareth as a result of Hezbollah rockets. The Hezbollah leader expressed regret for their deaths. As well, four Israeli soldiers died in clashes with Hezbollah fighters on the border. Israeli forces also lost two of its Apache helicopters when they collided near the Lebanese border. One officer died and three others were injured in that incident.

July 20, 2006 also marked the day in which the United States House of Representatives passed a non-binding resolution expressing solidarity with Israel.

July 21, 2006

On July 21, 2006, the situation took a turn for the worse when thousands of Israeli reservists were called up for duty in anticipation of a possible land incursion. Although it appeared that Israeli troops were already in Lebanon fighting against Hezbollah, they had been operating on a small-scale level. The call for reservists augured the possibility of a larger-scale operation. Another ominous warning came in the form of a directive from the Israeli government that civilians exit southern Lebanon as quickly as possible, presumably in order to escape imminent peril.

Israel's Defense Minister, Amir Peretz, said that although Israel had no intention of conquering Lebanon, his country was prepared to do whatever was necessary. The president of Lebanon, Emile Lahoud, warned that the Lebanese army would battle Israel if it invaded Lebanon. Syria, through its Information Ministry, warned that it would enter the conflict if Israel carried out a ground invasion of Lebanon that threatened its own security.

The fighting between Israel and Hezbollah continued across the border. Israeli strikes further degraded thoroughfares and infrastructure in Lebanon while Hezbollah rockets rained on northern Israel, hitting the city of Haifa once again.

There were at least 15 casualties. A Hezbollah rocket attack hit Masarik and left three people injured. Other incidences were reported, including the striking of a United Nations observation post, however, no injuries occurred in that case. Israel also announced that it had bombed a Hezbollah bunker and destroyed much of that group's stock of missiles. It was a claim that Hezbollah disputed.

July 22, 2006

On July 22, 2006, fighting between Israeli forces and Hezbollah resulted in serious injury to an unarmed United Nations observer. The incident happened in the town of Maroun al-Ras, which according to some reports, had been the site of a major clash between the two sides. Some reports concluded that the fight at Maroun al-Ras resulted with Israel taking control of the town.

The Evacuation Process and Humanitarian Relief

Meanwhile, with the conflict ongoing, roads across Lebanon were filled with people attempting to flee the aerial bombardment but unsure of where exactly to go. Foreign nationals were being evacuated as governments of Western countries sent ships and aircrafts to rescue people stranded on the conflict-ridden terrain of Lebanon. Some governments began considering the need for special operations to rescue foreign nationals trapped in cut-off parts of Lebanon. In particular, the French Defense Minister Michele Alliot-Marie said that France would launch a special mission to rescue some of its citizens trapped in southern Lebanon.

The evacuation process was winding down by the close of July 2006, although a Canadian ferry was set to evacuate foreign nationals trapped in the southern part of Lebanon from the city of Tyre. At the same time, humanitarian efforts were underway with lorries of food and medical supplies arriving at key points in the conflict, such as Beirut and Tyre.

As the last week of July 2006 began, the evacuation of foreign nationals began to be the source of great consternation among local Lebanese who accused the international community of caring only about people carrying certain passports, while failing to act on behalf of local civilians who were bearing the brunt of the violence.

July 23, 2006

By July 23, 2006, the head of the emergency relief agency for the United Nations, Jan Egeland, characterized the damage caused by Israeli strikes on Beirut as "horrific." He decried the devastation caused by Israel's retaliatory action against Hezbollah, calling it excessive, while at the same time condemning Hezbollah for cloaking itself among the civilian population, thus worsening their casualties. He called on both sides to cease their attacks and noted that humanitarian aid would begin arriving shortly in Lebanon. In that latter regard, he appealed for safe access. As noted above, Israel had earlier said that it would lift its blockade on the port of Beirut and respect a humanitarian corridor. He also said that the United Nations would be launching an appeal for humanitarian aid amounting to \$150 million dollars (USD).

Egeland arrived in Beirut on the heels of an Israeli strike against the Hezbollah-dominated portion of Lebanon's capital city. In Beirut, there were four injuries when one strike hit a mosque. While Hezbollah said the facility was used only for prayer, Israel contended that it was one of several legitimate targets used not only for conventional purposes, but also by Hezbollah for its activities.

On that same day [July 23, 2006], Israel's aerial bombing of southern and eastern Lebanon continued in the early hours of Sunday. In the east, Israeli strikes caused engineers, who had been attempting to repair impassable roads, to retreat for safety reasons. The southern town of Sidon, where several people had fled seeking safety, was hit by Israeli strikes. As well, the city of Tyre was the site of action from both sides. It was one of several places from which some Hezbollah militants were firing missiles and, as such, Israel made it a target of retaliatory strikes.

There were eight deaths reported across Lebanon. They included a young boy, a photographer, three people fleeing in a minibus, as well as three Hezbollah fighters. On the other side of the border, two Israelis died in Haifa and over twenty people were injured as a result of repeated Hezbollah rocket attacks.

In other developments, Kim Howells, a Minister of State at the Foreign and Commonwealth Office of the United Kingdom, was scheduled to meet with the Israeli Foreign Affairs Minister, Tzipi Livni. Howells issued a rebuke of Israel for essentially attacking the Lebanese nation in its effort to fight Hezbollah. However, he also expressed understanding of Israel's imperative to defend itself and condemned Hezbollah for exacerbating the conflict by hiding weapons in civilian-dominated areas.

For its part, the United States appeared reticent about getting actively involved since the start of the crisis. Nevertheless, United States Secretary of State Condoleezza Rice was expected to depart for the Middle East on July 23, 2006. As well, foreign ministers from France and Germany were expected to travel to Israel for peace talks. Iran, which had been notably silent for some time, entered the mix with President Mahmoud Ahmadinejad suggesting that Israel's current conundrum had been self-inflicted.

Diplomacy and Ceasefire Demands

On July 24, 2006, United States Secretary of State Condoleezza Rice arrived in the Middle East for talks regarding the crisis. Before arriving in the Middle East, Rice mentioned to reporters that the United States still had an embassy in Syria. Her statement was interpreted by some as a reminder that the United States and Syria still shared diplomatic relations that could be leveraged, if necessary. Her first stop was Lebanon where she met with Prime Minister Fuad Siniora. In that meeting, she expressed concern for the Lebanese people, while also making clear that Hezbollah's attacks on Israel from within Lebanese territory could not be permitted to continue. She then left for talks with Israeli Prime Minister Ehud Olmert.

There was no call issued for an immediate ceasefire. In the backdrop of these developments, the White House announced that it had authorized humanitarian aid to be sent to Lebanon.

Secretary Rice, and later President Bush, both conveyed the view that the only possible solution to the conflict was a sustainable ceasefire and enduring peace. The United States' stance has been that a ceasefire might result in only Israeli compliance, thus subjecting Israel to future attacks. Clearly, this view has not been shared by many world leaders and foreign **policy** chiefs who have called for an immediate ceasefire, arguing that continued hostilities were untenable, regardless of optimal long-term objectives. Many Middle Eastern experts have further said that no long-term objectives can be achieved, at all, without addressing the Israeli-Palestinian conflict.

Intensive talks between Western and Middle Eastern ministers were scheduled to take place on July 26, 2006 in Rome. Prior to the meeting, United Nations Secretary General Kofi Annan said it was crucially important to achieve concrete results aimed at resolving the conflict.

July 24, 2006

On the ground in the conflict zone in the last week of July 2006, Israeli forces moved northward from Maroun al-Ras, the southern Lebanese town it had earlier taken control of, and were engaging Hezbollah fighters around the town of Bint Jbeil. In that fighting, ten Israeli soldiers were injured while two Hezbollah fighters were captured. The level of operations suggested that Israel was still carrying out only small-scale incursions across the border in Lebanon. In one case, an Israeli helicopter crashed in northern Israel. While Hezbollah said it had shot down the aircraft, Israeli authorities said it crashed as a result of technical difficulties.

There was a lull in the Israeli strikes on Beirut on July 24, 2006, presumably due to the presence of Rice in the city on that day.

Clashes and blasts elsewhere in Lebanon ensued nonetheless. In one case, there were allegations that clearly-marked Red Cross vehicles had been hit by Israeli strikes. Israeli efforts in Bint Jbeil appeared to have been

successful because it was later reported that they had taken control of the town and were advancing toward Yaroun. As well, Israel subsequently said during its incursions in southern Lebanon, that it had managed to kill Abu Jaafar, a key Hezbollah commander. Both Israel and Hezbollah confirmed that several of their troops had been killed in the fighting.

July 25, 2006

On July 25, 2006, the conflict was ongoing with blasts heard on both sides of the border -- from Beirut to Haifa. Clearly, Israeli strikes on Lebanon's capital had resumed with explosions heard in Hezbollah-controlled areas of the city. Hezbollah's efforts against Israel continued with a constant volley of rockets raining down on northern Israeli. In one case, a young Arab-Israeli girl was killed in the village of Maghar. At the same time, Haifa continued to endure Hezbollah's ceaseless rocket offensive. Hezbollah's leader, Hassan Nasrallah, appeared on Lebanese television on this day warning that his forces were ready to attack more deeply into Israeli terrain.

The Deaths of the United Nations Peacekeepers

Meanwhile, several days earlier on July 25, 2006, there were reports that a United Nations observation post in southern Lebanon had been hit by Israeli military aircraft. There were unconfirmed reports that four peacekeepers might have killed. This was later confirmed when it was reported that four unarmed peacekeepers from Austria, Canada, China and Finland died when the United Nations post was struck.

United Nations Secretary Kofi Annan expressed shock at the "apparently deliberate targeting of the post," especially since he claimed that Israel had assured him of the safety of United Nations personnel. Israel responded by conveying its regret over the matter. Some Israeli spokespersons criticized Annan for "irresponsibly" accusing their country of deliberate action before an investigation could be carried out.

A day later, an initial report into the deaths of the United Nations peacekeepers was released. The report indicated that despite repeated contacts by the United Nations -- 10 in total -- with Israeli troops regarding the closeness of Israeli strikes in the area, and regardless of promises from the Israelis that the shelling would stop, the United Nations post was hit by a precision-guided missile following a period of about six hours of constant shelling.

One diplomat familiar with the report argued that if Israel had actually acted on the basis of the contacts, "rather than deliberately ignoring them," the peacekeepers would still be alive. As well, the Irish Foreign Ministry said that one of its soldiers working for the United Nations warned Israel that its military activities were placing the lives of the peacekeepers at risk.

United Nations humanitarian aid chief, Jan Egeland, said on United States television that (1) the post had been a known and clearly-marked structure for decades; (2) the Israeli prime minister had given personal assurances of safety to head of the United Nations; (3) repeated contacts by the United Nations had been made regarding the dangerously close range of the shelling; (4) although Hezbollah operated generally in southern Lebanon, Hezbollah was not in close proximity of that particular post; and (5) the post had, in the end, been hit by a missile known for its precision.

For its part, Israel expressed deep regret regarding the deaths of the four United Nations peacekeepers and Israeli Prime Minister Ehud Olmert personally telephoned United Nations Secretary General Kofi Annan to express his condolences over what had happened.

Both Israel and the United Nations agreed to pursue a joint investigation into what transpired. At the same time, the United Nations said that it would meet to deliberate what course of action it should take. After lengthy talks on July 27, 2006 in which no real consensus could be reached on the wording of a position statement, the United Nations Security Council released a declaration expressing deep shock and distress over the Israeli air strikes that killed four peacekeepers. China criticized the statement for being needlessly weak.

A few days after the deaths of the four United Nations peacekeepers, another two peacekeepers were injured as a result of the ongoing violence. There was rising concern that many countries might be reluctant to contribute to future peacekeeping efforts, as a result of these incidences.

July 26, 2006

On July 26, 2006 -- crisis talks in Rome ensued and ended with no agreement on the call for an immediate ceasefire, despite an impassioned plea from Lebanese Prime Minister Fuad Siniora. United States Secretary of State Rice was apparently one of few voices arguing against the ceasefire, which gave rise to difficult discussions among the parties present. The Rome summit ended with the release of a declaration expressing "determination to work immediately to reach with utmost urgency a ceasefire to put an end to the current hostilities." The declaration also included a description of a ceasefire as "lasting, permanent and sustainable." The Rome summit did manage to advance calls for the creation of an international force that would enforce peace and stability along the Israel-Lebanon border.

On the ground in the conflict zone, Israeli troops experienced one of their bloodiest and most challenging days. Eight soldiers died and around 22 were injured in clashes with Hezbollah; it was the most significant loss of troops to Israel since the start of the conflict. The clashes ensued at Bint Jbeil -- the very town that Israel said it had taken control of a day earlier. In a separate incident of fighting, a ninth Israeli, this time an officer, was killed. In the city center of Tyre in Lebanon, a huge explosion destroyed a multi-storey complex, supposedly regarded as the offices of another Hezbollah commander. On the other side of the border, Hezbollah continued its rocket assault on Israel, leaving about 31 people injured. It was estimated that Hezbollah was firing rockets at a rate of over 100 per day into Israel.

The Imperative for Stability

The escalation of hostilities between Israeli forces and Lebanon-based Hezbollah, in conjunction with Israel's ongoing conflict in Gaza, spurred fears that the entire Middle Eastern region was at risk of being acutely destabilized.

Keeping these anxieties in mind, United Nations Secretary General Kofi Annan and United Kingdom Prime Minister Tony Blair called for an international force to be deployed to Lebanon. The force would be tasked with stopping Hezbollah's attacks on Israel, and in so doing, it would remove Israel's rationale for bombarding Lebanon. Although a United Nations mission, UNIFIL, has been monitoring the Israeli-Lebanese border since 1978, it numbers less than 2,000 in strength and has few means to enforce peace. As such, a new stabilization force would have to be enshrined with far more power and capabilities.

Amir Peretz, the Defense Minister of Israel, expressed support for the idea of an international peacekeeping force in southern Lebanon on July 23, 2006. He particularly conveyed his backing for such a force to be led by NATO. A day later, Israeli Prime Minister Ehud Olmert confirmed his country's support for this plan, so long as the forces deployed were both robust and enshrined with sufficient power as to be able to carry out their mandate. The European Union's chief of foreign *policy*, Javier Solana, further affirmed the plan when he stated that several European countries would contribute to such a force, which might function under the aegis of the United Nations Security Council.

Israel announced that it would maintain control over southern Lebanon until the proposed international force was activated. In this regards, Amir Peretz, Israel's Defense Minister, explained on July 25, 2006 that his country had no alternative saying, "We have no other option. We have to build a new security strip that will be a cover for our forces." It was not clear if Israel intended to hold control over a security zone even after the deployment of the proposed international force.

Following the Rome summit on July 26, 2006, there had been a call for the creation of an international force, working under a United Nations mandate, and with the mission of fully implementing existing United Nations

Security Council resolutions. The statement also called for the disarmament of militias and the deployment of Lebanese troops on the border.

July 27, 2006

On July 27, 2006, Hezbollah rockets continued to rain on northern Israel. Targets hit the town of Kiryat Shmona and ignited fires. Rockets also fell on fields close to Safed, Carmiel, Maalot and Shlomi. As well, the terrorist group al-Qaida, which has traditionally not worked in sync with Hezbollah, issued a statement suggesting that it would not sit on the sidelines as the conflict in southern Lebanon raged on. That same day, Israeli authorities said that while they did not intend to expand their military offensive in Lebanon, they would call up additional troops from their reserve divisions to fortify their operations against Hezbollah. Israeli Defense Minister Amir Peretz said that Israel's military operation would go on until a secure border strip could be established, preventing Hezbollah's return to current positions.

His statement came a day after failed peace talks in Rome in which no agreement could be reached on a ceasefire.

July 28, 2006

On July 28, 2006, United Kingdom Prime Minister Tony Blair and United States President George W. Bush held talks in Washington D.C. The crisis in the Middle East factored highly during those discussions, which were followed by a call by the two leaders for "lasting peace" in the region. Bush also said that he and his British counterpart both supported the establishment of an international force, which would work with the Lebanese military to maintain stability along the Israeli-Lebanese border zone. Despite increasing international pressure for the cessation of hostilities, however, there was no call for an immediate ceasefire from the respective British and American leaders. Meanwhile, the United Nations made its own call for a 72-hour truce aimed at facilitating the transportation of aid and supplies.

On the ground in the conflict zone, Hezbollah reportedly fired a long-range rocket, the Khaibar-1, in the direction of Israel; it landed just south of Haifa. It was an apparent attempt to make good on an earlier threat to fire longer range rockets more deeply into Israeli territory. Another Hezbollah rocket -- this one of unknown origin and packed with explosives -- hit an area around the town of Afula.

Several Israelis were injured as a result of these and other rocket attacks on that day. At the same time, the Israeli military was carrying out strikes against targets in Lebanon, leaving at least a dozen people dead. Israel also reported that it had killed a number of Hezbollah fighters in the town of Bint Jbei, which had been the site of serious clashes in recent days. Civilians were again the unfortunate casualties of the hostilities when mortar rounds struck a convoy of civilian vehicles as they tried to flee southern Lebanon. There was no conclusive knowledge about who might be responsible for those injuries. Two members of the German media were also injured during the chaos of the day. Elsewhere in Lebanon, Israeli strikes left a Jordanian man dead and three people wounded in Kfar Joz. Strikes were also being carried out on the Bekaa Valley in the east and southern villages around Tyre.

July 29, 2006

A day later on July 29, 2006, Israeli air strikes in the north of Lebanon resulted in the closure of the border crossing between Lebanon and Syria. It was reported that missiles hit the area between the two countries' respective immigration stations.

Israeli raids on southern Lebanon left several people dead. There were reports that a mother and her five children were among those killed. Israeli troops were still engaging Hezbollah fighters in Bint Jbeil, however, on July 29, 2006, Israeli troops withdrew from the Hezbollah stronghold. On the other side of the conflict, Israel continued to be hit by volleys of rockets from Hezbollah. Safed was among the towns affected on July 29, 2006. Israeli anxiety also increased on this day as Hezbollah leader, Hassan Nasrallah, promised that towns in the center of Israel could well be targeted.

On the diplomatic front, United States Secretary of State Condoleezza Rice was in the region for further talks -- this time with a focus on the creation of an international force that would ensure security and stability in the conflict zone. Rice warned that, at this point, negotiations were expected to be very difficult. Meanwhile, Rice and other foreign *policy* leaders were also trying to craft a United Nations resolution, which would set forth key conditions associated with the long-term resolution of the crisis.

Also on July 29, 2006, British Prime Minister Tony Blair expressed similar views to those previously-articulated by his American counterpart, saying that there could not be a ceasefire until certain conditions [presumably those that would ensure a long-term solution] were in place. Jack Straw, the leader of the British House of Commons and the former Foreign Minister, endeavored to carve out quite a different stance. Following on the heels of Minister of State Kim Howells, who had issued strong sentiments on the matter, Jack Straw criticized Israeli's military operation in Lebanon as "disproportionate." International Development Secretary Hilary Benn also raised concerns about the conflict.

Civilian Deaths at Qana

July 30, 2006 was likely to be remembered as one of the darkest days in the conflict taking place between Israeli forces and Lebanon-based Hezbollah. An Israeli air raid at Qana left more than 50 civilians dead -- the vast majority of whom were women, children and senior citizens. They had been seeking shelter from the violence in the basement of a three-story house. Survivors, as well as relatives of those killed, were reported to have been anguished about the bloodshed and confused about why they had been targeted.

Israeli authorities responded by saying that they had warned civilians to leave the area. They also furnished aerial footage, apparently filmed two days earlier, which showed missiles being fired from the area around Qana, as well as what seemed to be a missile launcher surreptitiously hidden in a house there.

Despite this explanation, Lebanon's Prime Minister Fouad Siniora characterized the Israeli strikes in Qana as "heinous crimes against civilians." For Siniora, along with many Lebanese, it was possible that this incident at Qana evoked memories of a similar strike that took place a decade ago. In 1996, Israel launched its "Grapes of Wrath" operation, which was similarly aimed at destroying Hezbollah's base in Lebanon. A United Nations post was hit by Israeli strikes and approximately 100 people, who had come to the post seeking refuge from the violence, died as a result. Now, ten years later, a similar scenario had transpired.

For its part, Hezbollah promised retaliatory attacks. Hezbollah soon acted upon that ominous promise and fired successive waves of rockets into Israel later in the day, some of which hit the Israeli border town of Kiryat Shemona. Israelis said that they were experiencing the worst barrage of rocket attacks ever.

Regardless, the deaths at Qana evoked recriminations and condemnations from the international community. United Nations Secretary General Kofi Annan called for a vociferous rebuke by the international community and reiterated his demand for an immediate ceasefire. After several hours of discussions during an emergency session, the United Nations Security Council issued a statement in which it unanimously expressed "extreme shock and distress" over what had happened at Qana and deplored the loss of life there. The Security Council, however, did not call for an immediate ceasefire, despite Kofi Annan's earlier's appeal for one.

Nevertheless, the deaths at Qana appeared to have shifted the position of United Kingdom's leader, Tony Blair, significantly. Only a day after he said that certain conditions had to be met before a ceasefire could ensue, Blair on July 30, 2006 said that some sort of resolution had to be forged "as soon as possible," in order to resolve the "catastrophe" that befallen Lebanon. Blair said, "What has happened at Qana shows that this is a situation that simply cannot continue." It was apparent that the events at Qana had spurred a notable change in perspective on his part. Indeed, Blair issued a joint statement with German Chancellor Angela Merkel, asserting that the tragedy of Qana emphasized the "urgency of the need for a ceasefire as soon as possible."

Overall, perhaps the most important outcome of the Qana deaths appeared to have been a renewed sense of urgency from among the international community to end the crisis, if only to stop further tragedies of this sort from occurring.

July 31, 2006

By July 31, 2006, Israel had agreed to an immediate suspension of air strikes over southern Lebanon for a 48-hour period, in order to facilitate an investigation into what had transpired. Dan Gillerman, the Israeli ambassador to the United States, said in an interview with British media that the suspension would allow the inquiry to take place, while also providing remaining civilians with time to evacuate the area.

The agreement to cease air strikes temporarily was reached following urgent talks between Israeli officials and the United States Secretary of State Condoleezza Rice. For its part, however, the United States had not shifted its position and did not join the increasing chorus of calls for an immediate ceasefire.

That was not to say that the views of all American politicians were unified on the matter. Despite expressed support by the two houses of Congress for Israel on July 18, 2006 and July 20, 2006 respectively, United States Senator Chuck Hagel, Republican of Nebraska, broke ranks with his party and the Bush administration to call for an immediate ceasefire. On July 31, 2006, Hagel declared, "The sickening slaughter on both sides must end and it must end now. President Bush must call for an immediate ceasefire. This madness must stop."

August 1, 2006

By August 1, 2006, the Blair government was experiencing some internal dissonance as a result of differing approaches to the ongoing conflict between Israel and Lebanon-based Hezbollah. Whereas the British Foreign Office indicated its support for an immediate ceasefire, the stance from Downing Street was one that stopped short of that particular call. The Foreign Office was not the only source of dissonance regarding Blair's stance. As noted above, comments from the Minister of State, the former Foreign Minister and leader of the House of Commons, as well as the International Development Minister, indicated that several members of the Blair's Labour Party was departing company with the prime minister. Now, days later, a number of cabinet ministers were reported to have dispatched notes to the British prime minister during a cabinet meeting suggesting that their silence was not to be interpreted as actual consent for Blair's position.

While the internal struggle was going on within government of the United Kingdom, British Foreign Minister Beckett joined her counterparts within the European Union in the Belgian capital of Brussels to draft a proposal calling for an "immediate cessation of hostilities," which would be followed by a sustainable ceasefire. That two-step process would eventually facilitate both a political accord and the deployment of a multinational force to enforce stability in the conflict zone. The elements of the proposal were somewhat adapted to accommodate the varying perspectives of European governments on the conditions of a ceasefire.

In other diplomatic efforts, French Foreign Minister Philippe Douste-Blazy was in Beirut and met with his Iranian counterpart, Manouchehr Mottaki. Taking a different approach than that of the United States, the French diplomat complimented the Iranian nation and its heritage, presumably paving the way for harmonious discussions aimed at resolving the conflict. The Foreign Minister's objectives were somewhat frustrated by the call from a senior Iranian cleric for Muslims to lend support to Hezbollah's fight against Israel.

On the ground in the conflict zone, Israeli tanks moved into southern Lebanon. Following a security cabinet meeting, Israel had indicated that it was going to expand its ground offensive.

Heavy fighting was reported in the southern part of Lebanon in several locations between Israeli troops and Hezbollah fighters.

Israeli warplanes struck at targets on the ground, even as Israeli Prime Minister Ehud Olmert claimed that his country was succeeding in its efforts to nullify Hezbollah. But at the same time, Hezbollah was responding with fierce resistance. Casualties were reported on both sides as a result of the clashes. In the Lebanese town of Lweizeh, an Israeli strike was said to have left a mother and her two children dead. In Ait al-Shaab, where the strongest exchange of fire was reported, an anti-tank missile killed three Israeli soldiers and injured 25 others. Israel said that it had killed dozens of Hezbollah fighters there.

Hezbollah fighters were also reported to have been killed at Kfar Kila, Adiasse and Taibe, while Bint Jbeil continued to be the site of clashes.

On the other side of the border, Hezbollah fired mortal shells into northern Israel, however, there were no rocket attacks. The last day rockets were fired at Israel was July 31, 2006.

Despite his claim that Israeli forces were winning the military battle against Hezbollah (noted just above), Ehud Olmert acknowledged that Israel would not be able to completely destroy Hezbollah's arsenal of weapons. That said, he asserted that Israel's objective was to lessen the threat posed by Hezbollah. Israel's Infrastructure Minister said that his country's troops would likely require another two weeks to finish this task. In this regard, Binyamin Ben-Eliezer said on Israeli Army *Radio* that this timeline would be needed "to complete the job, and by that I mean that the area in which we want [an] international force to deploy is cleansed of Hezbollah."

Reports suggested that Israel's operations in Lebanon also involved forcing Hezbollah fighters to retreat as far as the Litani River, located 18 miles (or 30 kilometers) north of the border.

Also on August 1, 2006, irrespective of previous announcements about a temporary halt on air strikes (made in late July 2006) and the establishment of a humanitarian corridor (made in the third week of July 2006), two Belgian aircraft carrying humanitarian aid were prevented from landing in Beirut when Israel warned that it could not guarantee safe passage. Nevertheless, a day later, humanitarian efforts were underway with the World Food Programme saying that they had been given safe passage into Lebanon.

August 2, 2006

After a lull, Hezbollah resumed its attacks on Israel on August 2, 2006 with intensity. Indeed, Hezbollah launched more than 220 rockets into Israel from Lebanon. It was the heaviest barrage of rockets in a single day since the start of the conflict. Intensity aside, this spate of attacks was also distinguished for the distance traveled. Indeed, there were reports that the rockets were hitting the targets deeply into Israeli territory. One person was reported to have been killed in Nahariya while several others were injured. One rocket hit Beit Shean on the edge of the West Bank, while another hit the West Bank itself.

For his part, Israeli Prime Minister Ehud Olmert said that Israel was successfully destroying Hezbollah's infrastructure. He also foreclosed any hope of an immediate ceasefire by asserting that no such action would be taken until an international force was deployed in southern Lebanon.

His comments suggested confidence in the operations being carried out by the Israeli military. Indeed, earlier in the day, Israeli troops assaulted a Hezbollah stronghold, Baalbek, located in the north eastern part of Lebanon. There, Israeli troops raided a hospital that was said to be used by Hezbollah fighters and seized five people. Israeli authorities claimed that the five individuals were Hezbollah fighters, but Hezbollah disputed the claim and said they were civilians. Regardless, the fact that Israeli commandos had managed to infiltrate Lebanese territory, even reaching a part of the country located close to the border with Syria, served to bolster Israeli claims of mission success.

In southern Lebanon, clashes between Israeli troops and Hezbollah fighters were ongoing.

On the diplomatic front the United Kingdom's ambassador to the United Nations expressed the view that an initial Security Council resolution aimed at end the violence was close at hand.

Amidst these developments, Iran's supreme leader echoed the earlier words of a senior cleric and called on the Muslim world to stand with Hezbollah against Israel.

Israel continued to carry out its offensive operation into southern Lebanon, destroying several interests in the region along the way, but taking a toll in the form of the lives of four Israeli soldiers. Nevertheless, Israeli authorities appeared to be planning intensified attacks, as evidenced by the dropping of leaflets in Beirut warning residents of a new military operation against Hezbollah. As well, Defense Minister Amir Peretz was reported to have informed top military commanders that they should prepare to advance northward of the border with Lebanon toward the River Litani.

On the other side of the conflict, Hezbollah's rocket attacks on August 3, 2006 resulted in the deaths of at least eight civilians in northern Israel. As well, Hezbollah's leader, Hassan Nasrallah, warned that further attacks by Israel would result in the bombing of Tel Aviv.

Meanwhile, diplomats at the United Nations were attempting to craft a resolution that would bring an end to the fighting. Such a result was to be welcomed by humanitarian agencies, which warned that their relief operations were being hampered by the destruction of infrastructure as well as fuel shortages.

August 4, 2006

On August 4, 2006, an Israeli strike left 26 people dead and at least 20 people injured. Most of the victims were Syrian Kurdish farm workers in the village of Qaa, located in the Bekaa Valley along Lebanon's north-eastern border with Syria. Israeli strikes also hit bridges in Christian areas in northern Beirut, as well as bridges along Lebanon's coastal highway. Five people were reported to have been killed when the coastal bridges were decimated. As well, an Israeli air raid on Taibeh in the southern part of Lebanon resulted in the deaths of seven people and injuries to 10 others. Meanwhile, Israeli fighters continued to engage Hezbollah fighters in southern Lebanon, in an attempt to push Hezbollah's forces northward from the border toward the Litani River.

On the other side of the conflict, Hezbollah fired 190 rockets into Israel, leaving three civilians dead. The attacks evoked fears about Hezbollah's capacities since some rockets landed as many as 50 miles (80 kilometers) from the border. Indeed, the town of Hadera, just 30 miles (45 kilometers) north of Tel Aviv, was among the areas hit.

In addition to concerns about the increased range of the rockets being fired by Hezbollah, there was anxiety about the amplified volume of rockets. In recent days, the number of rocket attacks by Hezbollah had increased substantially to close to 200 per day -- double the number of attacks that had become the norm in the first few weeks of the conflict. In anticipation of a possible missile attack against Tek Aviv, Israeli authorities urged the city's residents to ensure that they were able to access bomb shelters.

On the diplomatic front, United States Secretary of State Condoleezza Rice suggested that a United Nations resolution regarding the conflict could be pass within days. At issue was the phraseology of a possible ceasefire resolution. However, Israeli Prime Minister Ehud Olmert signaled that with or without a resolution, Israel's offensive would continue until an international force was actually deployed in southern Lebanon.

August 5, 2006

Clashes between Israeli forces and Hezbollah fighters in southern Lebanon continued on August 5, 2006. Several casualties were reported as a result of a raid by Israeli troops on an apartment in Tyre, which was said to house Hezbollah fighters. The Israeli military claimed that Hezbollah militants made up the casualty list; the Israeli military also acknowledged that eight of its own soldiers had been wounded in the raid. Israel additionally warned people in Sidon to avoid areas where rockets might be launched, presumably auguring strikes against such targets.

On the other side of the border, Israel continued to be pounded by a barrage of rocket attacks from Hezbollah. Again, the number of rocket attacks far exceeded the previous volume and numbered in excess of 170 on August 5, 2006, leaving three women dead. Haifa was among the places hit by the rocket attacks on this day, and five people were reported to have been injured as a result.

On the diplomatic front, differences regarding the wording of a possible ceasefire agreement were being worked out as the United States and France came to agreement on the matter. The draft of the proposed United Nations

Security Council Resolution apparently called for a "full cessation of hostilities," demanded that Hezbollah immediately cease all attacks, and declared that Israel immediately halt its offensive military operations.

The wording was deliberately crafted to allow Israel some room to defend itself in the face of attack. It was hoped that the resolution, which still had to be passed in the 15-member Security Council of the United Nations, would bring a quick end to the violence. United Kingdom Prime Minister Tony Blair and United States President George W. Bush lauded the diplomatic progress being made.

In other developments, humanitarian aid agencies warned that the destruction to infrastructure in Lebanon, and particularly to bridges, was making it very difficult to transport supplies to people in need of help. Meanwhile, the situation in the Middle East was spurring people from across the world to take to the streets to protest the violence and to call for a ceasefire. Such demonstrations were taking place from Baghdad to London.

August 6, 2006

August 6, 2006 was the bloodiest day experienced on the Israeli side of the conflict. At least 15 people were killed in northern Israel as a result of relentless rocket attacks by Hezbollah. The port city of Haifa was especially hard hit on this day, with three deaths, dozens of injuries and the collapse of a building. Israelis were also dying on Lebanese soil as evidenced by the deaths of 12 soldiers during an attack on the town of Kfar Giladi. It was the highest number of Israeli deaths in a single incident since the start of the conflict.

In Lebanon, Israeli strikes killed approximately 14 people. In the coastal town of Naquora, three people were killed in strikes while five civilians died as a result of an air raid in the village of Ansar. The Israeli military reported that its forces had launched strikes on a site in Qana where it said rocket launchers were being housed. The military also said that it had destroyed rocket launchers to the north of Tyre. Fresh strikes were carried out on the southern suburbs of Beirut, the area of Tyre, as well as the eastern Bekaa Valley. Clashes between Israeli soldiers and Hezbollah fighters in southern Lebanon were also ongoing.

In the diplomatic sphere, Lebanon formally issued a request of the United Nations Security Council. In that request, Lebanon asked that a provision be added calling on Israel to withdraw from Lebanese terrain. Syria also weighed into the diplomatic process by characterizing the current draft of the proposed resolution as a "recipe for the continuation of the war." For its part, the Israeli government was generally happy with the draft resolution.

A spokesperson for the Israeli government noted that Israeli forces were prepared to withdraw from Lebanon once the resolution was passed, and so long as Israel had satisfactorily incapacitated Hezbollah's strongholds.

August 7, 2006

Israeli air raids on Lebanon on August 7, 2006, resulted in the deaths of almost 50 people. Among those killed were up to 30 people in southern Beirut who died in air strikes. Lebanon's Prime Minister Fuad Siniora corrected a claim that an earlier Israeli air strike had left 40 civilians dead. Instead, five people were reported to have been killed in the earlier strike. Clashes between Israeli forces and Hezbollah fighters in southern Lebanon were ongoing with three Israeli soldiers and five Hezbollah militants killed at Bint Jbeil. On the other side of the conflict, Hezbollah fired more than 100 rockets into northern Israel, resulting in civilian casualties.

The issue of civilian casualties was the topic of a report issued by United Nations Secretary General Kofi Annan, in which the targeting of civilians was strongly criticized. Annan said that military operations by both sides, in which civilians suffered the consquences of indiscriminate attacks, constituted a violation of international law. The bombing at Qana was specifically noted in this regard.

On the diplomatic front, United States President George W. Bush conveyed strong support for the United Nations draft resolution, stating that he wanted to see the document passed in the Security Council as soon as possible.

That said, the draft resolution remained in doubt, as Arab ministers echoed Lebanese demands for changes to the proposed resolution.

August 8, 2006

On August 8, 2006, Israeli fighter jets struck at Hezbollah targets in Lebanon. In the village of Ghaziyeh, at least six people were killed and two dozen injured. Another strike left 13 villagers dead as they attended a funeral for those previously killed in air raids. One person died when Israeli strikes hit Lebanon's largest Palestinian refugee camp at Ein el-Hilweh. Clashes between Israeli forces and Hezbollah fighters in southern Lebanon were ongoing, with at least three Israeli soldiers dying in addition. There was not word about casualties among Hezbollah factions. On the other side of the border, Hezbollah continued its barrage of rocket attacks against southern Israel.

With rocket attacks increasing, Israel said that it would temporarily relocate remaining residents from the city of Kiryat Shmona to a safer area. Compared to the rest of northern Israel, Kiryat Shmona had suffered the most attacks by Hezbollah.

Meanwhile, Israel was stepping up its operations to move toward the Litani River. Israel had earlier dropped leaflets in Tyre, the largest Lebanese city south of the Litani River, warning of military strikes to come. But with many roadways in the area bombed and destroyed, those still in the villages around Tyre were expected to have difficulties trying to get out. Israel also warned that as its forces advanced toward the river, any moving vehicles spotted in the area south of the Litani would be destroyed. Given the clear risk outlined by Israel, the United Nations decided to stop its aid convoy from traveling in that zone.

In the realm of diplomacy, the United Nations Security Council debated the draft resolution aimed at ending the violence and bloodshed. At the same time, a delegation from the Arab League traveled to the headquarters of the international body to officially express backing for Lebanon's demands. Lebanon had argued that the draft resolution should be altered so that it expressly called for Israel's immediate withdrawal from Lebanese terrain. As well, there were differences over the phrasing in some parts of the draft, which called on Israel to end its "offensive" military operations, while madating that Hezbollah end "all" its attacks. It was not clear how these demands for changes to the document would be received by the Security Council, especially since many key members appeared supportive of the current version of the draft. Moreover, France and the United States, who made great headway in agreeing to the current terms of the draft, were not apt to make any changes. On the other side of the equation, however, Russia said that it could not vote for a resolution that did not have the backing of Lebanon. A vote on the resolution was not expected until later in the week.

August 9, 2006

On August 9, 2006, heavy fighting in Lebanese villages close to the Lebanese-Israeli border resulted in the deaths of 15 Israeli soldiers and 40 Hezbollah fighters. Israeli soldiers later commenced an operation against Hezbollah in Khiam. Meanwhile, Israeli strikes continued to bombard targets in Lebanon. As a result of air strikes in the Bekaa Valley, a building believed to have housed a Hezbollah fighter collapsed, killing six people. Beirut continued to be hit by Israeli strikes, resulting in deaths of several people. On the other side of the border, Israel was still dealing with Hezbollah's rocket attacks.

On the same day, the Israeli cabinet approved sending troops further north toward the Litani River. However, the cabinet also agreed to delay the advancement of the troops in the hopes that a diplomatic resolution could be found. The plan to deploy Israeli troops northward was not new; it had been discussed for several days in advance of the official approval by cabinet.

In the realm of diplomacy, France and the United States worked on redrafting the original text of the proposed United Nations resolution. The redrafting exercise occurred after the two countries disagreed on the proper course of action. Given Lebanon's opposition to the original text on the basis that it did not expressly call for Israel's withdrawal from its own terrain, France said that it would work toward adjustments in the text. By contrast, however, the United States was reluctant to make any changes. The situation set the stage for a possible impasse,

and by extension, the continuation of hostilities. Consequently, French President Jacques Chirac argued that it would be "immoral" to relinquish diplomatic efforts to secure a ceasefire.

August 10, 2006

On August 10, 2006, Israel dropped another wave of warning leaflets over south Beirut auguring further air strikes to come, and urging residents to flee. Clashes between Israeli forces and Hezbollah fighters were reported in Marjayoun. At the same time, Hezbollah rocket attacks were pounding targets in Israel, leaving two people dead in the Arab village of Deir al-Assad. Meanwhile, Jan Egeland, the head of the United Nations' humanitarian agency, decried both Israel and Hezbollah for creating a humanitarian crisis in Lebanon by preventing the transportation of much-needed aid and relief supplies. On the diplomatic front, further efforts were being extended to forge a dipomatic resolution that would bring an end to the violence and bloodshed, while setting the terms for sustainable peace in the region.

August 11, 2006

As diplomatic efforts were going on in New York on August 11, 2006, to try to resolve the conflict in the Middle East, violence was unabated. Israeli troops were moving toward the Litani River, with the objective of pushing back Hezbollah fighters and thusly establishing a de facto security zone. In Beirut, Israeli strikes were ongoing. Elsewhere in Lebanon, an attack by an Israeli drone left about four people dead in the town of Marjayoun, located in the south of the country. Hundreds of Lebanese soldiers and police stranded at barracks in that very town of Marjayoun were being evacuated by United Nations troops. To the north, Israeli air strikes at a bridge near the Lebanon-Syria border left approximately 12 civilians dead. One Israeli soldier died in fighting in western Lebanon, while close to 20 were reported to have been injured in southern Lebanon. On the other side of the border, several casualties were reported in northern Israel as a result of a barrage of missile attacks by Hezbollah.

On the diplomatic agenda, media reports on August 11, 2006 suggested that the United Nations Security Council was set to debate and vote on a new draft resolution calling for a ceasefire between Israel and Hezbollah. The text of the draft, which had been changed to reflect concerns articulated by Lebanon about a withdrawal of Israeli troops, called for a "full cessation of hostilities," and made provisions for Israeli troops to pull back from Lebanese terrain as local and United Nations forces were deployed along the border. The draft also authorized an expansion of the United Nations peacekeeping force in Lebanon, known by the acroym UNIFIL, along with increased enforcement powers. Left out of the text was a reference to Chapter 7 of the United Nations Charter, which would facilitate the use of force if certain conditions were not met.

Illustrating Israel's dual-pronged approach toward a mix of military tactics along with a diplomatic strategy, Israeli Prime Minister Ehud Olmert was reported to have said that he accepted the new ceasefire plan. This revelation came after Olmert had already directed Israeli troops to expand its offensive operations in Lebanon, presumably because of the bleak prospect of an acceptable resolution being passed by the United Nations Security Council earlier in the day. Now, with a shift in the proverbial winds, Olmert was expected to call on his cabinet to sanction the resolution within the next few days. It was expected that Israeli's military operations would continue until that time.

Meanwhile, an affirmative vote within the United Nations Security Council was expected shortly. While not perfectly in line with the desires of either Israel or Lebanon, the new draft appeared to be acceptable to both parties as well. In a passionate speech at the convening of the Security Council session, United Nations Secretary General Kofi Annan decried the international body's failure to act in a more timely manner, saying that it had "badly shaken" the international community's confidence in the United Nations. Still, later on August 11, 2006, the United Nations Security Council unanimously approved Resolution 1701.

A *policy* adviser in the government of Lebanese Prime Minister Fouad Siniora cautiously welcomed the passage of the new resolution. United States Secretary of State, Condoleezzza Rice, declared that agreement would "open a path to lasting peace between Lebanon and Israel." Her French counterpart, Foreign Minister Philippe Douste-Blazy, characterized called the passage of the resolution as "a historic turning point." United Kingdom Prime

Minister Tony Blair lauded the resolution and called for an immediate end to hostilities. He also said that he intended to travel to the Middle East to personally revitalize the stalled peace process between Israelis and Palestinians. But on the other side of the equation, Qatar, which at the time held a seat on the Security Council as a non-permanent member, criticized the resolution for containing provisions that favored Israel.

August 12, 2006

United Nations Secretary General Kofi Annan announced on August 12, 2006 that that the ceasefire called for in Security Council Resolution 1701 would go into effect at 05:00GMT on August 14, 2006.

Hezbollah's leader, Hassan Nasrallah, said that his group intended to abide by the United Nations ceasefire, however, he warned that fighting would prevail while Israeli troops were still inside Lebanon. Such a position promised that there would be no immediate end to the hostilities. This was because Israel had said that it would take some time to draw down its troops while UNIFIL forces were deployed -- a process that could well take close to a month. For his part, Israeli Prime Minister Ehud Olmert issued praise for Resolution 1701, characterizing it as both positive and acceptable. He also said that he would seek approval from his cabinet on August 13, 2006 to abide by the ceasefire agreement.

Meanwhile, Israel's ground assault in Lebanon continued, with particular effort expended by forces moving north to the Litani River. In southern and northern Lebanon, air strikes by Israeli fighter jets carried on with some deaths reported in the southern city of Tyre.

August 13, 2006

On August 13, 2006, the Israeli cabinet endorsed United Nations Security Resolution 1701, but warned that its troops would not exit Lebanon until UNIFIL forces were deployed. That position, in conjunction with the stance articulated earlier by Hezbollah that it would abide by the ceasefire only when Israeli troops were out of Lebanon, suggested that fighting was destined to continue until the deployment of the newly-madated United Nations forces (UNIFIL). Indeed, United Nations Deputy Secretary General Mark Malloch Brown said that it could take up to a month to install UNIFIL in southern Lebanon. For its part, Lebanon's cabinet postponed an important meeting to discuss the disarmament of Hezbollah -- a key directive set forth in Security Resolution 1701.

Meanwhile, the conflict raged on in Israel and Lebanon. Israeli strikes on Hezbollah targets in Lebanon, including the cities of Tyre and Beirut, left close to 20 people dead. Aid personnel and rescue workers said that Israeli air strikes had resulted in the collapse of several buildings in southern Beirut. There were also reports of strikes in eastern Lebanon. In fighting between Israeli troops and Hezbollah fighters, five Israeli soldiers were reported to have been killed. Among those who died was Uri Grossman, the son of renowned Israeli writer and peace activist, David Grossman. The younger Grossman died as a result of an anti-tank missile only days after the older Grossman joined a call by Israeli intelligentsia for an end to the violence. On the other side of the conflict, Hezbollah fired a relentless barrage of rockets into Israel, this time numbering around 250 in total.

August 14, 2006

On the first day of the ceasefire, relative calm reigned both in northern Israel and across Lebanon, with only sporadic fighting reported in disparate areas. The easing of hostilities ensued despite earlier assertions by Hezbollah that it would continue its fighting until Israel left Lebanon, and regardless of the fact that Israel said it would remain in Lebanon until UNIFIL forces were installed.

Israel also issued a statement noting that it intended to pursue Hezbollah leaders.

Displaced Lebanese attempted to traverse bombed-out roads to return to their homes despite the fact that travel restrictions were still in place. On the other side of the border, few people in northern Israel left their bomb shelters, evidently not quite willing to trust yet that the ceasefire would hold.

Later in the day, Israeli Prime Minister Ehud Olmert expressed satisfaction in his country's elimination of Hezbollah's dominance in southern Lebanon, and Hezbollah's leader Hassan Nasrallah gave a televised address in which he claimed "historic victory."

In the backdrop of these competing claims of victory, President George W. Bush of the United States and President Mahmoud Ahmadinejad blamed one another for spurring the conflict.

August 15, 2006

The second day of the tenuous ceasefire between Israel and Hezbollah was marked by occasional spurts of fighting. In one case, five Hezbollah gunmen were reported to have been shot by Israeli soldiers. In another case, Hezbollah militants fired several mortars in the direction of Israel, however, none landed across the border. Amidst these intermittent bursts of violence, efforts were underway to try to find bodies of the dead.

Meanwhile, the United Nations said that it was hoping to establish 3,500 troops in southern Lebanon within two weeks and up to 15,000 within a month. Most of the soldiers were expected to come from France. In the backdrop of this announcement, Syrian President Bashar al-Assad hailed Hezbollah's victory and said that it augured a new Middle East. At the same time, he assailed the United States' perspective of the region.

August 16, 2006

The third day of the fragile ceasefire ensued much like the previous day -- with the truce holding in spite of sporadic violence.

Israel warned that southern Lebanon was vulnerable to the resumption of violence until United Nations troops were deployed and the Lebanese military was operating in the border region.

Negotiations were ongoing to formulate a United Nations peacekeeping force as called for in United Nations Security Resolution 1701 to enforce the ceasefire between Israel and Hezbollah. France was contributing the lion's share of troops, also the force would also include the Lebanese army. France said that it might be prepared to command the peacekeeping mission but only if certain conditions were in effect. Other than France, other countries said that they might be joining the effort, but no formal pledge of troops was made.

Meanwhile, the United Nations said that approximately 250,000 Lebanese people had returned to their homes with half a million Lebanese en route.

August 17, 2006

August 17, 2006 was marked by the crossing of the Litani River by Lebanese military, which then took up positions in the area of the strategically-located waterway as Israeli troops withdrew. The Israeli military also said that it had transferred control of up to half of its positions in southern Lebanon to the current (not-yet fortified) United Nations peacekeeping mission there. In order to stave off the chance of bloodshed should a wave of attacks resume, Israel dropped new leaflets urging people not to travel in and around southern Lebanon. Despite this warning, displaced Lebanese people worked their way home.

August 18, 2006

In the Lebanese capital of Beirut on August 18, 2006, Hezbollah representatives handed out disbursements of \$12,000 to residents whose homes and businesses had been decimated in the conflict between its group and Israel. By this day, up to 400,000 Lebanese had returned home to southern Lebanon. In the town of Qana where a number of people were killed in an Israeli air strike that garnered international condemnation, relatives of the dead hosted a mass funeral.

Meanwhile, the United Nations called on European countries to come forward and contribute troops to the peacekeeping force in Lebanon, which had been provided for in United Nations Security Council Resolution 1701.

Thus far, only France had expressed the possibility of contributing troops, however, Italy added its bid to the list of countries willing to participate in the peacekeeping mission. Italy also said that it was prepared to take the leadership role in the operation.

The call from the United Nations came on the heels of a complaint by Israel that it would be "inconceivable" that peacekeepers be accepted from countries like Indonesia and Malaysia, which deny the right of Israel to exist.

August 19, 2006

On August 19, 2006, Israel carried out an air raid in the Bekaa Valley deep within Lebanese territory. One Israeli and three Hezbollah fighters were reported to have been killed. The Lebanese government described the air raid as a blatant violation of the existing ceasefire, however, the Israeli government said it was responding to an attempt by Hezbollah to rearm itself. It thus claimed that Hezbollah and not Israel was in violation of the ceasefire agreement. The scenario unfolded only hours after United Nations Secretary General Kofi Annan characterized the situation in the conflict zone as "fragile."

Meanwhile, the first of the new deployments of United Nations peacekeepers arrived on the ground; these included 50 engineers from France.

August 20, 2006

A day after Israel said that it had carried out an air raid in the Bekaa Valley to prevent Hezbollah from rearming itself, Lebanon's Defense Minister Elias Murr warned that anyone firing rockets into Israel from the south would be regarded as a traitor. His warning came along with an expression of confidence regarding Hezbollah's commitment to the existing ceasefire set forth un United Nations Security Resolution 1701. In the backdrop of these developments. United Nations Secretary General Kofi Annan rejected Israel's explanation for the air raid, noting that it was indeed a violation of the ceasefire agreement.

Meanwhile, France called on the European Union to convene a meeting to discuss involvement in the United Nations peacekeeping mission in southern Lebanon. At issue were Israel's concerns about the composition of the force, as well as overall concerns about deployment. Emphasizing what had already been noted, Israeli Prime Minister Ehud Olmert said that peacekeepers from countries that did not have diplomatic relations with Israel were not acceptable.

August 21, 2006

Attention turned on August 21, 2006 to reconstruction of the conflict-ravaged region when United States President George W. Bush said that there would be an aid package earmarked for Lebanon's reconstruction worth approximately \$230 million in United States currency (USD). Bush also called for the deployment of a United Nations (U.N.) peacekeeping force in Lebanon as quickly as possible.

On that particular issue, Italian Prime Minister Romano Prodi was reported to have told U.N. Secretary General Kofi Annan that Italy was willing to lead the peacekeeping mission. As regards Israel's opposition to the participation of certain countries as peacekeepers -- notably from countries that did not recognize the state of Israel -- U.N. Deputy General Mark Malloch Brown noted that Israel did not have the power to foreclose participation by any specific country, regardless of whether or not there were diplomatic ties.

At home in Israel, hundreds of Israeli army reservists signed an open letter calling for a massive investigation into the handling of the war against Hezbollah. At issue was the lack of decisive leadership by the military and politicians, exemplified by ever-shifting objectives of the war.

Across the border in southern Lebanon, the discovery of British-made night-vision equipment in Hezbollah bunkers was believed to be British, led to the launching of an investigation by the British authorities. At issue in this case was the question of how that equipment came to be in Hezbollah's possession.

Meanwhile, sporadic hostilities ensued, exemplified by the killing of two Hezbollah fighters by Israel. The Israeli military explained that the Hezbollah fighters were among a group of men who approached their troops in a "threatening manner" in southern Lebanon. Hezbollah did not concur with this version of events. For its part, Hezbollah's deputy leader Sheikh Naeem Kassem rejected requirements for the militant group's disarmament saying on al-Jazeera Arabic television that the resistance would continue. Nevertheless, Terje Roed-Larsen, a senior U.N. envoy, expressed optimism regarding the prevailing ceasefire.

August 22, 2006

On the heels of the news that Italy was willing to both contribute troops and act lead the peacekeeping mission in the conflict zone, Italian Foreign Minister Massimo D'Alema tempered the announcement by noting that his country's involvement was contingent upon a commitment to respect for the prevailing ceasefire. The Italian Foreign Minister also called on the European Union to convene an urgent meeting of foreign ministers to discuss the contribution of European forces to Middle East peacekeeping efforts.

On the issue of the peacekeeping mission, senior United Nations envoy Terje Roed-Larsen warned that Lebanon would likely experience a security vacuum while organization was being established. In other developments, the human rights group, Amnesty International, accuse Israel of committing war crimes by deliberately targeting civilian infrastructure in Lebanon. It was a claim vociferously denied by Israel. Amnesty International also demanded a United Nations investigation into war tactics of both Israel and Hezbollah aimed at determining of any humanitarian laws had been breached.

August 23, 2006

A meeting between European Union ambassadors and military official convened in Belgium at which the issue of Europe's contribution to a United Nations (U.N.) peacekeeping force on the Israeli-Lebanese border was discussed.

Meanwhile, a day after a senior U.N. envoy warned of a security vacuum in Lebanon as the proposed peacekeeping mission was being established, Israeli Foreign Minister Tzipi Livni called for quick action on the matter. She particularly noted that time was running short for the application of the U.N. ceasefire resolution along the Lebanese-Irsaeli border.

In a related development, Israel also suggested that U.N. peacekeeping troops also patrol the Lebanese-Syrian border in order to prevent the movement of arms by Hezbollah. But Syrian President Bashar al-Assad soundly rejected Israel's suggestion, stating that such a measure would be viewed as a "hostile act." Syria later said that it would close its border with Lebanon if such a move was implemented.

In a separate development, one Israeli soldier was killed and three others were injured when their military tank hit a landmine in southern Lebanon.

August 24, 2006

Finland, which held the presidency of the European Union in late August 2006, said that United Nations (U.N.) troops should be deployed to the conflict zone within a week. The announcement by Finland came at a time of increasing urgency regarding the establishment of peacekeeping forces along the Lebanese-Israeli border. Also on the subject of the peacekeeping mission, France pledged an additional 1,600 troops to the effort and registered its willingness to continue to lead the force.

Meanwhile, hundreds of thousands of Lebanese were returning home. In southern Lebanon, returning residents faced the problems of a lack of proper sanitation and no potable water. To this end, the U.N. launched a 60-day plan to deal with the humanitarian situation in Lebanon.

August 27, 2006

On August 27, 2005, Hezbollah's leader, Sheikh Hassan Nasrallah, expressed his regret regarding the war between his group and Israel on Lebanese terrain. In an interview on Lebanese television, Nasrallah acknowledged that he

had ordered the capture of the two Israeli soldiers -- the incident that resulted in Israel's military response and effectively **sparked** the war. He said that had he known the extent of the repercussions of his actions -- a conflict lasting approximately one month and resulting in the deaths of more than 1,000 people -- he would have acted differently. In the interview, Nasrallah also said that he did not expect fighting to resume, effectively suggesting that his group was likely to hold to the ongoing truce.

August 30, 2006

The issue of Israel's blockade of Lebanon came to the fore at the close of August 2006. Despite the presence of an ongoing truce, Israeli Prime Minister Ehud Olmert rejected calls for an end to his country's seven-week blockade of Lebanon. Following discussions with United Nations (U.N.) Secretary General Kofi Annan, Olmert said the blockade would be lifted when all the ceasefire requirements were implemented. Olmert particularly specified one of the central conditions for an end to Israel's blockade of Israel as being the release of two Israeli soldiers captured by Hezbollah. He said that unless the two Israeli soldiers were freed, the U.N. Security Council Resolution could not "be considered as fully implemented."

Annan echoed Olmert's call for this condition to be met and appealed for the "unambiguous and unconditional release" of the soldiers.

It was unclear if such a measure would actually materialize. Indeed, Lebanese Energy Minister Mohammed Fneish who was also a member of the political wing of Hezbollah said that the unconditional release of the Israeli soldiers was "not possible." He said that the Israeli soldiers would only be freed within the constraints of a prisoner exchange with Israel.

The close of August 2006 was also marked by the denunciation of Israel's use of cluster bombs during its conflict with Hezbollah on Lebanese terrain. The U.N said that the cluster bombs had caused death and injuries, and the U.N. Mine Action Coordination Center said that up to 100,000 unexploded cluster "bomblets" had been found at hundreds of sites in Lebanon. The U.N.'s humanitarian head, Jan Egeland, characterized the use of cluster bombs in the conflict between Israel and Hezbollah as "immoral." He argued that the majority of the cluster bomb strikes had taken place in the last days of the conflict, when a resolution appeared likely. He thusly said that the strikes made at that sensitive time were "shocking."

For its part, Israel said that its use of such munitions was compliant with international law. That said, there were some media reports that the bombs had been purchased from the United States on the basis of conditional use, the requirements of which may not have been met. The United States said that it was investigating whether or not Israel had used the cluster bombs on non-military targets, which was prohibited under the terms of the sale agreement. Even so, a conditional use agreement between Israel and the United States would not constitute an actual violation of international law.

In other developments, the European Commission pledged 42 million euros toward the reconstruction of Lebanon. At home in Lebanon, Prime Minister Fouad Siniora said that his government would allot \$33,000 in compensation to tens of thousands of families whose homes were destroyed in the conflict.

August 31, 2006

A donor conference in Sweden on August 31, 2006 focused on raising funds to be used toward Lebanon's post-war reconstruction. The Swedish Foreign Minister Jan Eliasson said that \$940 million in new funds had been pledged --bringing the total reconstruction funds to \$1.2 billion. The event was an apparent success given the fact that the conference's organizers had aimed to collect \$500 million.

September 4, 2006

By the start of September 2006, U.N. Secretary General Kofi Annan said that Israel and Hezbollah had accepted his offer to mediate the dispute over two captured Israeli soldiers. Despite this announcement by the U.N. head,

Israel publicly reiterated its stance that the soldiers had to be released unconditionally and noted that this was a condition of the U.N. Security Council resolution, which brought an end to the war between Israel and Hezbollah. Within this context, Israel said that Annan would assist in the release of its soldiers, rather than mediate an agreement. Many analysts surmised that despite its public pronouncements, Israel may have privately acknowledged that a deal would have to be brokered in order to garner the release of the two soldiers.

September 6, 2006

On September 6, 2006, Israel said that it intended to lift its air, land and sea blockade of Lebanon. The announcement came days after Israel firmly stated that it would not lift its blockade until all conditions of the prevailing United Nations Security Council Resolution 1701 were met. Israel said that it was holding its position in order to prevent Hezbollah for accessing weaponry. Israel said that it did not intend to to lift the embargo until international forces were fully deployed in the conflict zone and could ensure that the transport of weaponry did not take place. News that French, Greek and Italian troops would patrol the conflict zone, followed later by German forces, appeared to have assuaged Israel in some measure.

As well, the shift in stance may have been attributed partially to mounting international pressure, in conjunction with efforts to release the two Israeli soldiers, whose capture <u>sparked</u> the war between Israel and Lebanon. For its part, Israel has publicly said that it will not negotiate with terrorists -- a reference to Hezbollah. That said, some sources suggest that efforts are underway to try to secure the release of the soldiers -- a process that may well involve engagement by Israel at some point, as well as the possibility of deal-making.

Later in September, 2006

Later in September 2006, with the truce in full force, the human rights group, Amnesty International, accused Hezbollah of war crimes. It had previously made a similar charge against Israel. Amnesty said that Hezbollah's conduct of aggression from civilian terrain was classified as a war crime. Also in September 2006, Hezbollah's leader, Hassan Nasrallah, led a victory rally in southern Beirut to proclaim the success of his group's efforts, and also to assert that Hezbollah was still in possession of a number of rockets. Nasrallah was also championing the idea of a new government in Lebanon with greater Hezbollah representation, presumably with greater ties to Syria and Iran. the natural corollary of such a government would entail the resignation of Fuad Siniora's moderate government. On the other side of the border, Israelis were carrying out periodic demonstrations against the Israel government, and particularly Prime Minister Ehud Olmert. Many Israelis called for the Israeli prime minister's resignation and protested his leadership during the war with Hezbollah. In this way, the aftermath of the war yielded clear political ramifications, not the least of which was the precariousness of the positions of the leaders of both Israel and Lebanon.

October 2006

By the start of October 2006, the United Nations said that Israel had fulfilled a core conditions of the ceasefire agreement by withdrawing the vast majority of its troops from Lebanon. Only in a border village of Ghajar were there some Israeli troops left. Monitoring and enforcing the ceasefire were both Lebanese troops and international peacekeepers. On the other side of the equation, however, Hezbollah was yet to comply with the requirement that it disarm. Instead, the group refused to comply, saying that it intended to keep its fighters equipped to resume operations.

On October 22, 2006, Israel acknowledged its use of phosphorus during its war with Hezbollah in Lebanon in mid-2006. The admission that it had dropped phosphorus munitions on military targets contravened against earlier statements that phosphorus weapons were used only to mark targets. Because of the severe chemical burns caused by phosphorus weapons, its use has been regarded as strongly controversial. In fact, the Red Cross and

other humanitarian agencies have said that phosphorus munitions should be regarded as chemical weapons. At the same time, the Geneva Conventions expressly prohibits the use of white phosphorus against civilian populations and in air attacks against military forces in civilian areas. For its part, Israel said that its use of these weapons did not contravene against international law. Meanwhile, Hezbollah was also facing criticism for its warfare tactics. The group Human Rights Watch accused both Hezbollah and Israel of using cluster bombs during its war in mid-2006. For its part, Hezbollah denied that it had used cluster munitions.

Relations with Palestinians: A possible return to peace?

On September 10, 2006, Palestinian President Mahmoud Abbas said that he welcomed talks with his Israeli counterpart, Prime Minister Ehud Olmert.

Abbas said that he was seeking an "agreement of peace" that would result in "two countries side by side." Abbas' announcement came one day after Olmert also said he was prepared for talks.

On September 11, 2006, it was announced that two rival Palestinian factions -- Abbas' Fatah movement and Hamas -- would form a coalition government. The formation of a coalition government was intended to end the isolation of the Hamas-led Palestinian government. Since Hamas' election to power, the West cut ties with the Palestinian government, on the basis of Hamas' history of terrorism in conjunction with its refusal to recognize the state of Israel. Without aid from the West, the Palestinian territories of the West Bank and Gaza had been in financial dire straits. The inclusion of the more moderate Fatah movement into government was intended to assuage the international community.

These two sets of developments came after talks with United Kingdom Prime Minister Tony Blair. The British leader emphasized the importance of the Palestinians forming a government of national unity, and, recognizing the state of Israel. He also noted that there was an opportunity for Palestinians and Israelis to engage with one another to improve the current state of poor bilateral relations. He additionally expressed his support for the peace process, saying, "So far as I am concerned, this issue, which I believe passionately in, will be as important as any other priority for me in the time that remains for me in office."

Israel responded to the developments saying that it would welcome the return to the peace process, so long as three conditions were met: (1) the formations of a Palestinian coaliton government that rejected violence; (2) the release of the captured Israeli soldiers; and (3) the recognition of Israel. For its part, however, Hamas showed little interest in changing its strongly anti-Israel stance.

Later in September 2006, Palestinian President Mahmoud Abbas addressed the United Nations General Assembly. In his address, he recapitulated the statements of mutual recognition made by then-Palestinian leader Yasser Arafat and the late Israeli Prime Minister Yitzhak Rabin in 1993. Abbas said, "These two letters contain a reciprocal recognition between the PLO [Palestine Liberation Organisation] and Israel, reject violence and call for negotiations to reach a permanent settlement with the creation of an independent Palestinian state next to Israel." His statement -- centrally featuring the recognition of Israel in the context of a two-state solution -- came on the heels of a previous announcement about a coalition government between Hamas and Fatah. It appeared to be geared toward the resumption of international aid, which was largely withheld since Hamas' election victory.

While Abbas' position was regarded as highly significant and hinted at a possible breakthrough in the Israeli-Palestinian conflict, it was not likely to yield immediate results without concurrence from Hamas. For its part, Hamas did not appear ready to offer such agreement. Instead, Prime Minister Ismail Haniya of Hamas dismissed recognition of Israel on September 22, 2006 saying,

[&]quot;I personally will not head any government that recognizes Israel."

In the backdrop of these developments was the ongoing fighting in Palestinian territories due to an Israeli military offensive there. The Israeli offensive ensued following the capture of Israeli soldiers by Palestinian militants discussed above.

In November 2006, the Arab League decided to end its financial blockade of Palestine. Earlier, the Arab League had blocked financial assistance to the Palestinian territories in order to avoid a conflict with Western countries, which had, as noted above, established a financial aid ban on the Hamas-led Palestinian government to protest its legacy of terrorist activities. But amidst the military offensive in Gaza, which left scores of people dead, including women and children in Beit Hanoun, the United States vetoed an United Nations Security Council condemnation on the matter. Presumably angered by this course of action, Arab countries responded by ending their financial blockade of Palestine to protest the United States' veto.

This move by the Arab League, however, was not without conditions. Of significance was the call by Arab foreign minister for Hamas to endorse the 2002 Arab "land for peace" plan that would give West Bank, Gaza and East Jerusalem to the Palestinians in return for peace. As well, Arab foreign ministers called for the convening of a peace conference to resolve the Israeli-Palestinian conflict.

Indeed, Hamas' previous opposition to Arab League's peace initiatives had resulted in its being banned from joining the regional body.

Palestinian Foreign Minister Mahmoud Zahar of Hamas said that his government would agree to participate in the peace conference. On the other side of the equation, however, Israel responded by saying that it would not engage with talks with Hamas until it agreed to prevailing requirements regarding recognition of the state of Israel and renunciation of violence.

As well, Israeli foreign ministry spokesman, Mark Regev, noted that a conference would not legitimate Hamas. He went on to state that Hamas had to meet international benchmarks before engagement could be considered.

In January 2007, United States Secretary of State Condoleezza Rice traveled to the Middle East partially for the purpose of reviving the defunct "Roadmap for Peace." Chief among her priorities was to orchestrate talks between the Israeli and Palestinian governments. While Olmert and Abbas both appeared willing to approach the discussion table, this positive development was largely overshadowed by the de facto civil war that was being played out in the Palestinian territories between Hamas and Fatah.

Prospects for peace were not helped by a suicide bombing on January 29, 2007. It was the first terror attack in nine months. A suicide bomber entered a bakery in the southern resort town of Eilat and detonated the explosives strapped to his body. The bakery owner and two employees were killed as a result. Three Palestinian groups claimed responsibility for the attack. They also explained that the suicide bomber was from Gaza but had entered the area through Jordan.

February 2007 saw tensions Israelis and Palestinians in Jerusalem. At issue was the renovation of a holy site revered by both Jews and Muslims. Israeli authorities wanted to renovate a walkway and deployed security personnel to the area in this regard. However, Palestinians argued that such work could endanger the foundation of the site. Palestinians worshipping at the site threw rocks at the Israelis beginning work on the site, spurring violent clashes.

Also in February 2007, following discussions brokered by the Saudis between the two parties, agreement was forged on a governing coalition for the Palestinian territories, which was undergoing violent intra-Palestinian conflict between Hamas and Fatah. Also included in the deal was an agreement by Hamas to respect peace deals with Israel.

On April 1, 2007, Israeli Prime Minister Ehud Olmert called for the convening of a regional peace conference, aimed at reviving the peace process. His proposal came during a news conference with visiting German Chancellor

Angela Merkel and following discussions with Palestinian President Mahmoud Abbas, in which the Palestinian leader urged Israel to carry out serious peace talks. Olmert noted that he would attend a regional meeting of moderate Arab countries, along with Abbas.

At issue was the possible consideration of an earlier Saudi peace proposal, known as the "land for peace" deal. In that agreement, Israel would withdraw from Arab territories to area consistent with 1967 borders and accept a Palestinian state with East Jerusalem as its capital. Meanwhile, Israel would be granted recognition by Arab states, relations would then be normalized. Israel had rejected the Saudi plan when it was first put forth.

Israel's current willingness to revisit the "land for peace" plan indicated a significant breakthrough in the peace process, which has been imbued with little optimism since the Israeli-Hezbollah war in the summer of 2006.

Indeed, days prior to this announcement, Olmert had said that Israel was willing to make "big and painful concessions" in order to move the peace process along.

Progress on the peace front was not easily realized as Palestinian factions soon dissolved into conflict once again. May 2007 saw successive days of violence between Palestinian factions in the Gaza Strip, resulting in the deaths of more than 40 people and injuries to close to 114, according to the United Nations. Mustafa Barghouti, the Palestinian Information Minister characterized the violence as shameful.

Violence was not limited to the Palestinian territory either. Rocket attacks were aimed at Israeli areas, with at least four Israelis suffering injuries in mid-May 2007. Prime Minister Ehud Olmert warned of a response, which was soon followed by an Israeli strike against a Hamas camp in the southern part of Gaza. That strike left four people dead, however, Palestinian extremists retaliated with further rocket attacks into southern Israeli towns.

Rocket attacks by Palestinian militants continued into the third week of May 2007, with Israeli air strikes also being carried out. About 30 people died in the Palestinian areas as a result of the air strikes. Meanwhile, Israeli towns in targeted areas, such as Sderot, remained deserted as people refused to leave their homes and risk injuries or death on the streets from rocket attacks.

By May 20, 2007, Israeli forces struck the Gaza home of a Hamas politician, Khalil al-Hayya, killing eight of his relatives. The Hamas lawmaker was not home at the time and, therefore, not among the dead. The Israeli military said that the air strike was aimed at Palestinian militants on the street. That particular strike came after Israel's government expressed support for proposals to intensify strikes in Gaza.

During a cabinet meeting, Prime Minister Ehud Olmert said, "If the measured steps we are taking, in the political and military sphere, do not bring about the desired calm, we will be forced to intensify our response." On the other side of the equation, Hamas spokesman, Fawzi Barhoum, said in an interview with the Associated Press that the escalation was "very serious."

At the international level, United Nations Secretary-General Ban Ki-moon had earlier called for an immediate end to the violence going on between Hamas and Fatah in the Palestinian territories. He also called for an end to the rocket attacks on Israel, and said that attacks on installations of the Palestinian Authority were unacceptable.

In late May 2007, after weeks of enduring successive rocket attacks by Palestinian militants, Israel was carrying out air strikes in Gaza. The latest strikes came following the death of an Israeli man in Sderot when shrapnel from a rocket hit him on May 27, 2007. Hamas claimed responsibility for that rocket attack. Another Israeli civilian death and several injuries had also been reported in the same period as a result of rocket attacks by Palestinian extremists.

With Israel now carrying out an offensive in Gaza that had left around 40 people dead within the last two weeks of May 2007, Prime Minister Ehud Olmert told his cabinet that no one involved in terror attacks against Israel would

enjoy immunity. He also eschewed the notion of a deadline for his country's military offensive, making clear that his government would decide " where, how and to what extent" it would act.

On the other side of the equation, Hamas signaled its own indefinite timetable for aggression. A Hamas spokesman, Ayman Taha, said, "We will not surrender, we will not raise the white flag."

Meanwhile, in the political realm, the Israeli and Palestinian sides were indulging in a battle of wills. On May 24, 2007, Education Minister Nasser al-Shaer and approximately 30 officials were arrested in the West Bank. Then, on May 26, 2007, Israel arrested Wasfi Kabaha, a Hamas member of the Palestinian cabinet.

In the background of these developments, Palestinian leader, Mahmoud Abbas, who was a member of Hamas' rival Palestinian faction, Fatah, was becoming increasingly irrelevant. His attempts to stop the rocket attacks by Hamas and to restart a truce with Israel saw no progress whatsoever.

Meanwhile, supporters of the Hamas-led government, and supporters of President Abbas' Fatah movement, were involved in an ongoing conflict in Gaza. The conflict was so intense that analysts were referring to it as a Palestinian civil war. By mid-June 2007, Palestinian President Mahmoud Abbas characterized the factional fighting as "madness" and warned that the ongoing conflict placed Gaza on the verge of collapse.

He then dismissed the Hamas-led government and declared a state of emergency.

The decision by President Abbas came a day after the bloody and violent factional fighting between Hamas and Fatah took a decisive turn. Late on June 13, 2007, Hamas managed to subdue Fatah at key security points, even storming the headquarters of Fatah's Preventative Security Force.

Ultimately, Hamas was in de facto control of Gaza, with Abbas ruling by presidential decree from the West Bank, and with Hamas declaring Gaza to be an Islamic entity.

The power schism -- Abbas backed by Fatah in the West Bank, and Hamas in the Gaza Strip -- thusly contributed to an untenable situation in which the Palestinian territories were now effectively split into two blocs. Such a scenario did not bode well for the prospects of an independent Palestinian state in the near future.

On June 15, 2007, a day after dissolving the Hamas-led government in the Palestinian territories, President Mahmoud Abbas named a technocratic and political independent, Finance Minister Salam Fayyad, to be the new prime minister. Then, on June 17, 2007, a new Palestinian government was sworn into office. The new administration was composed mostly of political independents. Only one member of Fatah was included in the cabinet, and Hamas representatives were completely shut out from participation.

Hamas reacted to the news by deeming the new government as illegal. However, countries, such as the United States indicated that they would have no trouble engaging with the new government, thus advancing its legitimacy. As well, in the wider international community, many countries of the West were quick to express support for President Abbas. To this end, the United States, the European Union, and Israel all expressed their intent to reopen financial aid to Palestinians, with Abbas and Fayyad at the helm. Such aide had been halted when Hamas, which has been regarded as a terrorist group by many within the international community, came to power.

Of particular importance was Israel's quick expression of support for the new Palestinian regime, and its statement that a government without Hamas would pave the way for a return to the peace process. At the same time, Israel made clear that its support would not extend to Hamas in Gaza. In fact, Israel commenced actions intended to isolate Gaza, such as the curtailing of fuel supplies and the deployment of troops to the border near Gaza. While critics warned of possible shortages to critical supplies as a result of these measures, Israel noted that it would not restrict the movement of humanitarian aid.

June 2007 also saw the release of an audio message by Galid Shalit, the Israeli soldier who was abducted in 2006 (as discussed above) close to the Gaza border. The incident set into a motion a massive offensive by Israeli forces in Gaza aimed at releasing Shalit. Clearly, that operation did not yield the desired result.

Now, a year later, Shalit was heard on the audiotape saying that his health was deteriorating and that he needed medical attention. The audio recording was aired on a website run by Hamas, which has demanded the release of prisoners from Israeli jails, presumably in exchange for Shalit's release. However, Israel has consistently said that it would not negotiate with terrorists organizations, such as Hamas.

Meanwhile, human rights groups have said that hostage-taking, and then making demands under threat to kill a person, is regarded as a war crime. Noam Shalit, the father of the capture soldier, accused the government of Prime Minister Ehud Olmert of not doing enough to secure his son's release. To this end, the elder Shalit said, "It's the test of a leader. If you do not know what to do, give your portfolio to someone who can bring about results immediately."

On July 1, 2007, Israel was launching air strikes into the Gaza Strip, which was now under the control of Hamas and absent of significant Fatah influence. However, the target of one air raid was reported to be a senior member of the group, Islamic Jihad. Several Palestinians were killed as a result, including the leader of Islamic Jihad's southern Gaza operation. Meanwhile, Israel announced plans to release funds to Palestinian leader Mahmoud Abbas in the West Bank.

A week later, Israeli Foreign Minister Tzipi Livni held talks with newly-installed Palestinian Prime Minister Salam Fayyad in Jerusalem. The meeting was regarded as a gesture of goodwill between the Israeli government and the new leadership of the Palestinian cabinet -- especially in the wake of Hamas' takeover of Gaza, the dissolution of the Hamas-led government, the establishment of a new emergency cabinet, and and the virtual establishment of two separate Palestinian zones in the West Bank and Gaza. The meeting was also regarded as tacit support for the moderate Palestinian President Mahmoud Abbas.

Following the talks between Livni and Fayyad, the Israeli cabinet approved a proposal to release 250 Palestinians prisoners. That move augured an improved climate of diplomatic relations between the two sides, and suggested a more cooperative relationship between the Israeli government and the new Palestinian cabinet.

These developments also heralded a forthcoming meeting between Israeli officials and a delegation from the Arab League, which promised to be something of a historic occasion, since it would be the first time the Arab League flag would fly on Israeli terrain. The meeting was expected to focus on reviving peace prospects.

Talks between Israeli Prime Minister Ehud Olmert and Palestinian President Mahmoud Abbas were set for August 6, 2007 in the West Bank city of Jericho. It was the first visit by an Israeli head of government to a Palestinian city in six years. The talks came after several months of reticence on the part of Olmert regarding a proposed meeting with Abbas. Olmert finally agreed to meet with Abbas to discuss general principles and key issues related to the end of Israeli-Palestinian conflict and the formation of a Palestinian state. While spokespersons for Prime Minister Olmert would not specify the actual principles and issues at stake, Saeb Erekat, a close associate of Abbas said that the three "final status" considerations -- common borders, the status of Jerusalem, and Palestinian refugees -- would be discussed. Israeli officials said that the meeting did not, however, signify the resumption of "final status" negotiations.

On September 19, 2007, the government of Israeli Prime Minister Ehud Olmert classified the Palestinian territory of Gaza as a "hostile entity." The classification was made in response to ceaseless rocket attacks into Israeli territory by Palestinian extremists in Gaza. One such attack hit an army base and close to 70 troops were injured.

The classification meant that additional restrictions could be placed on the Hamas regime that had control over Gaza. Such restrictions included limiting the transfer of goods into Gaza, curtailing fuel and electricity, and curbing

the movement of people. The Israeli government said that these restrictions would be implemented after a legal review was undertaken. The Israeli government was hoping that the new measures would compel Hamas to stop its attacks on southern Israel. On the other side of the equation, Hamas condemned Israel's decision characterizing it as "a declaration of war" and "criminal, terrorist Zionist actions" against the Palestinians in Gaza.

Days later, on September 23, 2007, the Israeli government approved the release of 90 Palestinian prisoners. The move was oriented toward bolstering moderate President Mahmoud Abbas' position in power, given the power balance in the Palestinian territories between extremists and moderates. To this end, a spokesperson for Israeli Prime Minister Ehud Olmert said, "The idea of releasing prisoners is specifically to bolster the moderates."

In the third week of October 2007, Israel acknowledged that there was a plot by Palestinian militants to assassinate Prime Minister Ehud Olmert when he travelled through the West Bank months earlier. The plot was apparently foiled when Israeli and Palestinian authorities arrested two and three plotters respectively. As such, Olmert safely met with Palestinian President Mahmoud Abbas on August 6, 2007, as discussed above.

Since that time, the three individuals arrested by Palestinian authorities were released on the grounds that their discussions never moved to the realm of action. Despite this decision, Israel said that it would continue negotiations with the Palestinians.

Also in October 2007, United States (U.S.) Secretary of State Condoleezza Rice traveled to Israel and the West Bank for talks aimed at trying to organize a peace summit between the two sides. Speaking from the West Bank at a news conference with Palestinian President Mahmoud Abbas, Rice noted that the Bush administration wanted to see a two-state solution to the Israeli-Palestinian conflict. To that end, she said, "Frankly, it is time for the establishment of a Palestinian state."

On the other side of the equation, Israeli Prime Minister Ehud Olmert said that he would consider relinquishing some Palestinian neighborhoods within Jerusalem in order to forge a peace deal. The status of Jerusalem has been a sticking point in all peace negotiations, indeed, partially leading to the collapse of a peace brokered by the Clinton administration at the close of its eight years in office. Palestinians have been adamant that East Jerusalem be the capital of a future Palestinian state, whereas Jerusalem has been the official, albeit not the functioning capital, of the state of Israel.

Meanwhile, other enduring differences remained between Israel and the Palestinian leadership in the West Bank, including borders, settlements, the right of refugees to return, security, and water resources. Also left unresolved was the divided Palestinian leadership, which would ultimately affect the Hamas-controlled Gaza Strip.

In late 2007, talks between Israel Prime Minister Ehud Olmert and Palestinian Authority President Mahmoud Abbas in the United States appeared to have passed off successfully. The talks held in Maryland were brokered by the Bush administration and ended with tentative agreement to restart the peace process. Both sides issued a statement calling for negotiations aimed at resolving long-standing issues ensconced within a two-state solution, such as the status of Jerusalem. While international observers hailed the development, protests ensued in the Palestinians territories and Israel among those opposed to compromise.

Note: Hamas ousted its rivals in Fatah and took control of Gaza in June 2007, however, it was itself removed from leading the Palestinian government. As such, while Hamas was now in control of Gaza, a new Palestinian government was established and had control over the West Bank. The situation meant that the Palestinian territories were now effectively split into two, with rival factions governing the Gaza Strip and the West Bank respectively. While Israel and the West appeared willing to work with President Abbas, who was also the leading figure of Fatah, they have officially branded Hamas as a terrorist organization and refused any engagement with that entity.

See "Appendix: West Bank and Gaza" for more details.

Other Recent Developments

In the third week of September 2007, Israeli opposition leader, Benjamin Netanyahu, appeared to acknowledge Syrian claims that Israel carried out an air strike on its terrain two weeks prior. On Israel television, Netanyahu said that he had conveyed kudos to Prime Minister Ehud Olmert for taking that action. He said, "When a prime minister does something that is important in my view and necessary to Israel's security... I give my backing."

Netanyahu's claim was met with criticism since the Israeli government had been exercising a **policy** of silence on the issue, which clearly the opposition leader violated. The Labour Party's Secretary General, Eitan Cabel, excoriated Netanyahu for his remarks saying, "This is simply very dangerous conduct and the man is not worthy of leading." Cabel also said, "I have no idea if this was stupidity, folly or a desire to steal credit." Netanyahu was also criticized from within his own Likud party with parliamentarian Yuval Steinitz noting that his comments "were not wise."

Meanwhile, officials in Syria said that on September 6, 2007, Israeli jets violated its airspace to the north of the country in what they described as "a hostile act." Witnesses observed that Israeli jets were engaged with Syrian air defense and were eventually forced out of the area, albeit after they fired weapons. Syria reported the incident to the international community and issued a complaint with the United Nations. The United States acknowledged that at least one Syrian target was hit. By 2008, the United Nations watchdog agency was investigating the matter since there were accusations that the site hit by Israel was one in which Syria intended to develop a nuclear facility.

Also, as noted above, late 2007 was marked by talks between Israel Prime Minister Ehud Olmert and Palestinian Authority President Mahmoud Abbas in the United States. The talks were brokered by the Bush administration and ended with tentative agreement to restart the peace process, and aimed at resolving long-standing issues ensconced within a two-state solution, such as the status of Jerusalem.

But the peace process was not helped by events in early 2008. In late February and early March, 2008, Palestinian extremists launched relentless rocket attacks -- about 50 per day -- into Israel. In response, the Israeli authorities launched a military operation against Gaza. The Israeli military's

assault in Gaza left approximately 100 people dead and resulted in the decision by Palestinian leader Mahmoud Abbas to suspend talks with Israel. Nevertheless, Israeli Prime Minister Ehud Olmert promised that the military offensive on Gaza would continue since the rocket attacks by Palestinians were ceaseless.

By June 2008, French President Nicolas Sarkozy was calling for the creation of Palestinian state, saying that such an end would help Israel achieve peace and security. Upon arrival in Israel, President Sarkozy said, "I am more convinced than ever that the security of Israel will only be truly guaranteed with the birth of a second state, a Palestinian state." He also affirmed his own support for the Jewish state saying,

"I have always been and will always be a friend of Israel." The French president made these remarks during his first state visit to Israel in 12 years. President Sarkozy was expected to convene separate meetings with both Israeli and Palestinians leaders during his visit to the Middle East. The call for a Palestinian state by the French president came on the heels of a truce forged between Israel and the militant Palestinian group, Hamas. That truce paved the way for the easing Israel's blockade of Gaza, and the movement of food and goods into that Palestinian territory.

June 2008 also saw Israel and Syria engage in indirect peace talks.

Representatives of Israeli Prime Minister Ehud Olmert were meeting with a Syrian delegation in the Turkish capital city of Ankara.

Israeli President Shimon Peres signaled that the indirect talks could grow into more intense negotiations. He recounted the visit of Egypt's former leader Anwar Sadat to Israel in 1977, which heralded the peace treaty negotiations between the two countries. He also said, "If the Syrians really want peace, they must agree to a summit meeting between the Syrian president and the Israeli prime minister."

Previous peace talks between the two sides have devolved, largely as a result of the thorny matter of the Golan Heights, which has been under Israeli military control at the end of the Arab-Israeli war in 1967. Israeli settlement into this previously-Syrian area then followed. Syria made an unsuccessful attempt to retake the Golan Heights during the 1973 Middle East war. A year later in 1974, an armistice was signed and a United Nations observer force was established at the ceasefire line. In this way, the 1967 borders have been an enduring issue as regards Middle Eastern peace. The Syrian government has said that no peace talks can be resumed in full without a discussion of the Golan Heights. Syria has demanded that the Golan Heights be returned to its fold.

On the other side of the equation, however, Israel has insisted that Syria halt its support for militants in Lebanon and in the Palestinian territories. To that end, Syria has been linked with Hezbollah in Lebanon and Hamas in the Palestian Territories. Both groups have posed a grave threat to Israel's security, and have been blamed for terror attacks against Israelis.

In late June 2008, Israel's cabinet has approved a prisoner exchange with the Lebanese militant group, Hezbollah. Central to the exchange agreement was the return of the bodies of two Israeli soldiers -- Ehud Goldwasser and Eldad Regev -- who had been captured by Hezbollah two years ago. That situation **sparked** a military conflict between Israel and Lebanese-based Hezbollah in the summer of 2006 that lasted more than a month. The agreement, which had been brokered by Germany, made clear that the two Israeli soldiers were dead. Prior to the vote, Prime Minister Olmert acknowledged, "We know what happened to them" but called on members of his cabinet to vote affirmatively nonetheless. On the other side of the equation, Samir Qantar, a Lebanese national who had been jailed for murder since 1979, was expected to be released.

Peace seemed more elusive between Israel and Iran. On June 20, 2008, Israel carried out a military exercise presumed to be a rehearsal for an attack on Iran's nuclear facilities. United States officials said in an interview with the New York Times said that more than 100 Israeli fighter jets participated in manoeuvres over the eastern Mediterranean earlier in the month. The military exercise appeared oriented toward sending a message to Iran that Israel would carry out an attack on Iranian nuclear targets, if Israel believed that Iran was approaching development of nuclear weaponry. Iran responded to the development by again insisting that its nuclear program was peaceful and dismissing the threat of an Israeli attack.

Meanwhile, the head of the nuclear watchdog agency, International Atomic Energy Agency (IAEA), Mohammed ElBaradei, has discouraged the notion of a military strike by Israel on Iran stating in an interview with Al-Arabiya television, "A military strike, in my opinion, would be worse than anything possible - it would turn the region into a fireball."

Nevertheless, earlier in the month, an Iranian-born Israeli politician, Shaul Mofaz, a former defense minister, warned that military action would be "unavoidable" if Tehran was able to acquire the technology to manufacture atomic bombs. This assertion, along with the military exercises, certainly suggested that a confrontation between Israel and Iran might be possible, especially if the diplomatic efforts failed, and if Iran was shown to carrying out particular nuclear ambitions, such as the processing of weapons-grade plutonium and installation of additional centrifuges. While other leading figures in Israel have distanced themselves from Mofaz's remarks, Ehud Barak, the current defense minister, has said that his country would ensure that Iran did not achieve its nuclear ambitions.

Note: It should be noted that the United States National Intelligence Estimate (NIE) in late 2007 asserted that Iran had not progressed in its nuclear ambitions. Nevertheless, the United States has been at the forefront of Western efforts to end Iran's nuclear program and ensure that it does not develop nuclear weaponry.

On July 2, 2008, a Palestinian man drove a bulldozer into a bus and other vehicles in Jerusalem, killing three people and severely injuring several others. The attack took place on Jaffa Road in Jerusalem's city center and was carried out by the lone Palestinian who was identified as not having any known affiliation with extremist Palestinian groups. Following a struggle, the man was shot to death by a policeman. The Israeli authorities characterized the attack as an act of terrorism. Some analysts noted that the attack may not have been coordinated or planned and may have been carried out in an impromtu manner. There was, however, no confirmation of this theory.

Domestic Landscape from 2006-2008

In October 2006, Israel saw a brewing domestic scandal when police said that there was enough evidence to charge President Moshe Katsav on charges of rape, wire-tapping and malfeasance while in office. The police statement read as follows: "There is sufficient evidence indicating that in several cases... the president carried out acts of rape, forced sexual acts, sexual acts without consent and sexual harassment. There is sufficient evidence indicating violation of the law banning wire-tapping by the president." The police statement also stated that there were grounds for charges of fraud and malfeasance in office involving presidential pardons.

It was not known if the president would, in fact, be charged. That was to be decided by Attorney General Menachem Mazuz.

Nevertheless, prosecutors were said to be drafting an indictment against the president.

By early 2007, Israel's Ministry of Justice said that it would charge President Katsav with rape and abuse of power. Formal charges by the Attorney General would ensure following a hearing in which the case would be presented. Upon hearing the news from the Justice Ministry, Katsav's attorneys maintained that their client was innocent and predicted that the charges would be dismissed after the Attorney General heard the full story.

For his part, Katsav denied the allegations against him and said that he was the victim of a "public lynching without trial or investigation." He also rejected increasing calls that he resign from his post at head of state -- a largely limited role in comparison to that of prime minister -- that he had held for six years. A member of the right-wing Likud party, he had served in government throughout the years in the roles of transport minister, minister of tourism and deputy prime minister.

While the president has the privilege of immunity while in office, Kaisav could potentially be impeached. As well, he could be prosecuted after leaving office at the end of his term.

At the same time, Israel's political realm was being wracked by other political scandals. Notably, two politicians were facing separate trials. While the country's former Justice Minister Haim Ramon was facing charges of sexual misconduct, former Environment Minister Tzahi Hanegbi was charged with making illegal appointments. Both politicians denied any wrongdoing.

In other developments involving the Israeli government in early 2007, Raleb Majadele of the Labour Party became the first Arab to join the Israeli cabinet. The appointment of Majadele was sanctioned by a vote within the Israeli government in which all but one cabinet minister -- ultra-nationalist Minister of Strategic Affairs, Avigdor Lieberman - voted in his favor.

Although Rajadele would be a minister without a portfolio, the move was designed to show more inclusiveness towards Israeli Arabs who make up 20 percent of the population. To that end, the new cabinet minister said, "The first step has been taken and this has given Israeli Arabs a feeling of belonging."

In May 2007, a long-awaited report on the government's handling of Israel's war with Lebanon-based Hezbollah criticized Prime Minister Ehud Olmert for his "serious failure in exercising judgement, responsibility and prudence" on the matter. Defense Minister Amir Peretz and former military Chief of Staff Dan Halutz were also strongly criticized by the report, which noted that the war was ill-conceived and poorly-coordinated.

A special parliamentary session of the Knesset was held to debate the report's findings. In that session, right-wing opposition leader, Benjamin Netanyahu, demanded the resignation of Olmert. However, parliamentarians belonging to Olmert's ruling Kadima party did not relinquish their support of the prime minister. As well, Prime Minister Olmert expressed his intent to remain in office and to institute the proposals outlined in the report.

Meanwhile, however, tens of thousands of Israelis appeared to disagree with Olmert's stance as they took to the streets in Tel Aviv to protest the government's handling of the war, and to call for the prime minister's resignation. Protestors were a diverse group -- including members of the political right and left, as well as the religious and secular segments of the population. However, despite the clearly political orientation of the rally, organizers made clear that while politicians were invited to participate, they would not be allowed to take the stage. With protestors filling Rabin Square and surrounding areas, organizers said that 100,000 people were in attendance.

Attention turned to the Labour Party a month later. On June 12, 2007, former Israeli Prime Minister Ehud Barak won the leadership position in the country's Labour Party. Barak won 51.3 percent of the vote share in the Labour Party primary election, while parliamentarian Ami Ayalon won 47.7 percent. His victory was not without controversy. Opponents said that the voting was fraudulent. Nevertheless, Ayalon soon expressed both congratulations to the new Labour leader, and a commitment of support. For his part, Barak called for prudent governance in his victory speech saying, "Today begins the long journey toward bringing back level-headed, responsible and experienced leadership to the State of Israel." He also called for strengthening Israeli defense noting, "I am talking about investing all our knowledge in strengthening the defense establishment and the IDF (Israel Defense Forces) and restoring Israel's power of deterrence."

Soon after his selection as the new Labour Party leader in Israel, Ehud Barak was offered a position within Prime Minister Olmert's cabinet. In fact, Barak was appointed as the country's new minister of defense, replacing Amir Peretz.

Barak was to be sworn into office by the Knesset on June 18, 2007. Meanwhile, Peretz was expected to remain in the cabinet, albeit as a minister without a portfolio.

Meanwhile, on June 13, 2007, Shimon Peres, a veteran of Israeli politics, was elected as the country's new president and head of state.

In the first round, Peres won 58 ballots -- just shy of the 61 needed for a majority in the 120-seat Knesset. In that round, Reuven Rivlin of Likud received 37 votes while Colette Avital of the Labour Party garnered 21 votes. They both expressed support for Peres after the first round results were announced. Peres then won the support of 86 out of 120 parliamentarians to take victory in a second round voting. The president-elect was set to be inaugurated on July 15, 2007.

Peres, who has been a member of the Israel parliament since 1959, held several ministerial posts in a number of cabinets over the years, and served twice as prime minister -- once in 1984, and again from 1995 to 1996. He was believed to have been the mastermind behind the development of Israel's assumed nuclear weapons program. In recent years, he joined Ariel Sharon's ruling party, Kadima, for the purpose of establishing a practical peace process with the Palestinians. Throughout his political career, Peres has been regarded as a global statesman. To this end, he was the recipient of the Nobel Peace Prize for his efforts in establishing the Oslo Peace Accords.

The election of Peres as president came after Moshe Katsav took a leave of absence from his presidential role, in the wake of the aforementioned accusations of rape. That matter had contributed to rising calls for his resignation, and created something of a domestic political crisis in Israel.

July 1, 2007 saw the resignation of Moshe Katsav as president of Israel. Katsav issued his formal resignation a day after agreeing to the terms of a plea bargain. In that arrangement, Katsav agreed to plead guilty on several sexual offences, in exchange for two rape charges against him being removed. A day earlier, thousands of Israelis demonstrated in the streets of Tel Aviv to protest the deal struck between Katsav and Attorney General Menachem Mazuz. Meanwhile, former Prime Minister and well-known statesman, Shimon Peres, was set to be inaugurated as the new president.

November 2007 saw more than 100 Israeli police raid up to 20 sites in connection with a corruption investigations involving Prime Ehud Olmert. Two of the sites raided included the national post office and the Ministry of Trade and Industry. At issue were three criminal investigations centering on a property purchase, a bank privatization deal, and accusations of political favors respectively. A spokesperson for the Israeli police, Mickey Rosenfeld, said: "Police investigators are searching a number of government and private offices in connection with three ongoing investigations." For his part, Prime Minister Olmert denied doing anything wrong and said that the probe against him was motivated by his political opponents.

May 2008 saw Prime Minister Ehud Olmert faced with a corruption scandal. At issue were alleged bribery claims, due to an investigation that linked him with payments from a New York businessman, Morris Talansky. Olmert acknowledged receiving the payments but said that they were legal contributions to his campaign, and as such, he had done nothing wrong. In the meanwhile, though, the issue fueled questions of whether the emerging situation would result in the fall of Olmert's government, thus triggering fresh elections. But on May 10, 2008, Israeli parliamentarians signaled that such an end was unlikely, due to insufficient votes in the Knesset to force such an end. Nevertheless, there were increasing and intensifying calls for Olmert to resign from office. For his part, Olmert said that he would resign if he was, in fact, indicted as a result of the matter.

By the close of the month, early elections appeared in the offing in Israel due to the Olmert investigation. To this end, Labor Party Chairman and Defense Minister Ehud Barak said on May 29, 2008,

"For the sake of political stability, an alternate government must be established and headed by one of the members of Kadima, but it is very likely that there will be elections sometime during the coming year." Barak went on to note that in the interests of the country, Olmert should distance himself from the day-to-day administration of Israel. For his part, Olmert reiterated his position that he would stay in the role of prime minister.

By July 2008, the corruption probe widened so that it could also investigate whether or not Olmert committed fraud. A joint statement by police and the justice ministry noted that the Israeli prime minister was suspected of seeking "duplicate funding for his trips abroad from public bodies."

Olmert indicated that his job as head of government had been derailed by attacks and investigations. Olmert said, "As a citizen in a democracy I have always believed that when a person is elected prime minister in Israel, even those who opposed him in the ballot want him to succeed." He continued, "But instead I found myself subjected to constant investigations and criticism. Almost from day one, I had to repel personal attacks and postpone decisions that are pertinent to the security of the state." Olmert claimed success for increased security in the country's north and in Israel's ability to deter attacks from enemies. He also claimed success in the social-economic realm, saying that he had administered a stable economy.

At the start of September 2008, Israeli police officially recommend that Prime Minister Olmert be indicted in the aforementioned corruption investigation. This recommendation meant that the final decision about whether to indict

Olmert would be made by Attorney General Meni Mazuz. The police offered this recommendation based on evidence pointing to Olmert's alleged acceptance of the bribes from Talansky. The police have also accused Olmert of filing duplicate claims to various government agencies for travel expenses.

For his part, Olmert has maintained his innocence and his lawyers issued a statement noting that only the attorney general and not the police had the authority to indict him. The statement included the following assertion: "The only person authorized by the law to decide whether to indict a prime minister is the attorney general. He has the authority and he bears the responsibility over the issue."

Earlier, Olmert had said that he would not contest his Kadima party's leadership primary election and that he would resign as soon as his successor was determined. Olmert's successor -- the winner of the Kadima primary election on Sept. 17, 2008 -- was expected to submit a new proposed government to President Shimon Peres for approval by the close of October 2008.

New Leadership

Facing the aforementioned corruption scandal and with Israeli police officially recommending indictment, Israeli Prime Minister Ehud Olmert said that he would resign as soon as his successor at the helm of the ruling Kadima party was determined. To that end, Foreign Minister Tzipi Livni won the party's primary election on September 17, 2008 and became its new leader. Official results showed that Livni won a narrow 1.1 percent victory over Shaul Mofaz.

In the weeks to follow, if Livni could form a new government, she would become the second female head of government in Israel since Prime Minister Golda Meir in the 1970s. If her efforts in forging a ruling coalition were unsuccessful, Israel could be headed to the polls in snap elections.

The main obstacle in her path has been party unity. Bitter after his razor thin defeat, Shal Mofaz said that he was exiting the political scene. This declaration by Mofaz laid bare the prevailing intra-party rifts that could present serious challenges in the government formation process. As such, Livni would have to work hard to ensure that Kadima party members closed ranks. Livni expressed regret that Mofaz has decided to withdraw from politics and expressed a willingness to work with him. But Mofaz was said to be so upset about the outcome of the leadership race that there were rumors that he might defect to the rival right-wing Likud.

Meanwhile, building a ruling coalition would not be easy for two reasons. First, the centrist Kadima's main coalition partner, the left-leaning Labour Party, indicated that it might seek a snap election.

However, Ehud Barak, the Labour leader, subsequently expressed interest in remaining allied with Kadima in government. Second, Kadima's second largest partner, the orthodox Jewish party, Shas, was foregrounding tough conditions for joining the government, such as no negotiations with the Palestinians on the fate of Jerusalem. Since Livni has said that she was committed to resolving such final status issues, it was clear that there would be serious differences on the *policy* agenda between the parties.

Nevertheless, soon after Livni's election as Kadima leader, as promised, Ehud Olmert formally resigned as prime minister along with his cabinet, however, he was expected to function as the caretaker prime minister in the interim. Next, President Shimon Peres was expected to consult with the parties before selecting a Knesset member to form a new cabinet. Given the current Knesset makeup, that person was expected to be Livni -- the new Kadima leader. Then, Livni would have to submit a new proposed government to the president for approval by the close of October 2008. If Livni did not succeed in forming a new coalition government, the president could call on another member of the Knesset to form a government, or, he could call a general election. Livni was reported to have said at a Kadima party meeting that she would try to forge a coalition, but, if those efforts were not successful then, she would contest elections. She said, "If I don't succeed, I will go to general elections and win."

In October 2008, Livni was making progress in resolving these challenges. Specifically, she was moving toward securing a partnership with the second largest party in party in parliament -- the Labour Party.

On the table was a preliminary coalition agreement in which the leader of the Labour Party, Ehud Barak, would assume a newly-established position of Senior Deputy Prime Minister. The new role, which would be imbued with greater influence on cabinet affairs, was intended to reflect Livni's statement that Barak would be a "real partner" in her administration.

By the close of the month, similar success had not been forged with the other likely coalition partner, Shas. Livni intimated that Shas' demands on economic and diplomatic issues were unworkable.

Accordingly, Kadima party leader, Tzipi Livni, recommended that general elections be held. She informed Israeli President Shimon Peres that she was unable to form a coalition majority and that elections should go forth "without delay." For his part,

Peres had a few days to consult with the various parties to see if another coalition could be built. If those efforts likewise failed within a period of three weeks, then elections would be called within 90 days. Since no other workable coalition is likely to be formed, early elections appeared to be inevitable in Israel. Opinion polls suggest that the election promised to be a tough fight between the centrist Kadima and the right-wing Likud.

Ahead of Israeli elections in early 2009, the two main political leaders in Israel vowed to crush the militant Islamic Palestinian movement, Hamas, which controls the Palestinian Territory of Gaza. Tzipi Livni of Kadima and Benjamin Netanyahu of Likud, both of whom were hoping to become prime minister, made the same claim at a time when an increase in regional violence was anticipated, as a result of Hamas' announcement that it would not renew its truce with Israel. Indeed, Hamas militants were already renewing their attacks by firing regular volleys of rockets and mortar bombs into Israeli territory.

As well, Hamas warned that any Israeli offensive would motivate its ranks to carry out suicide attacks on Israeli targets. On the other side of the equation, Israel carried out an air strike that killed one militant.

About Tzipi Livni

Tzipi Livni was born in 1958 in Tel Aviv. Her family gained notoriety for its membership in Irgun, a radical Jewish underground movement during the British mandate period. After two-years of military service in the Israel Defense Forces (IDF), Livni worked for the Israeli intelligence agency, Mossad, for two years in Paris before returning to Israel. At home in Israel, as a graduate of Bar Ilan University's Faculty of Law, she commenced practicing law with focus areas involving public and commercial law.

Her political career began in 1999 when she was first elected to the Israeli parliament or Knesset as a member of the right-wing Likud party. She later functioned as minister of regional cooperation in then-Premier Ariel Sharon's cabinet, and went on to hold various positions in government. She left Likud with Sharon when he formed the centrist Kadima party. Then, following Kadima's victory in the 2006 general elections, Livni took on the position of foreign minister and vice premier. Since late 2007, Livni has led Israel's negotiating teams in peace talks with Palestinians. Livni has maintained her commitment to forging a final-status agreement with the Palestinian National Authority (PNA).

A mother of two, Livni could become the second woman in Israel to become prime minister, following in the footsteps of Golda Meir. Unlike her predecessor, Ehud Olmert, Livni has crafted a reputation of integrity and has been viewed as free from scandal. While her critics have criticized her military and security credentials (or lack thereof), other observers have said that she is one of few politicians capable of pulling together various factions in a stable ruling government. That reputation was about to be put to the test with the outcome yet to be determined.

For her part, Livni was reported to have said at a Kadima party meeting that she would try to forge a coalition, but, if those efforts were not successful then, she would contest elections. She said, "If I don't succeed, I will go to general elections and win."

Note: Elections were scheduled for February 2009.

Special Update:

Israel vows to crush Hamas as Gaza becomes the current flashpoint in the Middle East

On Christmas Eve, Dec. 24, 2008, Hamas militants fired approximately 60 rockets into Israeli territory. The act came a week after Hamas said it would not renew its truce with Israel. In response, Israel launched a massive military offensive against Hamas in the Gaza Strip days later. Israel made clear that it intended to take decisive action against the Palestinian Islamic Resistance Movement, otherwise known as Hamas. Indeed, Israeli officials said they intended to "crush Hamas."

Israel had warned that such a response was imminent if rocket attacks did not end. Foreign Minister and Kadima leader Tzipi Livni had warned that Israel would not tolerate Hamas targeting its people. She said, "Hamas needs to understand that our aspiration to live in peace doesn't mean that Israel is going to take this kind of situation any longer. Enough is enough."

Israel air raids pound the Gaza Strip; Israeli authorities say they seek to crush Hamas and not the people of Gaza

Israel's military response began with aerial bombardment on Gaza. The main targets included security compounds and government offices that make up Hamas infrastructure, as well as tunnels into Egypt. While the vast majority of the casualties on these early targets were Hamas personnel, such as policemen, there were nonetheless civilian casualties. Indeed, as the aerial bombardment raged on, reports emerged that it was the harshest military action against Gaza since the June 1967 Arab-Israeli war that led to Israel assuming control over the Gaza Strip, which was then under Egyptian administration.

Nevertheless, Israel appeared set on assuring the Palestinian people that its efforts were against Hamas and not them more broadly. In an address to the Palestinian people of Gaza, Israel's caretaker Prime Minister Ehud Olmert said that Israel had no desire for ordinary Gazans to suffer, but that Hamas -- as Israel's enemy -- was Israel's intended target.

As anticipated, Olmert's address was received with great skepticism by Palestinians while Khaled Meshaal, the leader of Hamas' armed wing, called for the Palestinians to rebel in an uprising or "the third intifada." More moderate Palestinian voices from the West Bank, such as Chief Palestinian Negotiator, Saeb Erekat, condemned Israel's actions, characterizing it as "a savage Israeli assault."

On the third day of aerial bombardment, Gaza's Interior Ministry and Islamic University were the main targets. Defense Minister Ehud Barak echoed Prime Minister Olmert by noting that Israel was not in a fight with the people of Gaza but, rather, Israel was in "a war to the bitter end" with Hamas, which has held sway over Gaza since 2007. In a special parliamentary session, the defense minister said Israel was "taking all precautions" to avoid hurting Palestinian civilians, but warned that the militants were using the civilian population as human shield.

In this way, Defense Minister Barak's struck a hard line against Hamas, which he separated from the greater Palestinian population of Gaza. Deputy Prime Minister Haim Ramon made no mention of the Palestinian people, stating succinctly: "The goal of the operation is to topple Hamas."

Hamas continues to launch rocket attacks at Israel

Meanwhile, Hamas was not cowed by Israel's air assault and was stepping up its own attacks on Israelis. Several injuries and two deaths were reported at Nahal Oz close to the border with Gaza and in the southern city of Ashdod in a short period of time as a result of rocket attacks by Palestinian militants. But Hamas was not content to limit its rocket attacks to the boundary region.

On Dec. 31, 2008, Palestinians militants from Gaza fired long-range rockets that landed in the southern Israeli city of Beersheba -- as far as 30 miles away. As well, two rocket attacks by Palestinian militants left one person injured in the city of Ashkelon. While there were no deaths from those attacks, it was clear that Israel had not fully reduced the threat posed by Hamas, and that Palestinian militants had long-range weapons at their disposal.

With Hamas continuing its barrage of rocket attacks into Israeli territory, public support in Israel remained high for continued military action against Hamas in Gaza. On the other side of the equation, Hamas's military wing, the Izzedine al-Qassam Brigades -- the military wing of Hamas -- made clear that it would continue to fire at Israeli targets, and warned that they had the capacity to reach further into Israeli territory. In this way, both sides made it apparent that a ceasefire would not easily be achieved.

Israel rejects international calls for a truce

With no end to the violence in sight and the prospects of a humanitarian crisis looming ahead, the international community called for a 48-hour truce to allow for the passage of humanitarian aid. However, Israeli Prime Minister Ehud Olmert rejected the notion of the 48-hour truce.

Following a meeting with his cabinet, Prime Minister Olmert said the necessary conditions could not be met for a ceasefire. Olmert made clear that any ceasefire with Hamas would have to be permanent.

He did not, however, foreclose the possibility of such a prospect in the near future. He reportedly said, "If conditions will ripen, and we think there can be a diplomatic solution that will ensure a better security reality in the south, we will consider it. But at the moment, it's not there."

On the other side of the equation, Palestinian Authority President Mahmoud Abbas registered his outrage over Israel's actions in Gaza by characterizing Israel's aerial bombardment of the Gaza Strip "barbaric and criminal aggression." Abbas also warned that he could potentially bring a halt to peace talks with Israel if he believed Palestinian interests were at stake.

Israel moves to ground assault

Almost a week after the air raids on Gaza began, Israel intensified its assault on Gaza as Palestinian militants fired more rockets into Israeli territory.

In one air strike, a senior Hamas military leader, Nizar Rayyan, was killed. Further Israeli air strikes yielded other high value Hamas targets, including two commanders of Hamas's military wing -- Abu Zakaria al-Jamal and Mohammed Maaruf. Israel was also carrying out air raids on other targets, including a missile attack on mosque in Beit Lahiya.

Meanwhile, Israel amassed its military forces along the border and declared the area around the Gaza Strip to be a "closed military zone." Since Israel was also calling up thousands of reservists, anticipation was growing that ground operations were in the offing.

Indeed, by the start of January 2009, Israel and Hamas were ignoring international calls for a ceasefire even as the conflict between them in Gaza raged on. Israel had now deployed convoys of troops and tanks to the northern part of the Gaza Strip and, supported by helicopters in the air, was launching a strong artillery attack. As before, Palestinian militants continued to fire rockets into southern Israel.

By Jan. 4, 2009, there was direct confrontation between Israeli ground forces and Palestinian fighters deep into the Gaza Strip. In fact, Israeli troops, tanks and helicopters had surrounded Gaza City and were engaging in clashes with Palestinian militants at close range. Both sides were engaged in a concomitant battle of words. Israel claimed it had struck a massive blow against Hamas while the militant Palestinian body promised to turn Gaza into "an Israeli graveyard."

But Israeli forces had now reached the heart of Gaza City including areas used by Palestinian militants to launch rocket attacks into Israel. Moreover, Israeli forces had managed to thrust further south of Gaza City -- even past an Israeli settlement that had been abandoned years before. In this way, Israeli forces had now penetrated large swaths of Gaza, and in so doing, Gaza City was now cut off from the rest of the Gaza Strip to the south.

Israel prepared for "long campaign"

As the ground operation continued, Israeli forces would have to deal with the threat of house-to-house fighting, sniper fire, booby traps, and other elements of urban combat, not to mention approximately 20,000 militants entrenched in this high-risk landscape. Still, Israel appeared to be committed to its mission regardless of the difficulty of the endeavor, the international outcry, and the rising death toll.

For his part, Israeli President Shimon Peres said his country's mission was not to either occupy Gaza or to "crush Hamas" as had been suggested by other Israeli authorities. Instead, the Israeli head of state said the objective was to end the threat of terror.

President Peres noted there was no point to discussing a ceasefire without an end to rocket attacks by Hamas. To that end, in an interview with the United States media, President Peres said, "We shall not accept the idea that Hamas will continue to fire and we shall declare a ceasefire. It does not make any sense."

As such, President Peres believed Israel had to press forward with its mission to end terror, the viability of such an ambitious goal notwithstanding. He went on to note, "If there is somebody (who) can stop terror with a different strategy, we shall accept it."

In the West Bank and elsewhere in the Arab world, protests against Israel were gaining steam. Aware of the international condemnation and the public relations challenge, the Israeli military was interrupting broadcasts on the Hamas television channel, Al Aqsa, asking Palestinians not to serve as human shields for the militants, and publicizing the following message: "Israel is acting only against Hamas and has no interest in harming you."

"Phase Three"

The Israeli operation against Hamas in Gaza was ongoing in the second week of January 2009. Indeed, it appeared that Israel's efforts would intensify, as evidenced by leaflets dropped into Gaza and phone messages warning the people of Gaza to avoid Hamas-dominated areas. The leaflets and messages from the Israeli military indicated that "phase three" of the military operation was in the offing.

By Jan. 11, 2009, Israeli ground forces were penetrating Gaza's most populated area. There were reports of tanks rolling through residential neighborhoods and urban warfare in streets and buildings between Israeli troops and Hamas militants. A spokesperson for the Israeli military, Major Avital Leibovich, confirmed the advance of the Israeli army into urban areas of Gaza saying, "Since the majority of the Hamas militants are pretty much in hiding in those places, mainly urban places, then we operate in those areas."

But the Israeli efforts were not limited to the ground. Israel continued to launch pre-dawn air strikes on Gaza and navy gunboat shelled Gaza City. Several buildings, including the Gaza bureau of the Associated Press, were damaged as a result. Israel maintained that its targets were Hamas interests.

Israeli Prime Minister Ehud Olmert said after a cabinet meeting in Jerusalem that his country's military had made "impressive gains" in Gaza and that the time was drawing near to "translate our achievements into the goals we have set."

That said, he indicated that the operation would continue saying, "Israel is nearing the goals which it set itself, but more patience, determination and effort is still demanded."

Meanwhile, for its part, Hamas militants continued to launch rocket attacks into southern Israel.

Death toll and looming humanitarian crisis

Since the start of Israel's assault on Gaza, as of the second week of January 2009, the death toll in the Gaza Strip was more than 900, according to calculations from Palestinian health officials, the United Nations and various media outlets, including the Associated Press. Approximately 2,500 Palestinians were said to have been injured. While Israel has claimed that the vast majority of the deaths (80 percent) were Hamas militants, the United Nations has offered a slightly different estimate of 75 percent. On the other side of the equation, 13 Israelis were reported to have been killed and scored more were wounded.

The Red Cross described the situation in Gaza's hospitals as dire and warned that its medical facilities were utterly "stretched to the limit" and running out of resources.

As well, the United Nations warned that a humanitarian crisis was at hand. The United Nations relief agency in Gaza said that about 1,200 people could be homeless due to damage to their houses, or, because they were forced to flee the violence. As well, some food and aid rations were running short.

The United Nations inadvertently became the subject of discussion on Jan. 8, 2009, when one of its aid mission trucks came under Israeli fire at the Erez crossing in Gaza. One person was killed and two others were injured in the incident, resulting in the United Nation's relief agency's decision to halt aid operation in Gaza. A day later, the United Nations relief agency announced that it had made the difficult decision to stop its humanitarian aid deliveries "with great regret." A spokesperson for the United Nations relief agency, Chris Guinness, said quite pointedly, "Our installations have been hit, our workers have been killed in spite of the fact that the Israeli authorities have the coordinates of our facilities and that all our movements are coordinated with the Israeli army." On Jan. 10, 2009, after safety assurances were given by the Israeli authorities, the United Nations announced that it would resume operations in Gaza.

International Outcry and Mediation Efforts

During the first week of Israel's conflict with Hamas in Gaza, United Nations Secretary General Ban Ki-moon called for an immediate ceasefire. The United Nations head said he was "deeply alarmed" by the violence in Gaza. He urged both Israel and Hamas to "halt their acts of violence and take all necessary measures to avoid civilian casualties."

By the close of the first week of Israel's conflict with Hamas in Gaza, there was a rising chorus of calls for an immediate ceasefire among world leaders. European Union External Relations Commissioner Benita Ferrero-Waldner declared, "The violence has to stop." The European Union also issued a statement calling for an "unconditional halt" to rocket attacks by Hamas. United States President George W. Bush also said it was incumbent on Hamas to take the first step to ending the conflict by halting its rocket attacks on Israel.

But as Israel's efforts progressed toward ground operations, and amidst spiraling civilian casualties, officials from the Middle East and Europe issued condemnations for what they viewed as Israel's disproportionate response to Hamas in Gaza. This view was echoed by United Nations chief Ban Ki-moon, who acknowledged Israel's right to defend itself from rocket attacks by Palestinian militants, while also decrying Israel's "excessive use of force."

United Kingdom Prime Minister Gordon Brown struck a diplomatic tone by concentrating on the humanitarian crisis looming in Gaza and thusly, urging an "immediate and urgent ceasefire."

For its part, the United States issued a tacit approval of Israel's response to the threat posed by Hamas by urging Israel to try to avoid civilian casualties while also placing blame for the situation solely on Hamas. The United States also went further and blocked approval of a United Nations Security Council statement that demanded an immediate ceasefire.

Meanwhile, the European Union was expected to send a delegation to the region, while Russia said it would send an envoy, both for the purpose of trying to forge some sort of resolution. The European Union foreign *policy* chief, Javier Solana, said the Israel-Hamas crisis was emblematic of the failure of diplomacy and that every effort should be made to advance the peace process.

By the start of the second week of January 2009, the United Nations Security Council was finally able to pass a resolution urging an immediate ceasefire between Israel and Hamas in Gaza. Fourteen of the 15 Security Council members supported the resolution while the United States abstained from the vote. United States Secretary of State Condoleezza Rice explained her country's rare abstention saying that while the resolution was a step forward, the Bush administration was still considering the effect of the ongoing mediation efforts.

The United Nations motion had been drafted by the United Kingdom and called for an "immediate, durable and fully respected ceasefire" leading to the "full withdrawal" of Israeli forces from Gaza, humanitarian access, the prevention of arms smuggling to Palestinian militants, and strenuous diplomatic efforts aimed at a peaceful resolution.

Both Israel and Hamas rejected the United Nations resolution. United Nations Secretary General Ban Ki-moon expressed his disappointment during a telephone call to Israeli Prime Minister Ehud Olmert. Earlier, Olmert had said that Hamas' continued rocket attacks on Israel showed that the United Nations resolution was "unworkable." On the other side of the equation, Hamas said that it had dismissed the United Nations resolution demanding a ceasefire because it was not in the interests of the Palestinian people.

The diplomatic efforts at the United Nations aside, there was concomitant wrangling on the ground in the Middle East. A ceasefire plan brokered by Egypt and France was on the table for discussion.

French President Nicolas Sarkozy's comments suggested that Israel would agree, in principle, to the Franco-Egyptian truce proposal, while the Palestinian Authority also appeared to view the plan positively. Absent from his statements, however, were any mention of Hamas. Clearly, peace would not be at hand without concurrence from Hamas as well.

Nevertheless, Tony Blair, the Middle East envoy for the Quartet of the United Nations, the United States, the European Union and Russia, expressed optimism that the ceasefire proposal would succeed during an interview with the British media. He noted that foundation for success was in place, but acknowledged that there were details yet to be worked out.

Editor's Note:

Why has Israel decided that it should take such drastic action not simply to "crush Hamas" as some officials have purported, but to "crush terrorism" as suggested by the Israeli head of state? Why such a lofty goal at this particular time?

Some analysts have suggested that Israel seeks to quiet the ghosts of 2006 when Israel was ensconced in a bloody war with Hezbollah in Lebanese territory.

In the summer of 2006, as in late 2008, Israel said it was launching an operation intended to stop missile and rocket attacks into Israeli territory. But at the end of that conflict, Hezbollah was still able to launch missiles and, as such,

it was that militant group who claimed victory, the civilian casualties notwithstanding. In late 2008 and early 2009, Israel may be seeking to vindicate itself after what some saw as its failure in 2006. Indeed, as Prime Minister Olmert leaves office, he may well wish to exit on a high note as opposed to the disgrace of the corruption charges that caused his resignation from power.

For its part, Hamas may be buoyed by Hezbollah's quasi-victory and may be seeking to achieve a similar outcome for itself, especially after being driven from power by Palestinian rivals in the West Bank. Indeed, Gaza is Hamas' last stand and it is unwilling that these Palestinian militants will go quietly away, regardless of Israel's expressed mission.

Despite President Peres' lofty claims of "crushing terror," it is also possible that Israel has a more tactical objective. Senior members of the Israeli military have acknowledged that it is hardly likely that they can end all rocket attacks by Hamas. Accordingly, they hope to diminish Hamas' ability to launch as many attacks and, certainly, to diminish the accuracy of the attacks that do take place. As well, a successful operation would favorably position Israel to be able to control the terms of a forthcoming ceasefire. Furthermore, a successful military operation would deliver a warning to enemies (such as Hezbollah in Lebanon) elsewhere in the region by acting as a deterrent.

There are other possible explanations for Israel's decision to respond forcefully to Hamas at this time. Among them is the political rationale. With parliamentary elections on the horizon, and with Israelis' dismal public opinion of the government's handling of Hamas in Gaza, augmented by the fact that hard-line Likud leader Benjamin Netanyahu was leading in the polls, the Kadima-led administration likely believed that it needed to prove its security credentials. Indeed, as the new Kadima leader, Tzipi Livni, began to use stronger language against Hamas, her poll numbers against Netanyahu began to appear more competitive.

Thus, while it is clear that Israel has a concrete and real desire to deal with its security challenges and the threat posed by Hamas, the particular timing of the assault into Gaza does appear to possess a political element worth considering.

If national politics are not influencing the timing of Israel's efforts against what Israelis call "Hamastan," then international politics may well be at play. With the Republican Bush administration about to leave office in the United States, and with the Democratic President Barack Obama about to be inaugurated into office, it is possible that Israel wants to take strong action now, while it has unquestioned support from its most important ally. While the Obama administration promises to be a stalwart of Israel, there are prevailing suspicions that President Obama may be more amenable to diplomatic solutions to geopolitical challenges.

Israel declares unilateral ceasefire and says it is poised for rapid withdrawal from Gaza

Three weeks after Israel launched an offensive operation in the Gaza Strip, aimed at crushing Hamas, Israeli Prime Minister Ehud Olmert said that Israeli troops were poised for a rapid withdrawal from Gaza. Olmert said, "We didn't set out to control Gaza, we don't want to remain in Gaza and we intend on leaving Gaza as quickly as possible." This decision came on the heels of Israel's statement that its objectives had been achieved and, accordingly, it was declaring a unilateral ceasefire.

Hamas likewise claimed success, suggesting it had persevered in the face of Israel's assault.

Ismail Haniya, the Hamas leader in Gaza, said Israel had "failed to achieve its goals." That said, Hamas declared its own truce and said that it would halt its attacks for a week in order to let Israeli forces pull out of Gaza.

Even with both sides asserting that an end to the violence, attacks continued with Palestinian militants firing approximately 20 rockets into Israeli territory after Israel announced its ceasefire. For its part, Israel retaliated with air strikes in Gaza.

That said, some changes appeared to be afoot. For example at the Erez crossing in northern Gaza, journalists were able to enter into the Palestinian territory from Israel. For some time, journalists were unable to reach Gaza

due to the closure of crossings. The opening of this crossing seemed to augur a shift, even if the state of calm in Gaza was of the uneasy variety.

With much destruction wrought in Gaza, attention was shifting to the needs of the people in Gaza. To that end, United Nations Secretary-General Ban Ki-moon said he was deploying a team to Gaza to assess the gravity of the humanitarian situation. He said, "Within 10 days, I think we'll be able to make an assessment report and we will issue a humanitarian urgent, a humanitarian flash appeal."

Editor's Note:

Without full media access, it has been impossible to verify Palestinian claims that more than 1,300 people died during the three weeks of violence.

Update:

In late January 2009, a bomb attack in the border between Israel and Gaza resulted in the death f one Israeli soldier. Israel responded with air strikes and a short military incursion into Gaza. Days later, rocket attacks and mortar fire by Palestinian militants in Gaza targeted Israeli territory. In response, Israel carried out air strikes on Hamas targets in Gaza. This action came after a warning from Israeli Prime Minister Ehud Olmert that a "disproportionate" response was in the offing. Foreign Minister Tzipi Livni as well as Defense Minister Ehud Barak both repeated Olmert's warning.

These developments occurred two weeks after Israel and Hamas declared respective truces, which brought an end to a bloody conflict between the two sides that lasted several weeks from late December 2008 through early January 2009. It was not known how the flare-up would affect the prevailing talks aimed at achieving a permanent and sustainable ceasefire.

Those talks were also likely to be affected by an ongoing internal Palestinian battle for supremacy between Hamas, which has had control over Gaza, and the Palestinian Liberation Organization (PLO), headed by President Mahmoud Abbas in the West Bank. To that end, Abbas made it clear that no progress could be made without Hamas's acknowledging the PLO as the leading Palestinian authority. Abbas also railed against Hamas' recent actions, accusing the militant group of taking "risks with the blood of Palestinians, with their fate, and dreams and aspirations for an independent Palestinian state."

Domestic Scene

Elections were held in February 2009. See section titled "Israeli General Election of 2009: Kadima versus Likud" below for a full report on the elections.

In March 2009, former Israeli President Moshe Katsav was formally charged with two counts of rape and other sexual offenses. The charges outlined in the indictment involved accusations by female employees who worked for Katsav during his tenure as president and tourism minister. There was no date scheduled for the trial. For his part, Katsav has denied the charges but was nonetheless forced to resign as president in 2007. Katsav has characterized himself as the "victim of lynching" by the judiciary; Katsav has also said he wants to make clear his innocence in court. To that end, he ended a plea bargain in 2008 that called for him to plead guilty to sexual misconduct while avoiding the serious rape charges. Should Katsav be convicted, he could face as many as 16 years in jail.

Israeli General Election of 2009: Kadima versus Likud

Summary:

Likud had the edge over Kadima in pre-election polls but exit polls showed reversal of fortune. Final results confirmed Livni's Kadima had a slim advantage over Netanyahu's Likud; both camps have claimed victory with ultra-nationalist Yisrael Beitenu of Avignor Lieberman acting as ultimate kingmaker. Lieberman's endorsement of Netanyahu set the stage for President Shimon Peres to call on the Likud leader to form the next government of Israel.

In full:

Parliamentary elections in Israel were set for Feb. 10, 2009. The two leading parties vying for control over the country, and indeed, the future of Israeli-Palestinian relations, were the centrist Kadima party and the right-wing Likud party. While the efforts against Hamas in Gaza boosted support for Defense Minister Ehud Barak, his Labour Party was still not within striking distance of a big win. By contrast, the ultra-nationalist Yisrael Beitenu appeared to gaining support.

On the main issue of the day, Kadima leader, Tzipi Livni, has advocated the resumption of intense peace negotiations with the Palestinians. By contrast, Likud leader, Benjamin Netanyahu, has said that he opposes any agreement that would divide Jerusalem. He has also said that his efforts toward the Palestinians would concentrate on economic relief. If Likud gained the most seats, it would have the opportunity to join with the ultra-nationalist Yisrael Beitenu to form a coalition government. Such an alliance would present a clear move to the right since Yisrael Beitenu leader, Avigdor Lieberman, has advocated strong military action against Hamas as well as the expulsion of Arab citizens from Israel.

Ahead of the election, both Likud and Kadima were carrying out vigorous campaigns, reminiscent of the recent 2008 election in the United States. Both parties utilized trendy websites, YouTube videos, blogs, enhanced rhetoric and string imagery. That said, ahead of the election, Kadima was running competitively against Likud, but Netanyahu's party had a slim but clear advantage of two seats according to the last Haaretz-Dialog poll.

When the polls closed on election night, there appeared to be a slight reversal of fortune for the two main parties. According to exit polls, the centrist party, Kadima, held a slight edge over the right-wing party, Likud. That said, the ultra-nationalist, Yisrael Beitenu, was performing strongly and was in place to become the most significant player in the post-election coalition building process. The left-wing Labour Party, according to the exit polls, was trailing in fourth place despite high approval ratings for its party leader. The ultra orthodox Shas was behind Labour in fifth place. Exit polls, though, have not always been harbingers for final results in close elections so the political fate of Israel was yet to be seen.

With actual vote counting underway, results appeared to indicate that Kadima had won one seat more than Likud. Livni quickly claimed victory for her party, Kadima. She said, "Today the people chose Kadima... We will form the next government led by Kadima." But Netanyahu also asserted that he was confident that he would be asked to form the next government. He said, "With God's help, I will lead the next government." These two statements augured a collision course on the political landscape.

By Feb. 12, 2009, the final results of Israel's parliamentary elections confirmed the centrist Kadima party, led by Foreign Minister Tzipi Livni, had a slim majority over its main rival, the right-wing Likud Party, led by Benjamin Netanyahu. The final tally, according to Israel's Central Elections Committee, showed that Kadima secured 28 seats in the Knesset while Likud took 27 seats in the 120-member parliament. Among the other 10 parties that passed the two-percent minimum threshold to the Knesset were Yisrael Beiteinu with 15 seats, Labour Party with 13 seats, and Shas with 11 seats. United Torah Judaism received five seats, while the National Union, Hadash and the United Arab List-Ta'al received four seats each, and Habayit Hayehudi, Meretz and Balad got three seats each. As such, the right-wing bloc of parties had secured 65 seats -- more than the center-left bloc of parties.

With Kadima holding on to its one-seat advantage in parliament, the question that was being asked was whether or not Livni, as the head of Kadima, would be best positioned to form a government? Even if she joined with Labour, she would have to cobble together a wider coalition with other parties in order to control the majority of seats in parliament. Alternatively, even if Likud came up one seat short, would Netanyahu be in a stronger position to form a government, given the strong performance of the right-wing at the polls? Would he be more easily able to form a

coalition government? To that end, Yisrael Beitenu was certainly in a position to play kingmaker since the ultranationalist party had captured the third most seats in parliament.

Yisrael Beitenu's leader, Avigdor Lieberman, said he had talked with both Livni and Netanyahu about participating in a coalition government. Lieberman said he would be willing to join either camp, so long that the government ultimately formed was of a nationalist orientation. His campaign platform was likely to find greater commonality with Likud rather than with Kadima; it was certainly at odds with Labour. Meanwhile, what role would Labour and Shas play? The notion of a grand coalition -- spanning the political expanse from left to right and including all the main parties -- was not likely to materialize; Livni of Kadima was reported to have stated that she would not serve in a government with Likud's Netanyahu.

Ultimately, President Shimon Peres would have to make the decision to ask a party leader to try to form a government. To that end, Peres held consultations with leaders of parliamentary factions; based on the findings of those discussions, he would then assign the cabinet-formation task to a party leader in parliament who has the best chance of crafting a stable and successful coalition government. Traditionally, that mission has been given to the leader of the party with the plurality of seats in the Knesset. As demonstrated by the final results discussed above, Kadima was the party with the most seats in the Knesset, meaning that Livni was in a strong position to be given the mission of government formation. But since the right-wing now collectively dominated the parliament, Likud might have an easier time at forming a sustainable government.

By the third week of February 2009, the leader of the ultra-nationalist party, Yisrael Beitenu, made it clear that he was supporting Netanyahu and not Livni, although he expressed hopes for a grand coalition that would include what he called "the big three" -- a reference to the three parties receiving the most votes. Lieberman's endorsement of Netanyahu set the stage for President Shimon Peres to call on the Likud leader to form the next government of Israel.

For his part, Netanyahu, said he would attempt to form a broad national unity government that would include his political rivals. To that end, he expressly called for the participation of both Kadima and Labour in that endeavor saying, "I call on Kadima chairwoman Tzipi Livni and Labour Party chairman Ehud Barak and I say to them - let's unite to secure the future of the State of Israel."

But, as before, Livni made it apparent that Kadima's interests and agenda might better be served in opposition, rather than in a right-wing government headed by Netanyahu. Indeed, she vociferously rejected the notion of a government dominated by the far right saying that it would be a government "without political vision, a government with no values." She went on to asset, "I will not be a pawn in a government that would be against our ideals."

Of key importance to Kadima, and its occasional ally, Labour, has been a commitment to continuing the peace process and support for the Oslo Peace Accords, which aims for a two-state solution. But such a position was at odds with both Likud and Yisrael Beitenu. Likud's 1999 charter clearly rejects the notion of a sovereign Palestinian state although it supports the idea of some sort of Palestinian autonomy. As noted above, Yisrael Beitenu has advocated the Elon Plan, which includes the expulsion of Arab citizens who are unwilling to sign loyalty oaths supporting the preservation of the Jewish state.

Given the philosophical chasm between the major parties, Netanyahu may be forced to form a hard right government, which may not sit well with the totality of the Israeli population. Forging a more inclusive government could only be reached if Kadima exacted an expensive price -- such as a shared head of government role, which could commence with a Prime Minister Netanyahu but rotate to have Livni at the helm in two years.

Such a possibility receded after it was announced in late February 2009 that talks between Likud and Kadima ended in failure. Netanyahu said, I have done everything possible to achieve unity... but to my great regret, I faced categorical rejection from Mrs Livni." For her part, Livni said that her meeting with Netanyahu did not resolve the important matters that were fundamental to her party and, as such, Kadima would be "a responsible opposition."

In March 2009, the Likud leader reportedly signed a coalition deal in mid-March 2009 with the far-right part, Yisrael Beiteinu. The party is opposed to an independent state for the Palestinians, advocates expelling Arab Israelis, and endorses settlement deemed to be illegal by international law. Ensconced in the agreement was a provision for Yisrael Beiteinu's leader, Avigdor Lieberman, to become foreign minister. As well, Yisrael Beiteinu would control five significant ministerial portfolios, including internal security, infrastructure, tourism, and the integration of new immigrants. Later in the month, Netanyahu's Likud signed another coalition deal -- this time with the ultra-Orthodox Shas party. While of the hard-line variety, Shas, unlike Yisrael Beiteinu, has not rejected the peace process with the Palestinians outright and has said that poverty alleviation is its most important issue.

Even with Yisrael Beiteinu and Shas joining Likud, the government formation process was far from complete. Indeed, there were reports that Netanyahu was trying to strike a deal with the Labour Party to join in the formation of a broader "national unity" government. Accordingly, Netanyahu was given an additional gets more time two weeks to form a new government. Prime Minister Ehud Olmert of Kadima decried the notion of Labour joining in Netanyahu's government, noting that any party interested in a two-state solution to the peace process could not join the government proposed by Netanyahu. For his part, if Netanyahu could not convince Labour to join him, then he would be forced to form a narrow right-wing government with parties such as Jewish Home, National Union and United Torah Judaism, essentially placing Israel on an ideological collision course with the new United States government.

By March 24, 2009, such a hard-line course was averted when the Labour Party approved a bid to join in Netanyahu's coalition. Labour Party leader, Ehud Barak, who had earlier said that his party would be in opposition, indicated that his party would have a significant position in the coalition that already included Yisrael Beitenu. Barak said, "I am not afraid of Benjamin Netanyahu. We won't be anyone's fig leaf or anyone's third wheel." He continued, "We will act as an opposing force that will prevent the creation of a narrow right-wing government, but rather a proper government that cares for the state of Israel." The deal under discussion would convey five ministerial portfolios to the Labor Party, the chairmanship of a Knesset committee, continued commitment to the Middle East peace process, as well as respect for existing peace accords and laws. To that latter end, the Israeli government would have to adhere to legislation prohibiting illegal settlement and would also have to abide by international treaties including those that envisage a two-state solution. Those particular provisions could well create friction within the coalition, given Avignor Lieberman's position on those two issues.

A number of Labour politicians nonetheless decried the proposal, including Labour Party Secretary-General Eitan Cabel, who said, "What killed us over the last decade is the fact that we lost faith in our path." Labour parliamentarian, Ophir Paz-Pines, expressed virulent opposition saying, "They're trying to buy us off with portfolios and empty promises." But Labor member, Isaac Herzog, warned that a far-government would be catastrophic. He said, "If it was possible for a government to be formed in which we could have a truly dramatic influence over all aspects, then I would want to be there and think that my party will not be damaged as a result."

Meanwhile, Saeb Erekat, a senior advisor to Palestinian Authority President Mahmoud Abbas, as well as being the chief negotiator with Israel's outgoing Kadima-led government, expressed some anxiety about the prospect of a Likud-led government. He said that Israel needed a government committed to peace. Moreover, he signaled that bilateral talks were at risk of ending. Erekat said, "We will not be in the negotiations with an Israeli government that continues settlement activities, that refuses the two-state solution, and that doesn't accept agreements signed."

With a coalition in tact, Netanyahu was sworn into office at the close of March 2009 as the new Israeli prime minister. Netanyahu assumed the post following a vote in parliament, which effectively ratified the new right-leaning government. The new government was the largest in the political history of the country -- a clear result of the political wrangling needed to cobble together the coalition. Included in that government would be right-wing Lieberman as Foreign Minister and left-leaning Barak as Defense Minister. Another result of the political wrangling, as indicated above, was Netanyahu's concession to Labour to adhere to prevailing laws and treaties, as well as his statements suggesting that he would pursue peace with the Palestinians. To that end, Netanyahu said, "I say to the Palestinian leadership, if you truly want peace, peace can be obtained" and "I am telling the leaders of the Palestinian Authority, if you really want peace, it is possible to reach peace." Netanyahu, however, never made

mention of a two-state solution -- a feature the Palestinian Authority viewed as less than encouraging. As before, Netanyahu has emphasized economic, political and security tracks toward peace.

Prime Minister Benjamin Netanyahu's new Foreign Minister Avigdor Lieberman was the source of controversy on two fronts in early April 2009. First, Lieberman was questioned by police under suspicion of a litany of corruption allegations. Included in the long list were allegations including bribery, money-laundering and breach of trust, and involved a company administered by Lieberman's daughter. A spokesperson for the foreign minister dismissed the matter saying that the investigation had been ongoing for more than a decade. The second issue involved Lieberman's comments at the foreign ministry handover ceremony in which he claimed that Israel was not bound by the 2007 Annapolis Accord between Israel and the Palestinians. He argued that only the Road Map peace plan of 2003 should stand, since it was ratified by the Israeli government and the United Nations Security Council.

These positions on the peace process would clearly contradict Netanyahu's agreement with another coalition partner, Ehud Barak of the Labour Party. The terms of their coalition deal called for Netanyahu's government to respect prevailing treaties and agreements. Moreover, Lieberman's stance seriously undermined Netanyahu's evolving and increasingly restrained stance on relations with the Palestinians, including his pledge to seek peace. Meanwhile, Lieberman's expressed opposition to Israel's withdrawal from the Golan Heights -- a central part of negotiations with Syria -- could short-circuit the prospects for peace with that country. At the wider level, this position, along with the rejection of the Annapolis Accords, and Lieberman's call for Arabs to be expelled from Israel, could weaken already fragile trust with Arabs in the region. Indeed, it could deepen animosity.

Lieberman's remarks have reinforced critics' perceptions that he was a questionable choice for the position of Israel's chief diplomat. To that end, Kadima leader, Tzipi Livni, excoriated Lieberman's statements saying that they demonstrated that the new government of Israel was not a good faith partner in the pursuit of peace. In calling on Netanyahu to disavow them, she said, "The remarks do not represent Israel, the remarks hurt Israel." Chief Palestinian negotiator, Saeb Erekat, also condemned Lieberman for undermining international efforts to advance the peace process saying, "He [Lieberman] has slammed the door in the face of the United States and the international community."

In late June 2009, French President Nicolas Sarkozy urged Israeli Prime Minister Benjamin Netanyahu to dismiss ultra-nationalist, Avigdor Lieberman, as foreign minister and replace him with centrist opposition leader, Tzipi Livni. According to Israeli media, President Sarkozy urged the Israeli leader to work with both Livni's Kadima Party and Defense Minister Ehud Barak's Labour Party to "make history" and advance the peace process during a private meeting. It was already well-know that Lieberman's controversial views in support of the Elon Plan, which includes the expulsion of Arab citizens unwilling to sign loyalty oaths supporting the preservation of the Jewish state, could well compromise that peace process.

According to the newspaper Yediot Aharonot, Sarkozy said: "I've always received Israeli foreign ministers. I met with Tzipi Livni in the Élysée Palace, but with that one I simply can't meet. I'm telling you, you need to get rid of that man. Get him out of the government and bring in Livni. With her and with Barak you can make history." In the article published by Yediot Aharonot, Netanyahu replied: "No need to exaggerate. Lieberman is a very nice person, and in private conversations he speaks differently." Sarkozy then responded by comparing the Israeli foreign minister to the French far-right xenophobe, Jean Marie Le Pen, saying: "In private conversations, Jean-Marie Le Pen is also a nice person."

The exchange was confirmed by several participants at the meeting and evoked much debate both at home in Israel and within the wider international community.

Recent Developments

In May 2009, following a meeting with United States President Barack Obama, newly-inaugurated Israeli Prime Minister Benjamin Netanyahu said that he was ready to commence peace talks with Palestinians and Syria. He said, "I said I am willing to open peace talks with the Palestinians - [and] by the way with the Syrians as well - of

course without preconditions." He also noted that such talks should include the wider regional players saying, "We also agreed on the need to expand the peace process to Arab states."

Netanyahu, however, issued a caveat that there could be no peace agreement without Israel's security needs being adequately addressed. This move to embrace peace negotiations came after a visit to the United States where he was pressured by President Barack Obama to consider a two state solution to the ongoing conflict with Palestinians. Netanyahu described his meeting with Obama saying, "There was an agreement that we need to immediately begin the peace process." But he stopped short of endorsing the two-state concept, as advocated by President Obama, instead saying that Israel was ready to live "side by side" with the Palestinians.

Meanwhile, an aide to Netanyahu, Ron Dermer, entered the spotlight when it was widely reported that he decried the two-state solution, characterizing it as "childish and stupid " Faced with questions as to why he would condemn the idea of an independent Israel and an independent Palestine living side by side, Dermer offered the following clarification to the Associated Press: "I told reporters that the focus by the media on the concept of solving the Israel-Palestinian issue through a two-state solution is childish and stupid, but I deny that I described the idea that way."

Later in May 2009, on the heels of meetings with both the Israeli President Benjamin Netanyahu and his Palestinian counterpart Mahmoud Abbas, United States President Barack Obama said that he was confident about a two-state solution in the Middle East peace process. Earlier, United States Secretary of State Hillary Clinton echoed these statements saying "We believe strongly in a two-state solution."

She noted that a two-state solution was in the "best interests" of both Israelis and Palestinians.

President Obama said he believed Israel would see that such a path would help that country achieve sustainable peace and security. President Obama also said that all Arab countries would be expected to support and respect the two-state solution, which would essentially require recognition of the legitimacy of the Jewish state.

With these ends in mind, President Obama said that Israel should stop its expansion of settlements -- a call made in emphatic terms earlier by Obama's Secretary of State Hillary Clinton. But Israel was not quick to give wholesale assent to this demand. While Israeli President Netanyahu said that no new settlements would be constructed, he noted that the natural growth of existing settlements would be allowed. Meanwhile, President Obama also demanded that Palestinians stop their violent attacks against Israel.

On June 14, 2009, Israeli Prime Minister Benjamin Netanyahu announced that he would back the notion of a Palestinian state within limits. Describing his peace plan, Netanyahu said that a Palestinian state would have to be demilitarized -- essentially without an army, with no control over the air space, and without means of smuggling weapons. These limits were clearly set forth to ensure Israel's security. He also noted that his support for a Palestinian state would be contingent upon recognition of Israel as a Jewish homeland. This proposal encompassed many elements advocated by the Obama administration in the United States.

Prime Minister Netanyahu extended an overture to Palestinian counterparts, calling for immediate talks without preconditions. He also struck a conciliatory tone saying, "We want to live with you in peace as good neighbors." The Israeli prime minister additionally acknowledged the need for concurrence on a potential peace deal at the regional level, saying that he would consider traveling to Syria, Lebanon and Saudi Arabia to consolidate support for the proposed agreement.

Still at issue, however, has been the call for cessation of settlement activity in the West Bank. Netanyahu's government has been resistant to comply with this provision set forth by the United States. Indeed, even as he put forth his peace plan, the Israeli prime minister indicated little movement on this issue. Instead, Netanyahu said that Jewish settlers were not "enemies of peace" and did not reverse his stance in favor of "natural growth" of existing settlements.

In late June 2009, Palestinian Authority Prime Minister Salam Fayyad called for the creation of a Palestinian state within a two year timeframe. He said, "I call on all our people to unite around the project of establishing a state and to strengthen its institutions ... so that the Palestinian state becomes, by the end of next year or within two years at most, a reality." Speaking at al-Quds University in East Jerusalem, Prime Minister repeated the Palestinian Authority's demand that Israel stop its settlement activity in the West Bank, in order to pave the way for talks between the two sides. While settlements remained a prevailing obstacle to restarted peace negotiations, Prime Minister Fayyad introduced a new sticking point by calling for a Palestinian capital in Eastern Jerusalem.

On the other side of the equation, Israeli Prime Minister Benjamin Netanyahu has expressed support for the notion of a demilitarized Palestinian state, pending recognition of Israel as a Jewish state. But, while the Israeli prime minister has said that his country would not construct new settlements in the West Bank, he has said Israel would not stop the "natural growth" of existing settlements. Moreover, Netanyahu has asserted that Jerusalem -- Israel's official capital city -- should remain "united." That is, he made clear that he would not support the partition of the city as part of the creation of a Palestinian state.

At the start of July 2009, Israeli Defense Minister Ehud Barak denied that there was any impasse with the United States over Jewish settlement activity in the West Bank. Barak made the remarks even as talks with United States envoy George Mitchell ended without a clear agreement on the matter. Instead, the two sides issued a joint statement noting that a "full range of issues related to Middle East peace" had been discussed. These issues included security, normalization of relations between Arab countries and Israel, as well as settlement activity.

Of key significance was this latter issue and the prevailing call by the United States for Israel to cease all settlement activity in the West Bank, while at the same time, Israel has maintained its right to the "natural growth" of existing Jewish settlements. Driving the perception of some sort of impasse has been the Palestinians' position that peace talks cannot be started without a settlement freeze in areas it hopes to one day become part of an independent Palestinian state.

Defense Minister Barak characterized the meeting with Mitchell as "positive," although he acknowledged that there were differences. In an interview broadcast on Israeli <u>radio</u>, he suggested that a compromise was in the offing. The actual nature of such a compromise was unknown. However, it was revealed that Israel had approved the construction of several new residences in the Adam settlement -- an unofficial outpost deemed to be illegal under the aegis of international law.

For its part, Israel has said disputed this claim of illegality.

In August 2009, Israel's government was reported to have stopped issuing settler housing tenders in the West Bank, in a possible overture of cooperation with the United States in pursuing the peace process. The Obama administration in the United States has pressured the government of Prime Minister Benjamin Netanyahu in Israel to freeze settlement activity, in the interests of peace with the Palestinians. In an interview on Israeli *radio*, Housing Minster Ariel Atias acknowledged the cessation of settlement tenders for construction in Judea and Samaria, but insisted it was just a temporary move saying, "There is no freeze, there is a waiting period." He went on to note, "It's no secret that the prime minister is trying to reach some sort of understandings with the Obama administration, which is being tough with us." Atias made no mention of Prime Minister Netanyahu's continuing insistence that "natural growth" of settlements (i.e. to accommodate family members) should not be stopped.

Meanwhile, United States President Barack Obama appeared satisfied with the measure saying that it showed "movement in the right direction." That direction pointed toward the revitalization of the peace process. In the interests of making progress along that path, the White House has called on Israel to stop settlement activity in line with prevailing "roadmap for peace," which also mandates that the Palestinian authorities crush anti-Israeli militants. The White House was also placing pressure on Arab nation states to move towards the normalization of ties with Israel, which would automatically concede recognition of the Jewish state.

On Aug. 26, 2009, Israeli Prime Minister Benjamin Netanyahu said that his government was making progress on the path toward the reconvening of peace talks with the Palestinians. The announcement came after a meeting with United States envoy to the Middle East, George Mitchell, which resulted in Netanyahu's acceptance of Mitchell's proposal for the resumption of talks with the Palestinians. To that end, there were tentative plans afoot for Netanyahu to meet with Palestinian President Mahmoud Abbas at the United Nations in September 2009.

Also in late August 2009, former Israeli Prime Minister Ehud Olmert was officially indicted in three corruption cases, according to reports from the attorney general's office. Among the charges listed in the 61-page indictment were fraud, breach of trust, registering false corporate documents and concealing fraudulent earnings. The allegations involved the period when Olmert was mayor of Jerusalem and a cabinet minister, and effectively preceded his tenure as prime minister. A spokesperson for the former head of government said, "Olmert is convinced that in the court he will be able to prove his innocence once and for all."The corruption trial of Olmert was set to begin at the close of September 2009.

As discussed above, the corruption scandal erupted involving then-Prime Minister Olmert erupted more than a year earlier in May 2008. At issue were alleged bribery claims, due to an investigation that linked him with payments from a New York businessman, Morris Talansky. Olmert acknowledged receiving the payments but said that they were legal contributions to his campaign and, as such, he had done nothing wrong. By July 2008, the corruption probe widened so that it could also investigate whether or not Olmert committed fraud. A joint statement by police and the justice ministry noted that the Israeli prime minister was suspected of seeking "duplicate funding for his trips abroad from public bodies." Another source of controversy involved suspected conflict of interest and surrounded allegations that Olmert arranged investment projects for a friend, Uri Messner, when he was serving as industry minister. In September 2008, Israeli police officially recommended that Prime Minister Olmert be indicted in the aforementioned corruption investigation. For his part, Olmert has consistently maintained his innocence but, nonetheless, resigned from his post as leader of Kadima, once then-Foreign Minister Tzipi Livni won the party's primary election later 2008.

In the first part of September 2009, two rockets were fired into northern Israel from Lebanon; the explosions were reported in the Israeli city of Nahariya only six miles from the border with Lebanon. The Israeli military responded by firing eight shells into a fruit plantation near the city of Tyre. There were no reports of deaths or injuries as a result, although Israeli police said they did manage to find the remnants of a Katyusha rocket.

United Nations peacekeepers in Lebanon urged both sides to exercise restraint in response to the situation. The United Nations Interim Force in Lebanon (Unifil) said that it was deploying extra troops and released the following statement: "Unifil is in contact with both sides, urging them to exercise maximum restraint, uphold the cessations of hostilities and avoid taking steps which would lead to further escalation." Unifil was established in 1978 following Israel's incursion into Lebanon and was expanded after Israel's 2006 war with the militant Islamic group, Hezbollah. That situation was spurred by a Hezbollah offensive from Lebanese terrain into Israel, in which two Israeli soldiers were seized at the onset. Israel retaliated and Lebanese citizens -- more than 1,000 in total -- were killed in the crossfire of violence. As well, about 160 Israelis, most of whom were soldiers, also died in the war as a result of rocket fire and fighting. The border region maintained a sense of uneasy calm since the end of 2006, although there have been occasional flare ups of rocket fire and clashes between the two sides.

With news abounding that Prime Minister Benjamin Netanyahu had left his office on the clandestine trip, speculation grew that he may have been visiting a security facility in Israel, or, meeting with an Arab state that has not officially recognized the Jewish state of Israel. But according to Haaretz, on Sept. 9, 2009, Prime Minister Netanyahu had made a secret visit to Moscow to discuss the matter of Russian arms sales to Iran and Syria. At issue has been rising tensions between Israel and Russia over Moscow's arms sales to Iran and Syria. Of particular concern have been the transfers of weapons to the extremist Islamic organization, Hezbollah, in Lebanon -- a particular flashpoint even since the 2006 between Israel and Lebanon-based Hezbollah. The Russian trip reportedly garnered other results on the wider international stage. With the issue of Iran's controversial nuclear program still looming, Russia called on Iran to act with "sensitivity" to Israel's geopolitical plight.

September 2009 was also marked by developments on the peace process front. United States envoy George Mitchell has met with Israeli leaders to discuss the expansion of Jewish settlements in the West Bank. The issue of continued expansion of Jewish settlements has been an obstacle in the peace process, and one that the Obama administration in the United States has taken a key role in resolving. On the other side of the equation, Mitchell was also pushing Arab nation states to officially recognize the Jewish state of Israel. The dual moves were part of an effort by the Obama administration in the United States to finalize the terms of fresh peace negotiations between Israel and Palestinians. Following a meeting with Israeli President Shimon Peres, Mitchell said, "While we have not yet reached agreement on many outstanding issues, we are working hard to do so."

In a related development, Israeli Prime Minister Benjamin Netanyahu met with Egyptian President Hosni Mubarak in Cairo. Netanyahu was cautious about the peace process noting that much work was still to be done on minimizing the differences on both sides before serious peace talks could begin again. He said, "I hope we will be able to narrow the gaps and perhaps bridge them so we will be able to get peacemaking moving." Talks between the two sides stalled in late 2008. For his part, Palestinian leader Mahmoud Abbas foreclosed a meeting with Israeli leaders until Israel commits to a full freeze on new settlements in the West Ban

United States President Barack Obama met with Israeli and Palestinian leaders on Sept. 22, 2009, with an eye on revitalizing the peace process. President Obama held separate talks with Israeli Prime Minister Benjamin Netanyahu and Palestinian President Mahmoud Abbas before convening the joint meeting. This announcement came in the aftermath of a visit by United States Middle East envoy, George Mitchell to the region, with an eye on trying to find some common ground ahead of the meeting in the United States. Mitchell returned home without consensus and with both sides blaming one another for the inability to find common ground. Nevertheless, Mitchell, said that President Obama's willingness to engage directly at this stage with the two principal players showed his "deep commitment to comprehensive peace."

Meanwhile, also in September 2009, Israel warned India that Islamic extremists were plotting attacks similar to those carried out in Mumbai the year before. Israel's counter-terrorism unit said that the terrorist group responsible for the 2008 Mumbai attacks were planning further attacks that would target Western and/or Israeli tourists. They characterized their findings as "as concrete, very serious threat." To that end, Israel was reportedly set to issue a travel advisory warning Israelis not to travel to India. According to the Indian government, the terrorist group Lashkar-a-Taiba, was responsible for the attacks in November 2008, which targeted luxury hotels, a train station, and an orthodox Jewish Lubavitch center, and left more than 170 people dead.

On Oct. 13, 2009, during an address marking the opening of the Knesset's winter session, Israeli President Shimon Peres called on the government of his country to resume peace talks with the Palestinians.

President Peres' call for the government to actively pursue peace with the Palestinians came a few days ahead of the 15th anniversary of the peace treaty between Israel and Jordan. Moreover, November 2009 would mark 32 years since Egyptian President Anwar Sadat made his historic visit to Israel. President Peres noted that while Israel's respective relationships with Jordan and Egypt were not based on amity, the peace deals paved the way for stability with these two neighboring Arab nation states.

President Peres said that Israel was faced with two options: (1) Israel's isolation, while facing hostility from Palestinians and Arab nation states, as well as criticism from the international community; and (2) negotiations with the Palestinian Authority, aimed at finding a sustainable solution. He warned that a failure to pursue the second option would serve only to bolster the likes of Hamas and Iran, while destroying hopes for peace and stability in the region. To these ends, he said, "In my opinion if we move forward with peace and make peace with the Palestinians, and if we start negotiations with Syria and Lebanon, we will remove the main pretext for the Iranian madness - against us and against the other residents of this region." President Peres also made the foundation for any peace deal clear. He said that in order to achieve peace, "we must give up land and the Palestinians must stop terrorism."

In early November 2009, United States Secretary of State Hillary Clinton was in the Middle East to pursue peace talks between Israel and Arab states over the conflict between Israelis and Palestinians.

Arab leaders were reported to have been disappointed that the United States' top diplomat did not pressure the Netanyahu government in Israel more over its settlement activity. But Secretary of State Clinton explained the United States' position saying, "The Israelis have responded to the call of the U.S., the Palestinians and the Arab world to stop settlement activity by expressing a willingness to restrain settlement activity. This offer falls far short of what our preference would be but if it is acted upon it will be an unprecedented restriction on settlements and would have a significant and meaningful effect on restraining their growth."

Secretary of State Clinton also acknowledged that the Palestinian leadership of Mahmoud Abbas for taking "positive steps" to improve security in the West Bank.

Meanwhile, around the same period in early November 2009, Palestinian Authority President Mahmoud Abbas announced that he would not to seek re-election to the highest post in the Palestinian territories. President Abbas said he had made the decision to protest the impasse in peace negotiations. He was particularly vocal in his accusation that the United States had not fulfilled its promise to pressure Israel to freeze its settlement activity in the West Bank. He has also been faced with an internal and unresolved power struggle with the extremist Hamas movement. Some analysts suggested that while President Abbas may have been genuinely upset by what he saw as the United States' backtracking on its position on the settlements, his announcement was actually a tactical maneuver. Indeed, President Abbas indicated that he was not exiting the political scene but intended to remain as the head of the Palestinian Liberation Organization.

Nevertheless, Israeli officials responded to the news with concern and warned that President Abbbas' decision could derail the peace process. To that end, Israeli President Shimon Peres reportedly called President Abbas ahead of the formal announcement and attempted to persuade him to change his mind. According to the Israeli newspaper, Ha'aretz, President Peres said, "If you leave, the Palestinians would lose their chance for an independent state. The situation in the region would deteriorate. Stay, for the Palestinian people's sake." As well, Israeli Defense Minister Ehud Barak issued a statement conveying his hope that President Abbas' announcement would not damage "efforts to launch negotiations and achieve a peace accord."

In other developments at the start of November 2009, the Israeli navy intercepted a ship and seized the 300 tons of arms it was transporting aboard. According to Israeli intelligence, the arms were tracked for 2,500 miles and originated from Iran's port of Bandar Abbas. The port has been known to be a base of the Islamic Revolutionary Guards Corps and has been linked with Hezbollah. Israeli, Lebanese and Cypriot sources also asserted that the arms had been shipped from Bandar Abbas on an Iranian cargo ship called the Visea, which was itself owned by the state-run Islamic Republic of Iran Shipping Lines. The Visea reported sailed in the Arabian Sea, moved north up the Red Sea, then traveled via the Suez Canal before docking in the Egyptian port of Damietta. There, 36 containers were offloaded; within them were 3,000 Katyusha rockets, as well as a significant number of hand grenades, artillery shells and other ammunition. After remaining at Damietta for a week, the containers were then transferred to a German-owned vessel called the Francop, which flew an Antiguan flag. That ship was ultimately destined for the Syrian port of Latakia. Israel said that the ship's crew and German owners were unaware that the weapons were hidden behind other cargo.

Israel has alleged that the arms were to be moved from Syria over land and ultimately delivered to Hezbollah. Israel has thusly argued that this was the latest evidence that Iran has been arming Hezbollah and Hamas -- the two extremist groups that have been responsible for rocket attacks from the Palestinian territory of Gaza into Israeli territory. But there have also been reports that Israel was emphasizing the Iranian arms connection to Hezbollah and Hamas in order to deflect attention from a scathing United Nations report, which accusing both Israel and Hamas of committing war crimes during a conflict in Gaza less than a year earlier. Meanwhile, both Iran and Syria have denied the transportation of arms, as alleged by Israel.

In January 2010, Israel's government approved plans for the construction of a barrier along its border with Egypt in an effort to restrict the movement of militants. The barrier would be built in two segments -- close to the Red Sea at Eilat and on the edge of the Gaza Strip respectively -- and would take approximately two years to complete. Israeli Prime Minister Benjamin Netanyahu said the decision to build the barrier was intended to secure Israel's Jewish and democratic character. The barrier would also presumably restrict -- but not completely bar -- the entry of migrants from Africa. To this end, Prime Minister Netanyahu said that refugees would be permitted to seek entry into Israeli territory.

In this regard the move was likely to be supported by Egypt, which has been trying to deal with the problem of human trafficking from Eritrea, Ethiopia and Sudan. For its part, Egypt was constructing an underground barrier along its border with Gaza, aimed at curtailing the smuggling of weapons through tunnels.

Meanwhile, the first week of January 2010 saw three Palestinians killed as a result of Israeli air raids; those strikes by Israel were carried out in response to rocket attacks from Gaza. Days later, more Palestinian militants died after another Israeli air strike on Gaza. The militants apparently were from the group, Islamic Jihad, and were gathered in a field, preparing to launch rocket attacks into Israel. An Israeli military spokesperson said in an interview with Agence France Presse: "We won't tolerate the firing of rockets into Israel and we will respond harshly as we did now." In the background of these developments was Israeli Prime Minister Benjamin Netanyahu's announcement on Jan. 10, 2010, to his cabinet that there had been 20 mortar bombs and rockets from the Gaza Strip in the first week of 2010. According to Reuters, he warned of an "immediate and powerful response" to further attacks.

Special Entry

Assassination of Hamas commander in Dubai leads to speculation of Israeli Mossad involvement

In the third week of February 2010, the assassination of a Hamas commander in Dubai led to speculation of Israeli Mossad involvement. Mahmoud al-Mabhouh was seemingly killed in a hotel room in Dubai on Jan. 20, 2010, while reportedly purchasing weapons for the extremist Islamic group. At issue a month later was the claim by the United Arab Emirates that 11 "agents with European passports" may have carried out the killing. The authorities in the United Arab Emirates released video-taped footage showing some of the suspects in the killing dressed in disguise in the hotel where the killing took place.

Several of the foreign-born Israelis who were named as suspects said that they believed their passports were stolen and used by the alleged assassins. Meanwhile, the governments of France, Germany, United Kingdom and Ireland respectively noted that they believed fake passports from their countries were fraudulently used by the apparent assassins.

For its part, Israel said there was no evidence of its involvement with Israeli Foreign Minister Avigdor Lieberman asserting that there was no proof the Mossad -- Israel's secret security agency -- carried out the assassination of al-Mabhouh in Dubai. In an interview on Army *Radio*, he said: "I don't know why we are assuming that Israel, or the Mossad, used those passports. There is no reason to think that it was the Israeli Mossad, and not some other intelligence service or country up to some mischief." However, it was clear that Israel was not actually denying that it had carried out the assassination, since it instead cited its "*policy* of ambiguity" on such matters. Lieberman said, "Israel never responds, never confirms and never denies. There is no reason for Israel to change this *policy*."

Indeed, Mossad has in the past used fraudulent foreign passports and stolen identities to carry out political assassinations, although as noted by the Israel foreign minister, his country "never confirms" such actions. Nevertheless, experts on Mossad's techniques, such as former Israeli officer Gad Shimron expressed the view that the killing of al-Mabhouh bore the hallmarks of an Israeli operation.

On Feb. 18, 2010, the United Kingdom summoned the Israeli ambassador to discuss the use of fraudulent British passports in the assassination of al-Mabhouh. It was not known as to whether or not a diplomatic imbroglio would be provoked as a result. It was certainly not known as to whether or not Israel was definitively behind the killing.

Should that indeed be the case, Israel would have managed to deliver a clear but undeclared message that it would strike out against its enemies -- even on foreign soil. But it would also have to deal with the fact that the 11 suspects were now placed on Interpol's wanted list. Although the issuance by Interpol of "Red Notices" for the suspects was not akin to international arrest warrants, they nonetheless call for the suspects to be arrested pending extradition. Of course, as noted by Ronald Noble, the secretary general of Interpol, the actual identities of the suspects remained unknown.

On March 23, 2010, the United Kingdom decided to expel an Israeli diplomat for the use of forged British passports in the suspected Mossad assassination of a Hamas commander, Mahmoud Al Mabhouh, in a Dubai hotel room. The move came after an investigation into the matter and was made official with an address by British Foreign Secretary David Miliband to parliamentarians in the House of Commons. To date, Israel has neither confirmed nor denied involvement in the apparent targeted assassination of al-Mabhouh.

Special Report

Roadmap for peace hits roadblock with East Jerusalem settlement plan; diplomatic imbroglio ensues between Israel and United States

On March 8, 2010, Israeli and Palestinian negotiators agreed to indirect peace talks. Following a meeting with United Nations Secretary-General Ban Ki-moon, Israeli Vice Premier Silvan Shalom confirmed that his country wanted to "move to direct talks" with the Palestinians. He said, "Israel would like to resume the negotiations directly immediately." He also called for a shortened period before both parties moved toward direct dialogue. At issue has been the so-called "roadmap for peace," which has been sanctioned by the Middle East Quartet made up of the United Nations, European Union, United States and Russia, and which calls for the establishment of two states -- Israel and Palestine -- living side by side in peace and security.

Days later on March 11, 2010, this "roadmap for peace" appeared to have hit a roadblock when the Palestinian Authority made clear that indirect talks could not proceed unless Israel could commit to a total construction freeze of Jewish settlements. According to Ynetnews.com, Palestinian President Mahmoud Abbas was not willing to negotiate "under the current circumstances" -- an apparent reference to the news that Israel had new construction plans for east Jerusalem. At the heart of the matter was a plan by Israel to build 1,600 new homes in in Ramat Shlomo in east Jerusalem, despite repeated pressure by the United States for a halt on Jewish settlements in the interests of peace.

For some time, Jerusalem has been a flashpoint in the ongoing conflict between Israelis and Palestinians. Jerusalem is the official capital city of the Jewish state of Israel, and Israel has laid claim to the eastern part of the city since the 1967 war. However, Palestinians have clamored for East Jerusalem to be the capital of a future Palestinian state. Palestinians have argued that settlement activity in east Jerusalem is illegal under international law. Israel, though, has disputed this view of international jurisprudence. Of course, to date, these competing claims over the contested part of the city have seen no resolution, and the status of Jerusalem has remained a sticking point in the peace process.

Key officials in the Obama administration in the United States have registered disapproval of the development, noting that it was an obstacle to the process of building trust, confidence, and ultimately peace between Israelis and Palestinians. Indeed, the Obama administration in the United States railed against Israel in response to the announcement of settlement activity in east Jerusalem.

Vice President Joe Biden, who was ironically in Israel at the time for the purpose of advancing the peace process, denounced the development. On NBC News, David Axelrod, senior adviser to President Barack Obama, referred to Israel's settlement announcement as both destructive to the peace effort, and insulting to the United States, a likely reference to the timing of the announcement when Vice President Biden was in Israel. He said, "This was an affront, it was an insult but most importantly it undermined this very fragile effort." He continued, "We have just started proximity talks, that is shuttle diplomacy, between the Palestinians and the Israelis, and for this

announcement to come at that time was very destructive." Earlier, Secretary of State Hillary Clinton warned Israeli Prime Minister Benjamin Netanyahu that this move by Israel was "deeply negative" for American-Israeli relations.

For his part, Israel's Prime Minister Benjamin Netanyahu expressed his apologies for the situation that unfolded and explained that the announcement had been accidental, however, even a promise for an inquiry into the timing of the announcement did little to assuage the White House. Press Secretary Robert Gibbs said the Israeli premier's regrets were only "a good start" and pressed for more constructive dialogue with an eye on peace. The situation was not helped by news reports that Prime Minister Netanyahu's brother in law, Hagi Ben-Artzi, referred to President Obama as "anti-Semitic." This declaration only exacerbated the tense climate of relations and Netanyahu was compelled to make it clear that he did not share the views of Ben-Artzi.

For his part, Prime Minister Netanyahu was trying to negotiate a difficult balancing act. On one hand, he could not afford to alienate Israel's most important and most powerful ally, the United States. This was a particularly pressing priority at a time when global action was needed to deal with the nuclear ambitions of Iran, whose leadership has been vitriolic in its anti-Israeli sentiment. But on the other hand, Prime Minister Netanyahu also had to deal with coalition partners at home from nationalist and Orthodox parties that embrace expanded settlement activity. In an effort to simultaneously downplay the diplomatic imbroglio unfolding with the United States, and to shore-up the right-wing elements of his fragile ruling coalition, Prime Minister Netanyahu addressed members of a cabinet meeting as follows: "I propose not to be carried away and to calm down." He continued, "We know how to handle these situations, calmly, responsibly and seriously."

By March 16, 2010, the situation in Jerusalem was marked by a lack of calm as angry Palestinians in the Arabdominated eastern part of the city set fire to garbage cans and tires, and also hurled stones and rocks at Israeli riot police. In response, Israeli riot police used tear gas and rubber bullets to try to quell the violence. The devolving security scene only served to underline the complicated scene unfolding in Israel.

Meanwhile, United States envoy George Mitchell cancelled his scheduled trip to Israel as a result of the diplomatic imbroglio. On the issue of that diplomatic imbroglio, Secretary of State Clinton brushed aside claims that relations between the United States and Israel were in a state of crisis. She emphasized the "close, unshakeable bond" shared between the two countries. But at the same time, Clinton noted that her country wanted Israel and the Palestinians to demonstrate their clear commitment to the peace process. Days later, at an address before the pro-Israel lobby group, American Israel Public Affairs Committee (AIPAC), Secretary of State Hillary Clinton urged Israel to make "difficult but necessary choices" if it desired a peace agreement with the Palestinians, emphasizing the "unsustainable" nature of the status quo. She also highlighted the "unshakable" bond between her country and Israel.

In a move intended to emphasize Israel's commitment in this regard, Prime Minister Netanyahu proposed "trust-building measures" with the Palestinians, in the context of renewed peace negotiations. Of course, the Palestinians noted it would be difficult to move forward with "proximity talks," given Israel's decision to expand settlement in Ramat Shlomo, as discussed above. An already-scheduled trip to the United States to address AIPAC, Israeli Prime Minister Benjamin Netanyahu offered the opportunity for face-to-face talks with United States President Barack Obama, with an eye on resolving the diplomatic imbroglio. However, Netanyahu's decision not to call for a halt on the settlement plan in Jerusalem did not bode well for progress. Indeed, the closed nature of the talks suggested that the dissonance would not easily be ended.

At the broader level, the Middle East Quartet of peace mediators -- the United Nations, European Union, United States and Russia - - issued its own condemnation of Israel's construction plan in east Jerusalem. The Quartet made it clear that the matter would be reviewed during its forthcoming ministerial meeting, which took place on March 19, 2010, in Moscow.

Update --

Former Israeli PM prime suspect in corruption scandal

In mid-April 2010, former Israeli Prime Minister Ehud Olmert was identified as a prime suspect in a corruption scandal. Earlier, in August 2009, Olmert had been indicted in three corruption cases. Among the charges listed in the 61-page indictment were fraud, breach of trust, registering false corporate documents and concealing fraudulent earnings. The allegations involved bribery claims in the period when Olmert was mayor of Jerusalem, and preceded his tenure as prime minister. That particular corruption scandal, which actually erupted more than a year earlier in May 2008, involved payments by a New York businessman, Morris Talansky. Olmert acknowledged receiving the payments but said that they were legal contributions to his campaign and, as such, he had done nothing wrong. But police and the justice ministry noted that the Israeli prime minister was suspected of seeking "duplicate funding for his trips abroad from public bodies." Another source of controversy involved suspected conflict of interest and surrounded allegations that Olmert arranged investment projects for his former lawyer, Uri Messner, when he was serving as industry minister. Those two cases were ultimately closed by Israeli authorities. Now in 2010, the climate of scandal was again gaining steam as Olmert's successor as mayor, Uri Lupolianski, the aforementioned Messer, as well as five other people, were arrested on suspicions ranging from bribery to money laundering, fraud, breach of trust, tax avoidance and conspiracy, in connection with a notorious property development project known as "Holyland." Olmert returned to Israel from vacation in Europe after Israeli authorities said he was needed for questioning in the Holyland case. Israeli media has reported that one key figure in the scandal, identified only by initials, was alleged to have received, through intermediaries, bribes intended to facilitate the approval of the property development scheme. Israeli media has intimated that the anonymous high ranking official was Olmert. For his part, Olmert has denied involvement in any such scandals.

Pro-Palestinian activists challenge Gaza blockade yielding deadly consequences --

On May 31, 2010, a flotilla of six ships carrying pro-Palestinian activists and humanitarian aid supplies sailed from Cyprus to the Gaza Strip, in a bid to challenge Israel's blockade on the Hamas-controlled Palestinian territory. Clashes between the two sides ultimately led to the deaths of 10 people, and injuries to scores more, including several Israeli soldiers. The activists travelling on the flotilla were then detained and taken into Israeli custody. It should be noted that while no violence ensued on several vessels of the flotilla, the issue at hand involved a Turkish ship, called the Marmara. It was aboard that particular vessel that clashes between weapons-brandishing pro-Palestinian activists and Israeli commandos unfolded.

According to Israeli accounts, the activists on the flotilla attacked Israeli soldiers using knives and other weapons. Upon gaining permission to take retaliatory action, Israeli commandos then led a raid on the flotilla, and opened fire when confronted by angry, weapons-wielding activists on the vessel called the Marmara. The confrontation ultimately led to the deaths of 10 people and the detainment of several others. Israel released videotaped footage of the incident showing its soldiers being attacked, presumably as evidence to shore up its version of the events that transpired. Israel also expressed its regret over the loss of life.

On the other side of the equation, the "Free Gaza Movement," which organized the flotilla, disputed Israel's version of events that Israeli forces opened fire in self-defense. Activists aboard the flotilla argued that no weapons were used to provoke Israel, as alleged by Israeli soldiers. The pro-Palestinian activists also insisted that their ships had a peaceful purpose and that they had been attacked in international waters.

This latter issue could well be a defining element of the crisis since the United Nations Charter on the Law of the Sea proscribes the boarding of a vessel in international waters, unless that ship is suspected on transporting weaponry. Without such conditions at play, then permission must be sought by the country identified by the ship's flag.

That being said, the United Nations Charter on the Law of the Sea contains provisions for naval blockades of the type Israel has had against Gaza, so long as the effect of the blockade on civilians is deemed proportionate to the effect on the military blockade. Stated in different terms, a vessel trying to breach a blockade --such as the ones in the flotilla at stake -- can be legally subject to boarding and military force within "necessary and proportionate" parameters.

The scenario has provoked international outrage and resulted in a call by the United Nations for an inquiry into the matter. Indeed, United Nations Secretary General Ban Ki-moon appeared to place preliminary blame on Israel for the ten deaths. In an interview with Agence France Press, he said, "Had Israelis heeded to my call and to the call of the international community by lifting the blockade of Gaza, this tragic incident would not have happened."

Meanwhile, NATO Secretary General Anders Fogh Rasmussen said that Israel should release both the people and shipping vessels that had been detained.

The Obama administration in the United States struck a cautionary tone by expressing sadness over the deaths of the ten people and urging the full disclosure of the facts related to the incidence. The Sarkozy government in France, however, made an emphatic declaration of condemnation of Israel for the tragedy, while the newly-elected Cameron-Clegg government in the United Kingdom demanded an end to the "unacceptable" blockade of Gaza.

Turkey, an unofficial backer of the flotilla, characterized the Israeli raid as a "bloody massacre" and recalled its ambassador from Israel. While the activists who died or were injured in the tragedy held passports from various countries, a significant number of them appeared to be Turkish citizens. Turkey also cancelled plans to participate in joint land and marine exercises with Israel.

Turkey additionally demanded that the United States -- a fellow NATO member state -- strongly condemn the raid by the Israeli military. This development was expected to have long-ranging repercussions for geopolitics in the region since Turkey has been one of Israel's most important allies with a predominantly Muslim population. Of significance was the fact that Turkey was one of the first countries with a predominantly Muslim population to recognize the Jewish State of Israel in 1949. As well, in recent times, the two countries have signed a free trade agreement, and enjoyed strong ties. Indeed, Turkey signed a 20-year agreement to supply Israel with water, while Israel supplies military weapons to Turkey and trains its armed forces.

At first, it was believed that the damage to Israeli-Turkish relations would not be ceaseless. The defense ministries of both countries apparently held talks and confirmed that the delivery of \$183 million in Israeli drones to Turkey would proceed, as scheduled, essentially indicating that military ties would endure. But the bilateral landscape changed several days later as Turkey suggested that it might actually reduce both economic and defense ties with Israel as a result of the deadly altercation between Israeli forces and pro-Palestinian activists on the Marmara. To that end, Turkish Deputy Prime Minister Bulent Arinc warned that Israel would face long-term consequences, saying in an interview on NTV, "We are serious about this subject." He said that deals with Israel were being assessed and explained, "We may plan to reduce our relations with Israel to a minimum, but to assume everything involving another country is stopped in an instant, to say we have crossed you out of our address book, is not the custom of our state."

The chasm expanded between Israel and Turkey when Turkish Prime Minister Recep Tayyip Erdogan expressed the view that Hamas -- the radical and militant Islamic group controlling Gaza -- was not a terrorist organization. Instead, in a speech broadcast to the media, the Turkish head of government said that Hamas was composed of "resistance fighters who are struggling to defend their land." Clearly, such a perspective was not likely to gain concurrence from Israel, the United States, and the countries of the European Union, which have all expressly cast Hamas as a terrorist organization responsible for violent acts against innocent civilians, and as a grave existential threat to Israel.

At home in Israel, several questions emerged about the wisdom of the raid. Israeli headlines, such as "Botched raid on Free Gaza Flotilla" and "Flotilla Fiasco" indicated a dawning awareness about the deleterious consequences of the raid on Israel's standing in the global community. Perhaps with these anxieties in mind, there was a chorus of calls from within Israel for an impartial and transparent inquiry into the tragedy that transpired. As well, military analysts in Israel criticized the decision to board the Marmara, saying that other tactics, such as sabotage to the vessel's engine, or, the use of tear gas, could have stopped the progress of the flotilla without deadly consequences.

That being said, Israeli Prime Minister Benjamin Netanyahu has staunchly defended the blockade, arguing that it is needed to protect key cities, such as Jerusalem and Tel Aviv, from missile attacks.

As well, Nentanyahu's government accused the pro-Palestinian activists aboard the flotilla of having links to Islamist militant groups.

This stance (re: links to militant groups) could well be the foundation of Israel's argument that it had the right to raid the ships, if they were determined conclusively to have been in international waters. It should be noted that Israel maintains its right to a blockade against the Gaza Strip, which has been controlled for several years by the militant Islamist entity, Hamas. Backed by Iran, and deemed a terrorist enclave by several countries around the world, Hamas refuses to acknowledge the state of Israel and has been responsible for relentless rocket attacks on the Jewish state. From Israel's point of view, it holds the right to protect itself from the existential threat posed by Hamas. Of course, many countries of the international community have argued that such a right should not preclude prudent action and the avoidance of unnecessary bloodshed. Still others have argued that the blockage against Gaza has failed to squash Hamas, while exacerbating the dire conditions of Palestinians in that territory, who require relief from external sources.

In terms of the transportation of humanitarian and aid supplies, Egypt announced it would temporarily open a crossing at Rafa in to the Palestinian territory. As well, Israel has indicated that it would explore ways to ease the blockade in Gaza, to accommodate assistance for the poverty-stricken people who live in the Hamas-controlled territory. Israeli government spokesperson Mark Regev suggested that efforts were in the works to accomplish this end. However, he warned that even if more supplies could be transported into Gaza, the blockade would continue in order to prevent the transshipment of rockets and other weapons to Hamas. Regev said unequivocally: "We cannot have unfettered naval cargo going into the Gaza Strip."

A day after the deadly clashes, pro-Palestinian activists indicated that other vessels were headed for the Gaza Strip. Leaders of the "Free Gaza Movement," which organized the flotilla, indicated that despite the deaths of ten people, they would not be deterred from their cause. Indeed, they confirmed that another cargo vessel was en route to Gaza, with yet another ship carrying activists following close behind. Israel refused to expressly state how it would respond to the two vessels headed for Gaza, however, Israeli Foreign Ministry spokesman Yigal Palmor said, "We have no intention to use violence and there is no need for this to end violently." He urged the activists to use authorized means to transport aid and supplies saying, "If they want the aid to get to Gaza, they can send through the regular peaceful channels. I think they understand that seeking confrontation will not do them any good."

Meanwhile, Israeli Prime Minister Netanyahu argued that the activists aboard the flotilla were primarily interested in challenging the blockade. This view was indirectly supported by a member of the "Free Gaza Movement" itself who, in an interview with MSNBC News in the United States, said that her group believed that if it publicized its humanitarian intent in advance, it would be able to successfully circumvent the blockade and have its supplies reach Gaza. For its part, the Israeli government declined to prosecute the detained activists from the "Free Gaza Movement" who were in Israeli custody; they were deported on June 2, 2010.

By June 4, 2010, another ship, the Rachel Corrie, was en route to the Gaza Strip, with the apparent objective of breaking Israel's blockade on Gaza. Pro-Palestinian activists aboard the vessel said they expected to arrive outside Israel's 20-mile exclusion zone off Gaza by the early hours of June 5, 2010.

Those aboard the ship confirmed that although the cargo included humanitarian aid, it also carried cement and construction materials to rebuild homes. Such items have been banned by Israel since they can be used in terror attacks.

Israel has said that due to its desire to prevent cargo that might contain weapons from reaching Hamas, it intended to maintain its blockade of Gaza, and would not allow ships to dock at Gaza. Instead, Israel has said that humanitarian aid can be processed through procedures that adhere to established regulations.

With an eye on finding a workable solution that would satisfy both sides, the Israeli government said that once the shipment of cargo was inspected to ensure nothing in the cargo could be used for attacks, it could be transported by land to Gaza. Explaining Israel's intent, Israel's Foreign Ministry Director-General Yossi Gal said, "We have no desire for a confrontation. We have no desire to board the ship." He continued. "If the ship decides to sail to the [Israeli] port of Ashdod, then we will ensure its safe arrival and will not board it."

Another maritime showdown between Israel and pro-Palestinian activists was, nonetheless, being anticipated since those aboard the Rachel Corrie indicated that they would not be complying with Israel's guidelines. Instead, Irish peace activist, Mairead Corrigan Maguire, who was aboard the incoming vessel said that the intent was to sail through to Gaza. She said that if Israeli forces stopped the ship and/or boarded the ship, she and fellow pro-Palestinian activists would show use no violence. Indeed, the pro-Palestinian activists were renewing their effort to break the blockade and test Israel's resolve on the matter.

But Israel was making it vividly clear that despite the international community's condemnation of the deadly raid days earlier, it was holding steady and would resolutely maintain its blockade of Gaza. Israeli Prime Minister Benjamin Netanyahu warned that the Rachel Corrie -- en route to Gaza -- would not be allowed to dock at the Palestinian territory, and that there was no change in Israel's *policy*. Israel's Foreign Ministry echoed the stance with director, Yossi Gos, emphatically stating: "There is a maritime blockade on Gaza."

The arrival of the Rachel Corrie, however, ensued without incident on June 5, 2010. Israel took control of the ship upon arrival, detained the pro-Palestinians aboard, and then deported them 24 hours later on June 6, 2010.

The contested narratives -- Israeli versus pro-Palestinian -- continued almost a week after the deadly altercation on the Marmara. The Israeli military released some photographs of knives, metal rods, and other weapons, which it said had been taken from pro-Palestinian activists on the Marmara. However, the head of the group that organized the flotilla ["Free Gaza Movement"], Huwaida Arraf, dismissed the evidence saying that all passengers had been screened for weapons. That being said, subsequent photographs published in the Turkish newspaper, Hurriyet, depicted wounded Israel commandos. Israeli authorities said these newly-released pictures corroborated Israel's version of the events that transpired.

Amid these developments, Israel rejected a call by the United Nations Secretary-General Ban Ki-moon for an international commission to investigate the raid. A meeting was scheduled to take place on June 7, 2010, among the members of the Middle East peace Quartet — composed of representatives from the United States, Russia, the European Union and the United Nations — to discuss possible paths ahead. Following that meeting, United Nations Secretary-General Ban Ki-moon was renewing his call for an investigation into Israel's raid of Marmara, insisting that such an inquiry be carried out by the international community. A spokesperson from his office at the United Nations said that Ban wanted "credible international involvement" at the helm of an impartial and transparent process.

Israel has steadfastly maintained that it will carry out an internal investigation itself, noting that it would concentrate on the legality of Israel's naval blockade of Gaza and the raid on the aid flotilla. On June 6, 2010 on Fox News, Michael Oren, Israel's ambassador to the United States, insisted that his country had both the right and the ability to investigate its own military. On June 13, 2010, Israel announced plans for an internal "independent public commission." While Israel rejected the United Nations' call for an international inquiry, it agreed to the inclusion of two foreign observers in the investigative process. Then, by mid-June 2010, Israel was indicating some movement on the matter of the Gaza blockade, saying that it would ease restrictions in order to allow more civilian products into the Palestinian Gaza Strip via border crossing points. Israel was, however, making clear that the naval blockade of Gaza would remain in place.

Israel-Lebanon border clash --

On Aug. 3, 2010, Lebanese and Israeli soldiers exchanged fire along their shared border. There were competing claims as to what spurred the incident. Lebanese officials claimed that it started firing only after warning Israeli soldiers not to uproot a tree impeding their view on the Lebanese side of the border; they said that Israeli troops responded with artillery fire. Lebanese authorities also accused Israeli troops of crossing the border into Lebanon and said that three of their soldiers and a journalist had been killed in the *fracas*. Lebanese Prime Minister Saad Hariri criticized Israel for its "aggression." For its part, Israel said that it also had casualties with two of its soldiers being shot in the border zone; Israel also denied ever encroaching on Lebanese territory. Indeed, Israel said that its armed forces were on the Israeli side of the internationally-sanctioned "blue line" separating the two countries, carrying out routine operations, when they were warned to withdraw from the area. The Israeli Defense Forces said that individuals in Lebanese army uniforms then opened fire on them.

It was the most serious diplomatic imbroglio between Israel and Lebanon since the 2006 conflict between Israel and the Lebanon-based militant extremist organization, Hezbollah. Perhaps not surprisingly, United Nations peacekeeping forces stationed in southern Lebanon called on both sides to exercise "maximum restraint" at a time of heightened tensions.

In Focus

Israel considers its options in response to Iran's nuclear program

Summary --

With Iran's military and nuclear moves dominating the geopolitical landscape in 2010, there has been increasing analysis about Israel's possible responses. Indeed, the one country in the Middle East most likely to feel threatened by a nuclearized Iran is Israel, given the clear antipathy expressed by the Iranian regime against the Jewish state of Israel. Speculation has abounded regarding the likelihood of Israel carrying out military strikes against Iranian nuclear facilities, not unlike the 1981 air strike Israel reportedly carried out against Saddam Hussein's nuclear reactor in Osiraq. That scenario has frequently been touted as a model of preventative military strikes to be used against looming nuclear threats. See below for the latest developments regarding Iran's provocative moves and analysis about Israel's options.

Iran's provocative moves --

On Aug. 22, 2010, Iran unveiled its newest addition to its military -- an unmanned bomber jet. While the Karrar drone was not expected to have a significant impact on the strategic balance of the Middle East, Iran's decision to procure the craft appeared to signify that country's desire to expand its conventional weapons capabilities. Not one to miss an opportunity to threaten geopolitical antagonists, Iranian President Mahmoud Ahmadinejad, who was addressing the country's annual Defense Industry Day ceremonies, described the Karrar drone as a "messenger of death for the enemies of humanity."

Only days later, Iran remained in the international spotlight when it announced that it had successfully test-fired an upgraded version of a short-range surface-to-surface missile. The new version of the Fateh-110 missile, which translates into "conqueror" in Farsi, has been equipped with a guidance control system known for its accuracy. As well, its range has been increased as compared with earlier versions. According to Iranian Defense Minister Ahmad Vahidi, the solid-fuel Fateh-110 missile was developed domestically by Iran's Aerospace Industries Organization and held the potential of striking targets up to 120 miles away. On Iranian state television, Vahidi said, "Employing a highly accurate guidance and control system has enabled the missile to hit its targets with great precision." The upgraded missile was to be transferred to the possession of the Iranian military by September 2010.

While a short-range surface-to-surface missile is not evidence of a nuclear threat, it nonetheless recalls a report issued a year earlier by experts at the United Nations nuclear monitoring agency, the International Atomic Energy Agency (IAEA), which indicated their belief that Iran could have the ability to manufacture a nuclear bomb. In that report titled, "Possible Military Dimension of Iran's Nuclear Program," experts intimated that Iran could well be trying to develop a missile system capable of carrying an atomic warhead. The document was based on intelligence

provided by internal IAEA investigations, external nuclear arms experts, as well as IAEA member states. Of particular concern in that document were the following three findings by the IAEA:

- Iran worked on the development of an internal chamber of a ballistic missile, which would have the capacity to house a warhead payload described as "quite likely to be nuclear"
- Iran may have engaged in "probable testing" of explosives used to detonate a nuclear warhead; this method is referred to as "full-scale hemispherical explosively driven shock system"
- Iran may have enough technical knowledge to enable the design and production of animplosion nuclear device (i.e. an atomic bomb) "using highly enriched uranium as the fission fuel"

Moreover, the document concluded that while Iran was not yet capable of attaching nuclear warheads to its Shahab-3 medium-range missile, further research and development could lead to the production of a prototype system. To that end, the Shahab-3 missile -- with a range of up to 1,250 miles (2,000 kilometers) -- would place Israel within striking distance. Clearly, the upgraded Fateh-110 would not have comparable range; however, it was clear that Iran was intent on publicizing its growing military weapons capacity to the outside world. This was the case in September 2009 when Iran test-fired two short-range missiles -- the Tondar-69 and the earlier incarnation of the Fateh-110 -- followed by the long-range Shahab-3 ballistic missile and the surface-to-surface Sajjil. As was the case a year prior, these unambiguous acts of defiance by Iran in 2010 were sure to raise the ire of the West.

Meanwhile, around the same period (August 2010), Iran announced it would commence building a new uranium enrichment plant in early 2011. The new facility would be only one of 10 new uranium enrichment facilities planned for construction in Iran. Ali Akbar Salehi, the head of Iran's nuclear program, said in an interview with Iranian state television that "studies on finding locations for the construction of 10 new sites are going through their final stages." He also confirmed that construction would commence on one of these sites "by the end of the current Iranian year (in March 2011), or shortly afterwards."

These moves have been part of Iran's insistence on pursuing a nuclear program in defiance of Western powers, who have accused Iran of having a nuclear weapons proliferation agenda. While Iran has denied these ambitions and insisted on a program for peaceful purposes, it has nonetheless violated international regulations by constructing a clandestine enrichment plant at Qom. The construction of the secret enrichment plan in Qom -- revealed in 2009 -- was in violation of the safeguard provisions set forth in the Treaty on the Non-Proliferation of Nuclear Weapons (NPT), and effectively fueled global anxieties about Iran's true intent. In response, the United Nations, as well as the United States and European Union, have imposed sanctions against Iran in an effort to suppress that country's nuclear ambitions.

On Aug. 20, 2010, Iran launched its first nuclear reactor at the Bushehr nuclear power station in the southern part of the country. The plant, which took 35 years to construct due to a series of delays, was to be operated by Russia. Indeed, Russia was to be responsible for supplying nuclear fuel and removing the nuclear waste. Due to Russian involvement in the project, the opening ceremony of the Bushehr nuclear power station was witnessed by Iranian and Russian officials.

The Iranian government hailed the development as a victory over its enemies. However, because the power plan has taken more than three decades to construct, it was an older model with limited contribution to the national grid. As a result, despite the celebration surrounding the opening of the plant, which would begin producing electricity in four weeks from the launch date, the significance of the Bushehr power station was regarded as more symbolic than substantive. Moreover, the real issue within the international community has not been a matter of nuclear energy production, but fears that Iran seeks to build a nuclear weapon. Accordingly, Iran has been the target of four rounds of United Nations sanctions due to its uranium enrichment program, which was quite separate from this nuclear reactor project. That is to say, whereas the Bushehr nuclear power plant used uranium enriched by 3.5 percent, weapons-grade uranium must be enriched by more than 90 percent. Throughout, it has been Iran's uranium enrichment activities at levels higher than three percent that have **sparked** alarm bells across the West.

Nevertheless, as before, Iran appeared intent on defying the international community with the head of Iran's Atomic Energy Organization, Ali Akbar Salehi, saying that his country would continue uranium enrichment. To that end, a serious concern for the international community has been a pilot program to enrich uranium to 20 percent, which Iran contends is necessary for a medical research reactor. Clearly, this higher level of uranium enrichment has been a concern for Western powers more than Bushehr nuclear power station, *sparking* fears in Israel, which has a particularly hostile relationship with Iran and has suggested the notion of targeted military strikes against Iranian nuclear facilities.

Israel's options in dealing with Iran's nuclear program --

With Iran's nuclear moves dominating the geopolitical landscape in 2010, there was increasing speculation about Israel's own alternative options. Indeed, the one country in the Middle East most likely to feel threatened by a nuclearized Iran was Israel, given the clear antipathy expressed by the Iranian regime against the Jewish state of Israel. Speculation has abounded that Israel has been considering military strikes against Iranian nuclear facilities, not unlike the 1981 air strike Israel reportedly carried out against Saddam Hussein's nuclear reactor in Osiraq. That scenario has frequently been touted as a model of preventative military strikes to be used against looming nuclear threats.

But the landscape in 2010 was quite different from the situation almost three decades ago. Notably, in 1981, even though Iraq and Iran were embroiled in a war, Israeli F-16 jet fighters encountered little resistance as they carried out their mission. While there was limited anti-aircraft fire, there were no air patrols of surface-to-air missiles to contend with. Clearly, three decades later, Israel was not likely to have such an easy field of action in Iran.

Then there has been the matter of whether Israel can achieve the same objective in 2010 as it did in 1981. Almost three decades ago, Israel was able to land such a blow on Iraq's nuclear facility that Saddam Hussein's regime was never able to build nuclear weapons. As of 2010, there was no such confidence that Iran's nuclear breakout capabilities would be curtailed in similar strikes. Of significant consideration has been the fact that Iran's multiple nuclear sites are dispersed with some in remote areas and others underground. The revelation about the clandestine Qom facility only bolsters the belief that there may be other such nuclear facilities across Iran. Indeed, Israeli Defense Minister Ehud Barak acknowledged during a parliamentary meeting that facilities such as the Qom site "cannot be destroyed through a conventional attack." Accordingly, there is no guarantee that air strikes could do more than setback Iran's nuclear ambitions a year or two.

Nevertheless, there were clear signs that the military option remained on the table, given the Netanyahu government's decisions to increase the defense budget, distribute gas masks to all citizens, and simulate a biological attack. But there were also signals of Israel's awareness that the military options may not yield optimal results. Accordingly, Israel has shown support for the notion of sanctions against Iran, although its call for crippling sanctions may not coincide with the new impetus by the international community for targeting the Iranian Revolutionary Guard Corps in its sanctions. The international community, including the Obama administration in the United States, has not been keen to punish the Iranian people for the regime's ills, and has had to balance reticent powers, such as Russia and China, to even entertain the notion of sanctions. Thusly, targeted sanctions against the Revolutionary Guard and clerical elite have gained support. But Israel believes that only crippling, broad-based sanctions will have a sufficiently strong effect to stoke internal fissures, and possibly spur the collapse of the clerical regime.

By August 2010, around the same period that Iran launched a nuclear reactor at Bushehr and announced its plans to start building new uranium enrichment plant in 2011, the government of the United States reportedly tried to assuage Israel on the nuclear threat posed by Iran. According to a report by the New York Times, the Obama administration conveyed evidence to Israeli counterparts showing that problems within Iran's nuclear program meant that it would take at least a year for that country to actually build a nuclear weapon. That timeline, it was believed, would decrease the possibility that Israel would soon carry out a pre-emptive strike against Iran's nuclear facilities.

"Soon," though, has been a relative consideration. According to Jeffrey Goldberg of the Atlantic Monthly, Israel was biding its time to see if the non-military options could yield positive results; however, it was nevertheless prepared to carry out unilateral strikes on Iran's nuclear facilities. To that end, Goldberg contended that, at this time, it was Israel's belief that strikes against Iran's nuclear sites could halt progress on that country's nuclear development program for several years. That is to say, Israel now held the view that it could strike a blow at the nuclear breakout capability of Iran.

It should be noted that several strikes -- in the plural --would be needed to achieve such an end; among the likely targets would be the uranium-enrichment facility at Natanz, the formerly clandestine enrichment site at Qom, the nuclear-research center at Esfahan, and the Bushehr reactor. Undoubtedly, flying multiple jet fighters through foreign air space would present Israel with a constituently complicated proposition.

The logistics of such a military operation by Israel notwithstanding, the cost of such an offensive endeavor might be determined to be too high. Certainly, the likely effects were forecast to be manifold ranging as they do from geopolitical chaos to economic turbulence due to a potentially drastic spike in the price of oil. Iran and its allies could well retaliate by firing rockets at Israeli cities, which could effectively ignite a regional war. As well, extremist terrorist enclaves in the region, such as Hezbollah and Hamas, would have an accentuated rallying cry. The result might be an even more imperiled Israel.

Yet the question of peril has been at the top of Israel's agenda, given the belief that Iran may gain the technological knowledge to construct nuclear bombs within a relatively short period of time. It may be Israel's calculation that potentially deleterious consequences are worth the effort, given the existential stakes for the Jewish nation state. Those existential stakes were brought into high relief as a result of the vituperative threats uttered by Iran's leaders that Israel should be "wiped off the map."

Worth noting is the fact that a nuclearized Iran poses a threat not only to Israel but to other countries in the Middle East. Indeed, a nuclear-armed Iran would, itself, have a destabilizing effect across the Middle East, most obviously by potentially triggering a nuclear arms race in the region among other countries not willing to cede power to nuclearized Iran. But quite in contrast to the arms race of the Cold War, which actually functioned as a deterrent and managed to stabilize the international scene in some "realpolitik" sense, a modern arms race in a region known for suicide bombings could trigger catastrophic results.

For this reason, Israel may find some unlikely allies in its neighborhood in the form of certain powerful Arab countries, such as Sunni Muslim Saudi Arabia, which is not keen on the notion of a nuclearized Shi'a-dominated Iran in their backyard. Israel may also find there is a geopolitical benefit to resolving the Palestinian issue, thereby minimizing its field of enemies. But the very complexity of the Arab backyard may present yet another reason why Israel may decide that targeted strikes against Iran's nuclear facilities -- regardless of the risk -- are worth the effort. The smaller Arab states may be compelled to move from moderation and tacit pro-Western inclinations toward more hardline and pro-Iranian stances by virtue of the influence of a nuclearized Iran. That is to say, small Arab states may believe they have no choice but to throw their lot in with a nuclear Iran despite their past cooperation with the West. It was implausible that Israel -- and, indeed, the West -- would look positively on the prospect of a politically-strengthened and nuclearized Iran standing strong in the heart of the Middle East.

Update --

With the prospect of strikes by Israel against Iran's nuclear facilities looming, on September 5, 2010, Iranian President Mahmoud Ahmadinejad warned that any attack against his country would mean the end of the Jewish State of Israel. During a visit to Qatar, Ahmadinejad said, "Any offensive against Iran means the annihilation of the Zionist entity." Expressing his antipathy for Israel, he continued, "Iran does not care much about this entity because it is on its way to decay." Ahmadinejad also appeared to dismiss the notion of an attack by either Israel or the United States on Iranian nuclear facilities in the first place, saying that those two countries, "know that Iran is ready and has the potential for a decisive and wide-scale response." But with an eye on shoring up support from smaller

Arab countries that house United States military bases, Ahmadinejad said called for more cooperation between Muslim countries of the Middle East despite the sectarian schism between Shi'ites and Sunnis.

On Jan. 8, 2011, the Wall Street Journal reported that Iran's weapons development capacity may have been curtailed by the more stringent sanctions regime championed by the West and imposed by the United Nations Security Council. According to Israel's outgoing intelligence head, Meir Dagan, Iran was unlikely to be able to build a nuclear weapon until 2015. Israeli Deputy Prime Minister Moshe Yaalon was making a similar claim on Israeli Army *Radio* also that Iran was three years away from developing a nuclear warhead.

This stance was quite a departure from an earlier timeline by Israel that suggested Iran was close to being able to build a bomb, thus raising speculation about a potential strike by Israel on nuclear targets in Iran. Now, Israel's position appeared to be in line with the United States' claim that international sanctions have limited Iran from procuring materials needed for the building of a nuclear bomb. Of course, the outgoing Dagan also pointed to "covert activities" as being an additional reason for the revised timeline. In fact, officials across the world have noted that Iran's ability to deploy advanced centrifuge machines, which would be needed for the production of highly enriched uranium, has been stymied to some degree. That is not to say that concerns about Iran's nuclear ambitions have abated in any way. Both Israel and the United States have maintained the view that Iran actively seeks to produce nuclear weapons and that it has sufficient stockpiled low enriched uranium to build up to four nuclear bombs, assuming that further processing was possible. That being said, the revised timeline would suggest that Israel was unlikely to carry out targeted strikes on nuclear facilities in Iran in the near future. As well, the United States was highly likely to champion the idea of continuing, and even intensifying, the harsh sanctions* imposed on Iran.

*Note that the punitive sanctions imposed in June 2010 were regarded as the harshest set of measures to date. The main provisions included an arms embargo, which would prohibit Iran from purchasing heavy weapons, such as attack helicopters and missiles; stringent rules regarding financial transactions with Iranian banks; and a wider swath of Iranian individuals and companies to be subject to travel bans and asset freezes. In addition, a new system of cargo inspections would be established to detect and stop Iran from acquiring banned materials. This round of sanctions was intended to bypass affecting the lives of average Iranians while concentrating on the powerful Iranian Revolutionary Guard, which has emerged as a power center within that country, and which was believed to be the leading entity behind Iran's nuclear ambitions.

Special Report

Restarting the Peace Process --

In the third week of August 2010, Israeli and Palestinian officials were set to resume direct negotiations for the first time in 20 months and a decade after the last serious final status talks. United States Secretary of State Hillary Clinton said that Israeli Prime Minister Benjamin Netanyahu and Palestinian Authority President Mahmoud Abbas had been invited to Washington on Sept. 2, 2010, for the commencement of the talks. Both parties agreed to a one-year timeline on the direct negotiations. Speaking from the State Department, Secretary of State Clinton said that the two leaders had been invited by President Barack Obama to come to the United States to "re-launch direct negotiations to resolve all final status issues, which we believe can be completed within one year."

Certain core issues -- known as "final status issues -- have continuously caused consternation by both sides, but would be taken up during the forthcoming meetings. These core issues included the status of Jerusalem, the construction of Jewish settlements in Palestinian territories, the borders of a future Palestinian state, as well as the right of return. Analysts have warned that the prospects of an actual deal arising from the talks were unlikely, given the intensity of these contentious differences. Nonetheless, the movement back to the negotiating table was being viewed as productive.

With an eye on keeping the process moving in a productive direction, Secretary of State Clinton said, "It is important that actions by all sides help to advance our effort, not hinder it." She continued, "There have been difficulties in the past, there will be difficulties ahead. Without a doubt, we will hit more obstacles. But I ask the parties to persevere, to keep moving forward even through difficult times and to continue working to achieve a just and lasting peace in the region."

Also invited to join the talks were the leaders Egypt and Jordan -- two Arab countries with relatively positive ties to Israel. To this end, Secretary of State Clinton said, "President Obama has invited President Mubarak of Egypt and King Abdullah of Jordan to attend, in view of their critical role in this effort. Their continued leadership and commitment to peace will be essential to our success." Also invited to join the meetings was former British Prime Minister Tony Blair, the special representative of the Middle East Peace Quartet, composed of the United States, the European Union, Russia and the United Nations." Excluded from the talks was the Islamic extremist group, Hamas, which controls the Gaza Strip.

Meanwhile, the United States envoy to the Middle East, George Mitchell, noted that if the two sides were unable to make progress, then the United States would be prepared to submit bridging proposals. Before such an end could transpire, there was a sense of cautious hope tinged with reality. Indeed, Prime Minister Netanyahu acknowledged, "reaching an agreement is a difficult challenge but is possible." Netanyahu's office issued a statement that read: "We are coming to the talks with a genuine desire to reach a peace agreement between the two peoples that will protect Israel's national security interests." Chief Palestinian negotiator Saeb Erekat said in an interview with the BBC: "I hope that Mr. Netanyahu will be our partner in peace... and we can do it."

Hamas attempts to derail the peace process --

Just ahead of the much anticipated peace talks, four Israelis were shot to death in the West Bank. Two Israeli men and two Israeli women died when their car came under gunfire as it traversed a road between the Palestinian settlement of Bani Naim and the Jewish settlement of Kyriat Arba, located near to the city of Hebron. The militant extremist Palestinian organization, Hamas, which has not been a player in peace negotiations, claimed responsibility for that attack. Israeli Defense Minister Ehud Barak characterized the killings as an act of sabotage, aimed at derailing the peace process, and warned of retribution for those responsible. Then, just as the peace talks were due to begin, another act of violence ensued when two Israelis were shot and wounded at the Rimonim Junction in the West Bank, close to the Jewish settlement of Kochav Hashahar. Again, Hamas claimed responsibility for this attack.

Nevertheless, even in the face of this tragic violence in the West Bank, peace talks commenced in the United States amongst the stakeholders. United States President Barack Obama, the host and main peace broker, encouraged the Israeli and Palestinians leaders to remain on the course of engagement and not allow the opportunity to build a lasting peace "slip away." Promising that the United States would not waver in its commitment to broker peace, President Obama said, "This moment of opportunity may not soon come again." The United States leader also condemned the aforementioned bloodshed in the west Bank at the hands of Hamas.

Commencement of Peace Negotiations --

On September 1, 2010 -- ahead of the commencement of actual talks -- President Obama convened a meeting between Israeli Prime Minister Benjamin Netanyahu, Palestinian President Mahmoud Abbas, King Abdullah II of Jordan, and Egyptian President Hosni Mubarak. As noted above, that meeting was also included former British Prime Minister Tony Blair, the special representative of the Middle East Peace Quartet.

President Obama said that the impending negotiations were "intended to resolve all final status issues." The United States president explained that the talks, which were scheduled to last for a year, were aimed at ultimately forging a permanent settlement to the conflict between Israelis and Palestinians in the form of two democratic states -- one Israeli and one Palestinian -- living side by side in peace. Israeli Prime Minister Netanyahu struck a similar tone saying, "Our goal is to forge a secure and durable peace between Israelis and Palestinians." He continued, "We do not seek a brief interlude between two wars. We do not seek a temporary respite between outbursts of terror. We seek a peace that will end the conflict between us once and for all." For his part, Palestinian President Abbas said,

"We will spare no effort and we will work diligently and tirelessly to ensure these negotiations achieve their cause." He also condemned the attacks on Israelis and called for an end to the bloodshed.

On September 2, 2010, the actual negotiations began between Israeli Prime Minister Benjamin Netanyahu, Palestinian President Mahmoud Abbas, with United States Secretary of State Hillary Clinton acting as the main arbiter. Opening the talks, Secretary of State Clinton said, "Mr. Prime Minister, Mr. President, you have the opportunity to end this conflict and the decades of enmity between your peoples once and for all." Secretary of State Clinton asserted that her country had "pledged its full support to these talks," and said, "We will be an active and sustained partner." However, she cautioned that Washington would not impose a solution on the Middle East. Secretary of State Clinton issued the following warning: "The core issues at the center of these negotiations - territory, security, Jerusalem, refugees, settlements and others - will get no easier if we wait, nor will they resolve themselves."

Both Netanyahu and Abbas seemed to be fully cognizant of the challenge of the task at hand. Prime Minister Netanyahu said, "This will not be easy. True peace, a lasting peace, will be achieved only with mutual and painful concessions from both sides." President Abbas said: "We do know how hard are the hurdles and obstacles we face during these negotiations – negotiations that within a year should result in an agreement that will bring peace."

Meanwhile, the two leaders of Israel and the Palestinian territories appeared to have respectively enjoyed cordial relations during the talks, despite Abbas' insistence that Israel cease its settlement activity in Palestinian territories. At issue has been the expiration of a partial freeze on building homes for Jewish settlers. The matter has been the cause of much consternation with the Israeli saying that they might not renew the freeze, and Palestinians threatening to walk away from the negotiating table if such the settlement activity resumed. But also of equal importance was Israel's demands that (1) any peace deal consider the particular and special security needs of Israel, and (2) that Palestinians recognize the unique identity of Israel as a Jewish state.

Nevertheless, by the close of the first round of talks, the United States deemed the exercise to be constructive. United States envoy to the Middle East, George Mitchell, characterized private talks between the two leaders -- Netanyahu and Abbas -- as "cordial" and observed that the meeting were conducted in a "constructive and positive mood." Moreover, Mitchell announced that both Prime Minister Netanyahu and President Abbas agreed not simply to continue to work toward peace in the abstract, but to meet again in just two weeks in the Middle East. Mitchell said that the next talks would take place in mid-September 2010, with further negotiations to take place on a phased continuing basis every two weeks after that. One of the immediate goals was to arrive at a framework agreement on the contentious "final status" issues, effectively paving the way for a comprehensive peace treaty.

At that meeting in mid-September 2010 in Sharm-el-Sheik in Egypt, which was attended by Israeli Prime Minister Netanyahu, Palestinian Authority President Abbas, United States Secretary of State Hillary Clinton, and United States envoy George Mitchell, all the relevant parties said that they were committed to the negotiations. Special Envoy Mitchell said that the Israeli and Palestinian leaders held "serious discussions on core issues." He also said that the objective of "two states for two peoples" remained at the heart of the matter, with efforts being expended to achieve a framework for that goal. Secretary of State Clinton noted this end result could not be achieved without ongoing dialogue. "It is a question of how can we work toward making these direct negotiations break through the clear and difficult obstacles that stand in the way toward achieving a comprehensive peace," she asserted.

The encouraging words aside, there appeared to be little resolution on the outstanding issue of Jewish settlements. Despite Palestinian threats to exit the negotiations in settlement activity resumed, and in the face of Secretary of State Clinton's call for Israel to extend its freeze on West Bank construction, Israel was not promising to extend its moratorium on settlement activity.

Still, Prime Minister Netanyahu appeared to be making some concessions by suggesting that while the ban on all construction would not be renewed at the end of September 2010, the plan for the construction of thousands of houses in the West Bank might not go forward. Chief Palestinian negotiator, Saeb Erakat, however, appeared unimpressed in an interview with the Associated Press. He said that "half solutions" by Israel were unacceptable.

Complications--

Meanwhile, on September 28, 2010, Israeli Foreign Minister Avigdor Lieberman asserted that the boundaries of a new Palestinian state should not be drawn based on a map from 1967. Instead, Lieberman said the borders should cut through predominantly Arab sections of Israel, essentially leaving the new state inhabited by Arabs, and leaving the Jewish State of Israel to the Jewish Israeli population. In a bid to cast aside possible accusations of uprooting people, Israel's top diplomat said, "We are not talking about population transfer but about defining borders so as best to reflect the demographic reality."

Lieberman's statements prompted a quit exit of the Palestinian delegation from the room. Riyad Mansour, the permanent observer for Palestine, said of the Israeli foreign minister, "This man is completely detached from political reality."

Lieberman's statements came at a time when the issue of Jewish settlements in the Palestinian West Bank has been an issue of contention amidst ongoing -- and tenuous -- Middle East peace negotiations. Indeed, with a moratorium on the construction of new settlements having expired on September 26, 2010 without renewal, Palestinian negotiators were deciding whether or not to continue with negotiations, while Israeli Prime Minister Benjamin Netanyahu was calling for continued talks despite the ongoing dispute. Clearly, the matter of territory was already a sore subject among the key parties, with the Israeli foreign minister re-opening unhealed wounds.

Making matters worse was the fact that Lieberman made these remarks at the United Nations. Apart from the imprudent nature of his statements, blame was also cast on Prime Minister Netanyahu for allowing a hardline, ultranationalist, such as Lieberman, to speak on behalf of Israel at an international forum during a time of extreme sensitivity. In fact, the situation spurred doubts about Netanyahu's sincerity in pursuing the revitalized peace process.

While Netanyahu released a statement making clear that Lieberman was speaking for himself and not the government, there was nonetheless an uproar even at home in Israel. A spokesperson for the prime minister asserted that Netanyahu was in charge of peace negotiations and not Lieberman; the spokesperson also explained that Lieberman had given the address at the United Nations because Netanyahu had decided to observe the Jewish holiday of Sukkoth at home. In response, Naham Shai of the centrist Kadima party (currently in opposition) said, "The Prime Minister needs to decide if he is running a country or conducting a choir." He continued, "The foreign minister's statements are in complete opposition to the declared *policies* of the government." Netanyahu's response was also characterized as "flaccid" by another member of parliament.

Settlement Impasse --

United States Secretary of State Clinton suggested that the construction freeze -- a highly politicized issue in Israel -- could be made more palatable with assistance from the Palestinians. Moreover, she suggested that there were alternate ways of crossing "the hurdle posed by the expiration of the original moratorium." In an interview with Agence France Presse, Secretary of State Clinton said: "Remember the goal is to work toward agreement on core issues like borders and territory that would, if agreed upon, eliminate the debate about settlements." Presumably, the United States' top diplomat was suggesting that rather than taking on the settlement issue outright as part of the peace process, the matter could be circumvented by focusing on finding agreement on long-term issues of borders and territory. Whether or not that proposal was feasible was yet to be determined.

On Sept. 23, 2010, in an address to other world leaders at the United Nations General Assembly, President Barack Obama urged an extension of the settlement freeze, noting that it "improved the atmosphere for talks." Israeli Prime Minister Netanyahu has been reluctant to consider such a move, largely due to the fact that hardline, pro-settler, nationalists within his right-wing coalition would not back an extension to the settlement moratorium. That being said, he suggested that he would be open to alternate options, such as construction limits, if not a complete freeze. The spirit of compromise also echoed in the words of President Abbas who was now taking a more nuanced position on the settlement issue saying, "I cannot say I will leave the negotiations, but it's very difficult for me to

resume talks if Prime Minister Netanyahu declares that he will continue his (settlement) activity in the West Bank and Jerusalem."

Meanwhile, news of a United States-brokered compromise on the settlement emerged ahead of the construction moratorium, which was set to expire Sept. 26, 2010. At issue were mediation efforts by United States envoy, George Mitchell. The actual nature of the compromise was unknown although speculation abounded about it centering on some sort of limited settlement plan, or possibly a temporary moratorium extension. Senior Palestinian officials indicated that they would consider the compromise proposal and they would show "some flexibility."

However, by Sept. 26, 2010, Israel had allowed the settlement construction freeze to expire in the West Bank -- a move expected to upset United States-brokered peace talks with the Palestinians. That being said, only minutes after the moratorium expired, Israeli Prime Minister Benjamin Netanyahu urged Palestinian President Mahmoud Abbas to continue "expedited, honest talks" aimed at achieving an "historic" peace deal within a year. In a statement, the Israeli leader said, "Israel is ready to pursue continuous contacts in the coming days to find a way to continue peace talks between Israel and the Palestinian Authority." Netanyahu also specifically called on Abbas saying, "I hope that President Abbas will remain in the talks and continue with me on the path to peace that we began three weeks ago." He continued, "My intentions to achieve peace are serious and honest." Netanyahu's statement also urged restraint by all affected parties. It read as follows: "The prime minister calls on the residents in Judea and Samaria and the political parties to show restraint and responsibility today and in the future exactly as they showed restraint and responsibility throughout the months of the freeze."

As discussed above, President Abbas already indicated that, despite his earlier protestations, he would not immediately walk away from the peace negotiations in the event that the moratorium expired.

By October 7, 2010, Palestinian negotiators said that they accepted a United States-brokered proposal, aimed at ending the dissonance surrounding the settlement controversy, and preventing the collapse of peace talks. That proposal would require Israel to extend a slowdown of settlement activity in the West Bank for a two month period. Palestinian negotiator, Nabil Shaath, said the two month period could function as a timeframe in which negotiations on a border between Israel and a future Palestinian state could be take place.

As already noted by Secretary Clinton, addressing the central issues in the peace process could very well function to circumvent the other contentious matters that have only served to prevent trust from being built between the two sides.

Yet to be determined was the matter of whether or not Israel would accept the terms of the proposal. Indeed, to date, Israel has been reticent about the notion of a construction slowdown. Still, reports from Israel indicated that under pressure from the United States, Prime Minister Netanyahu was in discussion with key cabinet ministers about the construction slowdown proposal. Further reports indicated that the prime minister scheduled a vote on citizenship legislation that would amend a loyalty oath for non-Jewish immigrants, in which Israel would be described as "Jewish and democratic." There were suggestions that the legislation -- controversial in its own right -- was being tabled in exchange for support from hardline, nationalist members of the ruling coalition for the construction slowdown concept. Certainly, the need to emphasize the Jewish nature of the Israeli state has been a significant concern among many Israeli politicians, especially as peace negotiations continue. To this end, Prime Netanyahu said, "There is a very big struggle today to abolish, to blur, the state of Israel as the national homeland of the Jewish people." Of course, for minority Arab Israelis, the very notion of Israel as an official Jewish state has been regarded as alienating, and it would certainly mitigate the concept of the "right of return" for Palestinian refugees. Still, that very concept has long been regarded as a "non-starter" for Israeli Jews who, like Netanyahu, wish to ensure that Israel is a national homeland for the Jewish people.

By October 11, 2010, after the Israeli cabinet approved legislation requiring non-Jewish immigrants to pledge allegiance to the "Jewish and democratic" state of Israel, Israeli Prime Minister Benjamin Netanyahu offered his own conditional deal, aimed at ending the settlement impasse. In a speech before parliament, Prime Minister Netanyahu he said that his government would extend settlement restrictions in the West Bank, pending Palestinian recognition of Israel as the Jewish national homeland. He said, "If the Palestinian leadership would say

unequivocally to its people that it recognizes Israel as the national homeland of the Jewish people, I will be willing to convene my government and ask for an additional suspension."

Netanyahu's proposal was quickly rejected by Palestinians with chief Palestinian negotiator, Saeb Erekat, characterizing the idea as "unacceptable" and asserting that there was connection between Jewish settlements and Israel's national character. To be sure, while some Palestinians -- not including Hamas and its supporters -- accept the notion of Israel's right to exist, they have stopped short of accepting Israel as a Jewish state, claiming that it violates the right of Palestinian refugees. But for his part, the Israeli prime minister pointed out his proposal was not unreasonable since Palestinians would want an equivalent assurance. To this end, Netanyahu said, "As the Palestinian expect that we will recognize a Palestinian state as their national homeland, we are entitled to expect that they will recognize Israel as our national homeland."

Deals and decisions were also being made at the multilateral level. In exchange for accepting the United States' proposal, Israel was reportedly being offered a package of incentives that included United States military assistance, diplomatic support at the United Nations, and support for certain pro-Israeli positions during the peace talks.

Prime Minister Netanyahu appeared to be giving serious consideration to the proposal by the United States, even calling on the Arab league to postpone its impending vote on whether or not the Palestinians should exit the renewed peace process at this early stage. To that end, members of the Arab League said on October 8, 2010 that while they supported the decision by Palestinian negotiators to halt direct talks with Israel pending an agreement on the settlement construction issue in the West Bank, they also wanted to offer the United States a month to try to find a way of bridging the divide between the two sides. That is to say, the Arab League was offering a compromise response, effectively breathing some life into a process that was on the verge of collapse.

By October 17, 2010, attention was on the Palestinian side of the equation when President Mahmoud made the historic announcement that Palestinians were ready to end long-standing claimed against Israel, pending the establishment of an independent state on lands occupied by Israel in the 1967 war. At stake, therefore, was a Palestine encompassing the West bank, Gaza Strip and east Jerusalem. However, Abbas stopped short of specifying what actual claims would be dropped if this goal was realized. Typically, the most contentious "final status" issue has been the right of Palestinian refugees to return to homes in Israeli territory.

Speaking during an interview with Israel television, Abbas also noted that while direct negotiations with Israeli Prime Minister Benjamin Netanyahu remain his preferred path en route to peace, he would consider alternative options if talks collapsed over Israel's continued settlement expansion. He said, "All the options are open, but we don't want to use all of them right now. We are focusing on resuming direct talks." To that end, Abbas described his direct meeting with Netanhayu as follows: "I told him this is a historic opportunity for you that we sign a peace agreement. I am afraid if we can't do it these days, the opportunity will be lost."

Note, however, that as of October 21, 2010, the issue of Jewish settlements in the West Bank had found no resolution. Indeed, more than 600 homes were being built in the region since the expiration of the construction moratorium a month prior.

Charting the Path for Peace --

The decision by the United States to commence an intensive diplomatic push for Middle East peace may be viewed as ambitious -- especially given the fact that it is a conservative, hardline Israeli government negotiating with the leader of the Palestinian Authority, while Hamas -- which controls Gaza -- has been left out of the equation. In fact, Palestinian President Abbas would be negotiating on behalf of all Palestinians despite the fact that he has held no effective power over Gaza for some time. Making matters more complicated, a conflict that had once been understood predominantly in territorial terms has increasingly taken on a more religious orientation in the current global arena. Clearly, resolving a conflict with religious undercurrents promised to be an even more challenging endeavor.

Indeed, even under theoretically more favorable circumstances, peace has eluded the region. Under the stewardship of former United States President Bill Clinton and then-Secretary of State Madeleine Albright, a most promising peace deal between the Israelis and Palestinians collapsed at the hands of the Palestinian leader of the time, Yasser Arafat, despite much compromise by former Prime Minister Ehud Barack in 2000. In fact, the collapse of that deal ushered in a bloody period of violence known as the Intifada.

Now, in 2010, President Obama was trying to revitalize the peace process and find success in an arena that has bedeviled American presidents for generations. But President Obama seemed to be something of a realist amidst the ideals of Middle East peace. Along with the imposition of a deadline on peace talks, President Obama emphasized that success would ultimately be determined by the decision makers of Israel and the Palestinian Territories. He noted that his country -- the United States -- could not want peace more than Israelis and Palestinians. President Obama also warned that the peace process would be subject to the negative machinations of "extremists and rejectionists who, rather than seeking peace, are going to be seeking destruction." Whether the peace process would move in a generative -- rather than destructive -- direction was yet to be determined.

2011 Update

On Jan. 17, 2011, Israeli Defense Minister Ehud Barak announced that he was quitting the Labor Party and would be establishing a new political called Atzmaut or Independence. Barak -- who had served as the chairman of the Labor Party -- would be joined by four other cabinet members in this endeavor. In a statement, Barak said, "We are setting up a faction, a movement and later on a party, based on Zionist, centralist and democratic values and will follow David Ben-Gurion's legacy." The move would have a two-fold effect. First, it would bolster the administration of Prime Minister Benjamin Netanyahu's sometimes-fractious coalition government. Second, it could well augur the demise of the Labor Party, which was now diminished on the political scene.

Earlier, at the close of 2010, former Israeli President Moshe Katsav was found guilty of sexual offenses in a court in Tel Aviv. Among the convictions was the rape of an employee in the 1990s, a period when he served as tourism minister, and sexual misconduct in 2003 and 2005, a later period when he served as president. The judges at the court rendered a unanimous decision and said that the testimony of the rape victim had been compelling. Facing time in prison of at least four years, Katsav was expected to appeal the ruling in Israel's Supreme Court. At the time of his indictment, Katsav blamed his "political lynching" on former Attorney-General Menahem Mazuz. But human rights groups in Israel hailed the verdict as a victory for the rights of women. Israeli Prime Minister Benjamin Netanyahu noted that it was a "sad day for the State of Israel and its citizens" but pointed to the strength of the country's judicial system. He said, "Today the court conveyed two clear-cut messages, that all are equal before the law and that every woman has exclusive rights to her body."

On March 22, 2011, former President Katsav was sentenced to seven years in prison and gained the dubious distinction of being the country's highest-ranking official to be sentenced to jail. The seven year jail sentence was the result of a split decision of the court with one of the three judges favoring less time in prison for Katsav. His sentence was set to commence on May 8, 2011, effectively offering the former head of state a month to prepare a legal defense. For his part, Katsav reacted furiously to the sentence in court screaming at the judges, "You have committed an injustice! The verdict is untrue. It is a lie. The lies have won!" Should Katsav's attempt at overturning his conviction on appeal fail, he could presumably appeal to President Shimon Peres for a pardon. Such an end was unlikely since President Peres was already on the record asserting that Katsav's sentence "illustrates that in the state of Israel no one is above the law." Another avenue available to Katsav might be the possibility of the Supreme Court moving to reduce his prison sentence due to the court's aforementioned split decision.

Katsav served as president from 2000 to 2007 and resigned when these charges against him surfaced. Katsav, however, has not been the sole Israeli politician caught up in a legal scandal. Indeed, former Prime Minister Ehud Olmert, has faced corruption charges.

In the last week of March 2011, a bomb exploded at a crowded bus stop in Jerusalem, killing at least one person dead and more than 30 others injured. According to Israeli police, the explosion was not caused by a suicide attack; instead, the bomb had been placed in a small suitcase and left close to the side of the road at a bus station in the center of the city. While Jerusalem was struck by several bus bombings at the hands of Palestinian terrorists between 2000 and 2004, this was the first such attack in recent times. Israeli Prime Minister Benjamin Netanyahu sought to strike a restrained but responsive tone saying, "Israel will act aggressively, responsibly and wisely to preserve the quiet and security that prevailed here over the past two years." Prime Minister Netanyahu characterized the attack an attempt by extremists to undermine the determination of the Israeli people. Palestinian Prime Minister Salam Fayyad condemned the bus bombing, notably characterizing it as "a terrorist attack."

In the background of these developments was the fact that Israeli-Palestinians tensions were on the rise. Prior to the bus bombing, rockets were fired by Palestinian extremist militants into southern Israel. That action spurred air strikes by Israeli warplanes into Gaza. While no Palestinian terror enclave claimed responsibility for the bus bombing in Jerusalem, a leader of Islamic Jihad intimated that an attack by Palestinian extremist militants would be a "natural response" to the aforementioned air strikes in Gaza.

In mid-April 2011, Israeli Prime Minister Avigdor Lieberman was informed by the office of Israeli Attorney-General Yehuda Weinstein that he could soon be indicted on graft charges. At issue, according to Israel's Justice Ministry, have been pending charges of fraud, money laundering and witness tampering. The Justice Ministry has accused Lieberman of utilizing shell companies and third-party accounts to obfuscate his receipt of illegal funds during his tenure in office, in what was characterized as an effort to "defraud the public." While the police reportedly tried to have bribery added to the list of charges, bribery was not included in the statement from the Justice Ministry. Conviction on the charge of money laundering alone could yield up to ten years in jail.

For his part, Lieberman was dismissive of the possible indictment, saying, "I have always acted in accordance with the law and I have no reason to worry. After 15 years, I will finally have the chance to prove that I always conducted myself legally." Should the indictment indeed materialize, then Lieberman could well be forced to resign from office. It was yet to be seen how the government would be affected since Lieberman's ultranationalist Yisrael Beiteinu party has been a senior coalition partner in Prime Minister Benjamin Netanyahu's government. Should Lieberman resign, followed by a withdrawal of Yisrael Beiteinu from the ruling coalition, Israel could be faced with early elections. of course, Prime Minister Netanyahu could avoid a return to the polls by courting a new coalition partner in the form of the centrist party, Kadima. To date, though, Kadima has shown little interest in entering an alliance with Netanyahu and Likud, which they do not view as sufficiently committed to the peace process.

May 2011 saw the emergence of a report by the United Nations watchdog nuclear agency, the International Atomic Energy Agency (IAEA), in which it was reported that Iran was continuing its efforts to build nuclear weapons, in defiance of United Nations sanctions. The IAEA asserted that Iran was stockpiling low-enriched uranium, pointing toward the fact that Iran's total output of low-enriched uranium since 2007 had reached 4.1 tons -- an increase from 3.6 tons earlier in the year, and indicating an amount that, if refined further, could potentially contribute to the development of at least two bombs. Throughout, Iran has claimed that its nuclear program is for civilian energy generating purposes, the actual evidence notwithstanding. A second report by the IAEA claimed that a Syrian facility allegedly bombed by Israel four years prior was probably a nuclear reactor that had been constructed in covert fashion. While Syria has claimed that the building had no nuclear use, it has also eschewed IAEA efforts to inspect the site. Earlier inspections in 2008 indicated nuclear activities there. The two reports by the IAEA, which were compiled ahead of a meeting of the IAEA board in June 2011, were expected to be delivered to the United Nations Security Council, where that body would have to consider how to respond to the nuclear developments in Iran and Syria respectively.

In other developments related to Israel, the two Palestinian factions -- Fatah in the West Bank and militant Hamas in Gaza -- reached a reconciliation in the first part of May 2011 and set the path for a government of unity.

It was hoped by Palestinians that a unified front could help their position in the fight for an independent Palestinian state. That being said, divisions could still affect the new unified Palestinian front with the matter of Israel remaining a matter of contention. Unlike Fatah, Hamas has adamantly refused to recognize the Jewish state of Israel; however, the unity agreement did not require Hamas to change this stance, concentrating instead on Hamas ending attacks on Israeli interests.

By mid-month, in a show of protest against the founding of the Jewish state of Israel, Palestinians from Syria entered the Golan Heights. The move <u>sparked</u> violence and compelled Israeli forces to fire on the protesters, leaving at least a dozen people dead. The flare of violence in that strategic region came at a time when the Assad regime in Syria was experiencing mass anti-government protests. There were suggestions that the scenario unfolding at the Golan Heights might be linked with the Assad regime's desire to deflect attention from the internal strife plaguing that country. Indeed, as noted by an Israeli official in an interview with Agence France Presse: "Syria is a police state. Demonstrators do not randomly approach the border without the prior approval of the central government." That being said, violence was also breaking out at crossing points in other areas -- in the West Bank and at the border with Lebanon, in addition to the Golan Heights. In those cases, Palestinians hurled stones at Israelisecurity forces, who responded with tear gas and rubber bullets. As protesters tried to cross a checkpoint at Gaza, <u>sparking</u> clashes, Israeli forces opened fire. Israeli Prime Minister Benjamin Netanyahu called for the quick return of "calm and quiet" but warned that Israel's borders and sovereignty would be protected.

United Nations Secretary General Ban Ki-moon urged calm and called on both sides to show "utmost responsibility." He also addressed the broader matter of peace between Israelis and Palestinians saying there was an "unsustainable status quo in the Arab-Israeli conflict, which is only thrown into sharper relief by the profound political changes now under way in the region." The United Nations head thusly called for a reinvigorated pathway to peace. That pathway was not so clear given the resignation of the United State' Middle East peace envoy, George Mitchell. It became even more murky after United States President Barack Obama on May 19, 2011, called for a two state solution -- Israel and a Palestinian state -- living side by side, but consistent with pre-1967 borders. This call was quickly rejected by the Netanyahu administration in Israel, which rejected the notion of contracted Israeli territory. See below for details.

At the start of June 2011, Israeli soldiers opened fired on pro-Palestinian protesters in the Golan Heights, an area of Syria occupied by Israel. According to Syrian media sources, up to 20 people were killed and more than 300 were wounded as the pro-Palestinian protesters marked the anniversary of the 1967 war. For its part, Israel said that warnings were shouted in Arabic, as well as warning shots being fired in the air, before soldiers opened fire at the legs of the protesters and used tear gas to disperse the crowds. Israeli military said that there had been only 12 injuries as a result of confrontation. A similar incident occurred the month prior as Palestinians from Syria entered the Golan Heights, *sparking* violence and compelling Israeli forces to fire on the protesters, leaving at least a dozen people dead at that time. Israel said at the time that there would respond to future marches of this type, and since then Israeli Prime Minister BenjaminNetanyahu warned that "extremists" would not be allowed to breach Israel's borders.

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On Aug. 18, 2011, several people died as a result of a series of attacks by Palestinian extremist militants on southern Israel. The violence commenced when gunmen opened fire on an Israeli bus traveling close to the Egyptian border. That incident was followed by a rocket attack on another vehicle, and an assault by an explosive device on a third vehicle.

As Israeli troops moved into pursuit mode, seven of the Palestinian gunmen and five Egyptian security personnel were killed in the exchange of fire.

It was the first major attack on Israel in several years and suspicion quickly rested on Hamas for orchestrating the attacks. Israeli officials said that the extremist militants came from the Hamas-controlled Gaza Strip, and they traveled via the Sinai in Egypt into Israeli territory to carry out the attacks.

In response, Israeli Prime Minister Benjamin Netanyahu promised retaliation saying, "This was a grave incident in which Israelis and Israeli sovereignty were harmed; Israel will respond accordingly." Israeli Defense Minister Ehud Barak also promised retaliation saying, "The real source of the terror is in Gaza and we will act against them with full force and determination." He continued, explaining that the attacks "underscored the weak Egyptian hold on Sinai and the broadening of the activities of terrorists."

Indeed, the situation showed that the border region between Israel and Egypt was relatively unprotected, and appeared to indicate that the new interim authorities in Egypt have not made cross-border security as much of a priority as the former Mubarak regime.

Later on the same day, despite denials from Hamas that it was not behind the attacks on southern Israel, the Israeli military had launched air strikes over the Gaza Strip. Palestinian sources said that at least six people, including a senior Palestinian militant, died as a result. The cycle of violence continued on Aug. 19, 2011 when about a dozen rockets were fired from Gaza at the Israeli town of Ashdod, leaving at least one person injured. Most of the missiles landed harmlessly; however, one landed in the grounds of a religious seminary and left an individual seriously wounded. The cycle of violence continued for a few more days and was characterized by volleys of missile and rocket attacks from Gaza into southern Israel, as well as air strikes from Israel. By Aug. 22, 2011, the death toll had unsurprisingly increased.

After a joint call for restraint by the Quartet of Middle East peace mediators -- the United Nations, the United States, the European Union, and Russia -- an informal truce was forged, bring an end to the violence and bloodshed. Hamas, which earlier denied being behind the attacks form Gaza, said that it would work to make sure the ceasefire was respected by smaller extremist organizations, such as Gaza's Popular Resistance Committees (PRC), which was deemed to be responsible for the originating attack that spurred the five-day exchange of hostilities. On the other side of the equation, Israeli Prime Minister Netanyahu said that the air strikes would stop contingent on an end to the rocket attacks.

Meanwhile, on Aug. 6, 2011, hundreds of thousands of young Israelis took to the streets to protest against the rising cost of living in that country. Some of the largest demonstrations took place in the city of Tel Aviv where student protesters chanted, "The people demand social justice." This mass action was not the first of its kind.

For several weeks, an ongoing populist campaign had been rocking the country, with gatherings being established along Rothschild Boulevard, in an effort to draw attention to the socio-economic hardship being experienced by people. Of particular concern was the escalating cost of housing, food, education, childcare and gas taxes, which disproportionately hurt the younger generation of students, young professionals, and couples just starting their families. Some protesters demanded that Prime Minister Benjamin Netanyahu resign from office due to his lack of effectiveness in addressing these concerns, while other demonstrators directed their anger more generally to the government and its *policies*. Opposition parties, such as centrist Kadima and left-wing Labor, wasted no time in joining the chorus of criticism against the Likud-led right-wing government, whom they said has done nothing to respond to the needs of the people.

The protests continued and even gained steam with a massive protest composed of tens of thousands of people across the country taking place on Aug. 13, 2011. It should be noted that by the middle of August 2011, Prime Minister Netanyahu was under fire and facing a special debate in parliament, which was recalled from its summer recess to deal with the domestic crisis. For his part, Netanyahu commented on the obvious in a discussion with a finance panel as he said, "We are experiencing great turbulence." He continued, "We want to deal with both these problems -- to relieve the cost of living and reduce gaps." Subsequently, Prime Minister Netanyahu's government established a committee to consider reforms, although the prime minister warned that it was unlikely that all the protesters' demands would be met.

The start of September 2011 saw renewed economic protests in Israel with hundreds of thousands of people taking to the streets in Tel Aviv, Jerusalem and Haifa. It was apparent that the mass action was not decreasing with time. As noted by Student union President Itzik Shmuli in an address to the crowds: "They told us that the movement was slowing down. Tonight we are showing that it's the opposite. We are the new Israelis, determined to continue the fight for a fairer and better society."

Meanwhile, earlier in September 2011, Egyptian rioters stormed the Israeli embassy in Cairo. The <u>fracas</u> yielded the deaths of three people as security forces clashes with the rioters. Egyptian authorities deployed security forces to disperse the protesters, even firing tear gas. They also placed the country on alert as a result.

The attack on the Israeli embassy occurred in the aftermath of the violence in Gaza in August 2011 (discussed above)which resulted in the deaths of five Egyptian policemen. On one hand, the situation showed that the border region between Israel and Egypt was relatively unprotected, and appeared to indicate that the new interim authorities in Egypt have not made cross-border security as much of a priority as the former Mubarak regime. But on the other hand, the violence in Gaza caused outrage among Egyptians, to some degree **sparking** latent hostilities felt by some Egyptians in regard to Israel. Now, a month later, those tensions were emerging in the form of the attack in September 2011 on the Israel embassy in Cairo.

It should be noted that Israeli Prime Minister Benjamin Netanyahu said that his country would maintain its peace treaty with Egypt despite the assault on its embassy in Cairo. Speaking from Jerusalem, the Israeli prime minister said; "Israel will continue to hold fast to the peace accord with Egypt." He continued, "We are working together with the Egyptian government to return our ambassador to Cairo soon." Prime Minister Netanyahu also thanked United States President Barack Obama for assistance in arranging the evacuation of the embassy's diplomatic staff. Some

embassy security staff were reportedly trapped there but were ultimately rescued by Egyptian commandos.

Meanwhile, Egyptian authorities made it clear that they intended to try the culprits of the embassy attack in an emergency court. As well, Egyptian Prime Minister Essam Sharaf offered to step down from office but the country's interim military leader, Mohamad Hussain Tantawi, quickly rejected the offer of resignation. The scenario illuminated an uneasy balance that the Egyptian authorities would have to strike in being responsible to the cause of regional stability, while meeting the needs of people empowered by the ethos of liberation.

Around the same time, Turkey threatened to challenge Israel's blockade of Gaza at the International Court of Justice (ICJ). At issue was the attempt by a Turkish flotilla in 2010 to penetrate the Israeli blockade on Gaza. On May 31, 2010, a flotilla of six ships carrying pro-Palestinian activists and humanitarian aid supplies sailed from Cyprus to the Gaza Strip, in a bid to challenge Israel's blockade on the Hamas-controlled Palestinian territory. Clashes between the two sides ultimately led to the deaths of 10 people, and injuries to scores more, including several Israeli soldiers. The activiststraveling on the flotilla were then detained and taken into Israeli custody. It should be noted that while no violence ensued on several vessels of the flotilla, the issue at hand involved a Turkish ship, called the Marmara. It was aboard that particular vessel that clashes between weapons-brandishing pro-Palestinian activists and Israeli commandos unfolded.

According to Israeli accounts, the activists on the flotilla attacked Israeli soldiers using knives and other weapons. Upon gaining permission to take retaliatory action, Israeli commandos then led a raid on the flotilla, and opened fire when confronted by angry, weapons-wielding activists on the vessel called the Marmara. On the other side of the equation, the "Free Gaza Movement," which organized the flotilla, disputed Israel's version of events that Israeli forces opened fire in self-defense. Activists aboard the flotilla argued that no weapons were used to provoke Israel, as alleged by Israeli soldiers. The pro-Palestinian activists also insisted that their ships had a peaceful purpose and that they had been attacked in international waters.

The contested narratives -- Israeli versus pro-Palestinian -- continued almost a week after the deadly altercation on the Marmara. The Israeli military released some photographs of knives, metal rods, and other weapons, which it said had been taken from pro-Palestinian activists on the Marmara. However, the head of the group that organized the flotilla ["Free Gaza Movement"], Huwaida Arraf, dismissed the evidence saying that all passengers had been screened for weapons. That being said, subsequent photographs published in the Turkish newspaper, Hurriyet, depicted wounded Israel commandos. Israeli authorities said these newly-released pictures corroborated Israel's version of the events that transpired.

Regardless, now more than a year later, Turkey was rejecting the conclusions of a United Nations report that found Israel's blockade of Gaza to be a legal and legitimate security measure. Turkey instead said that it would challenge the finding at the ICJ, halted military cooperation with Israel, and expelled the Israeli ambassador. It should be noted that the United Nations report did not find Israel blameless for the bloodshed that occurred on May 31, 2011. Indeed, the report found that Israel's Israel's decision to board the vessels "with such substantial force at a great distance from the blockade zone and with no final warning immediately prior to the boarding was excessive and unreasonable."

Nevertheless, the situation was emblematic of a phase of devolving relations between Israel and Turkey. Indeed, the decision by Turkey to recognize a Palestinian state was certain to raise bilateral tensions further. At issue here was the impending unilateral declaration of independence by Palestinians (discussed below) and a ratification vote at the United Nations General Assembly. While intended to strengthen the Palestinians' negotiating hand, the move would not actually yield an independent Palestinian state with veto-wielding United States threatening to close down this trajectory in the United Nations Security Council, and force the players back to the peace process. Thus, in many ways, this Palestinian move was likely to metaphorically open a "Pandora's box" of diplomatic tensions with countries in the global community forced to take sides. Turkish Prime Minister Recep Tayyip Erdogan said in address to the Arab League that recognition of a Palestinian state was an obligation rather than an option for his country.

On Oct. 11, 2011, a tentative agreement between the government of Israel and Hamas was reached. The deal meant the release of an Israeli soldier after five years in captivity in exchange for the release of 1,000 Palestinian prisoners in Israeli jails. Should the deal go forward, Staff Sargeant Gilad Shalit would return home to Israeli soil as part of the prisoner exchange agreement. While the Israeli cabinet had yet to meet for an emergency session to discuss the deal, Israeli Prime Minister Benjamin Netanyahu signaled that the agreement would move forward. He said, "If all goes according to plan, Gilad will be returning to Israel in the coming days." On the other side of the equation, Izzeldein al-Qassam Brigades, the armed wing of Hamas, was confirming the deal had been mediated by Egypt.

Days later, Gilad Shalit returned home to Israel, via Egypt, after five years in captivity in Gaza. After undergoing medical tests for untreated shrapnel wounds and complications because of a lack of sunlight, he was greeted by cheering crowds. In his first interview, Shalit expressed hopes for peace between Israelis and Palestinians. Shalit's father noted, "We are concluding a long and difficult journey. We're glad that we won our son back."

Prime Minister Benjamin Netanyahu was among those offering greetings to the returning Shalit, before reuniting the soldier with his family. The Israeli head of government addressed the controversial prisoner exchange deal during a televised national address in which he explained that it had be a difficult decision to free more than 1,000 Palestinian prisoners in exchange for the release of one Israeli soldier, but that it was crucial that Shalit be brought home.

In Gaza, an estimated 200,000 people gathered to welcome the freed Palestinian prisoners. A celebratory crowd was also gathered in Ramallah on the West Bank where Palestinian Authority President Mahmoud Abbas hailed the former prisoners as "freedom fighters." However, some quarters in Israel and some elements of the Obama administration in the United States have criticized this characterization, noting that most of the prisoners who were released had been serving life sentences for terrorism and the murder of Israeli citizens. In a letter released to the families of bereaved Israeli families whose loved ones were killed at the hands of many of the prisoners who were released, Israeli Prime Minister Benjamin Netanyahu wrote, "I understand the difficulty in accepting that the vile people who committed the heinous crimes against your loved ones will not pay the full price they deserve."

Also in October 2011, United States law enforcement and intelligence agencies uncovered a conspiracy plot by Iranian agents working on behalf of the elite Iranian Quds Force. The plot included plans to assassinate the Saudi Arabian ambassador to the United States, and to bomb the Saudi and Israeli embassies in Washington D.C. and Buenos Aires. The White House has promised to hold Tehran responsibility for its involvement in this elaborate plot of assassination and terrorism. Meanwhile, a connection between the Iranian agents and Mexican drug cartels (whom the Iranian agents were hoping to hire to carry out the assassination) has been uncovered, effectively complicating the already-tangled web of complex geopolitics.

At the end of October 2011, the Israel military and Palestinian militants were engaged in a spate of attacks in Gaza. Israel launched an air strike on a Jihadist militant training camp in Rafah in the southern Gaza Strip. Palestinian militants belonging to the Islamic Jihad (Holy War) movement's armed Al-Quds Brigades either died or were injured in that action. Among the dead was Ahmed al-Sheikh Khalil, a senior member of Islamic Jihad who led the group's rocket engineering team. Israel also carried out a second raid in Rafah, this time killing another two militants from the Al-Quds Brigades. Israel was accusing the militants of carrying out rocket attacks only day prior and said that it was responding to those acts of violence. In retaliation for Israel's airstrikes, Palestinian militants reportedly tried to launch another volley of rockets into southern Israel.

For its part, Israeli Police announced that in response to the increase in attacks emanating from Palestinian militants in Gaza, the national alert level was being elevated to "G", just one level below the most severe alert. The Palestinian National Authority (PNA) urged Palestinian militant groups in the Gaza Strip to be utilize more self-restraint and "not to give Israel an excuse to wage a war on the Gaza Strip."

It should be noted that on October 30, 2011, a cease-fire between the two sides was being brokered by Egypt. These efforts died on the proverbial vine when Palestinian militants in Gaza attempted to fire rockets once again at Israel, prompting the Israeli military to bomb Gaza.

Special Report

President Obama calls for pre-1967 boundaries as basis for two state solution in Middle East

On May 19, 2011, during a speech at the United States Department of State outlining United States **policy** and the Middle East, President Barack Obama said that a future Palestinian state would be based on the 1967 borders.

The United States president said, "The borders of Israel and Palestine should be based on the 1967 lines with mutually agreed swaps, so that secure and recognized borders are established for both states." Although a long-standing tenet of Middle East negotiations (as discussed below), President Obama's statement yielded rebuke from hardliners who claimed he was abandoning Israel, and tensions with the Netanyahu administration. The controversy -- false though it might be -- over President Obama's **policy** stance on Middle East Peace was expected to carry over for several days. The president was scheduled to offer a speech at an American pro-Israel lobbying entity, AIPAC, at its annual conference. As well, Israeli Prime Minister Benjamin Netanyahu was in the United States for a visit and was scheduled to a joint session of the United States Congress.

Palestinians prepare unilateral bid for recognition at United Nations; Israel wants return to peace negotiations while United States promises veto at Security Council

Summary --

Palestinian Authority President Mahmoud Abbas has sought full membership for a Palestinian state within the United Nations. He said that full status and recognition at the United Nations was a legitimate right for the Palestinian people, and that this cause would be taken up at the meeting of the United Nations. Of course, the unilateral measure has been opposed by Israel, which has cast the move as divisive and unlikely to help the peace process, which aims to achieve a two-state solution with an independent Israel and an independent Palestine living side by side in peace and security. For its part, the United States has echoed Israel's concerns and urged a return to the peace process and the negotiating table as the only legitimate path to achieving the two-state solution. The United States also warned the Palestinians that it would use its veto power at the United Nations Security Council to quell the Palestinians' unilateral bid for recognition. The unilateral bid for recognition at the United Nations by the Palestinians was expected to open the metaphoric "Pandora's box" of diplomatic tensions, with countries in the global community forced to take sides.

Political Background --

A key issue has been the Palestinians' call for recognition of a state consistent with the 1967 borders, which encompasses the West Bank (including East Jerusalem) and the Gaza Strip. This terrain has been occupied by Israel since 1967 and has been a keystone issue in all discussions and peace negotiations between Israel and the Palestinians. A peace plan advanced by United States President Barack Obama in May 2011 had called for pre-1967 boundaries (with swaps) as the basis for two-state solution in Middle East. The plan evoked anxiety on the part of the government of Israeli Prime Minister Benjamin Netanyahu, despite the fact that this has been the foundation for previous peace initiatives.

Indeed, the pre-1967 boundaries refers to the borders that existed before the six-day Middle East war in 1967 that extended Israeli control into the West Bank and Gaza with predominantly Palestinian populations. That terrain has constituted the literal and figurative grounds of contestation in Israel and the Palestinian territories since some 300,000 Israeli Jews have constructed settlements on the outlying areas. Settlement activity has raised the ire of Palestinians who believe that the encroachment will curtail their own rights to land for a future Palestinian state. The matter has been one of great consternation, and has resided at the heart of peace negotiations with Palestinians demanding a halt to settlement activity, always alongside Israelis' demands for an end to attacks by Palestinian militants.

To be precise, peace initiatives on the Middle East over the years have often rested on the notion of resorting to pre-1967 borders -- at the very least as a point from which to begin negotiations. Stated another way, while brokers of peace in the Middle East may not have overtly foregrounded the pre-1967 borders in the forthright manner of President Obama, the same principle has been cast as a "jumping off point" of sorts (and not the ultimate destination) of peace negotiations for decades. It is well known that Israel will not accept the wholesale notion of the pre-1967 borders, however, trade offs for other priority issues have always been part of the terms of peace negotiations. In this respect, President Obama's stance has differed little from predecessors in orientation, especially as he emphasized the notion of "mutually agreed swaps" of terrain for the creation of "a viable Palestine, and a secure Israel."

Nevertheless, President Obama's peace initiative earlier in the year set off a firestorm at home and abroad among right-leaning and hard line politicians. Republicans at home accused him of abandoning Israel, while Israeli Prime Minister Benjamin Netanyahu was quick to note that the borders that existed prior to the 1967 war were "indefensible." The Israeli head of government was referring to settlements such as those in Judea and Samaria that would be left undefended beyond those territorial lines. Prime Minister Netanyahu also said that he appreciated President Obama's "commitment to peace" but that for peace to endure, "the viability of a Palestinian state cannot come at the expense of the viability of the one and only Jewish state." Prime Minister Netanyahu , therefore, called for President Obama to affirm the United States' 2004 commitment to Israel, in which then-

President George W. Bush said that Israel would be able to hold on to substantial settlements as part of a future peace deal.

It should be noted that despite this sudden controversy erupting from President Obama's plan, in fact, a 2002 "land for peace" deal tabled by Saudi Arabia contained the very same "withdrawal to pre-1967 borders" provision and was seriously considered by Israel at the time.

Central to the Saudi "land for peace" plan was pan-Arab recognition of Israel in exchange for Israel's withdrawal from Arab lands captured in 1967 – the West Bank, Gaza Strip, east Jerusalem and the Golan Heights. During its own tenure at the helm of government in the United States, the Bush administration appeared to entertain the Saudi "land for peace" plan as a worthy companion to its own "roadmap for peace" in the early 2000s. Moreover, by 2008, Israel -- then under the control of the centrist Kadima Party -- reportedly was reconsidering the dormant "land for peace" deal, albeit with reservations. Palestinian negotiators encouraged Israel to pursue this track at the time. That being said, members of the conservative Likud Party of Netanyahu rejected this proposal as a non-starter due to the aforementioned matter of leaving Jewish settlements vulnerable. Now in power, Prime Minister Netanyahu was unlikely to soften his position since he was in an uneasy alliance with the hard line party, Yisrael Beiteinu, which strenuously rejects any halt to settlement activity. Given the need to massage the interests of his coalition partner, the domestic political scene in Israel would underline Netanyahu's imperative to reject the 2008 "land for peace" deal and the 2011 position, as articulated by President Obama.

It should also be noted that foreign **policy** analysts could not interpret President Obama's speech as anything less than a strong affirmation of the United States' enduring relationship with Israel. Notably, President Obama offered Israel an exit strategy from peace negotiations with the Palestinians -- for the moment, unified in governance among Fatah and Hamas factions. Specifically, in pointing to Hamas' refusal to recognize the Jewish State of Israel, President Obama noted that it would be ludicrous for Israel to pursue serious talks with an entity that would not even acknowledge existential and geopolitical realities. Moreover, President Obama signaled that the United States would be siding with Israel should the Palestinians petition the United Nations for statehood and recognition later in 2011 without resolving the outstanding territorial issues.

The Scene Ahead of the Palestinians' Bid for Statehood --

At the start of August 2011, Israeli Prime Minister Benjamin Netanyahu said he was prepared to discuss a peace plan with the Palestinians, based on United States President Obama's borders proposition. Netanyahu's announcement to Middle East power brokers appeared aimed at reinvigorating stalled peace talks. Months earlier in May 2011, Prime Minister Netanyahu excoriated President Obama for advancing a plan that called for pre-1967 boundaries as a basis for two-state solution in Middle East. Then, in August 2011, Prime Minister Netanyahu appeared to be accepting the pre-1967 borders as a starting point for discussions, although the prime minister's office refused to admit that it was reversing its earlier-stated objections to the terms put forth by President Obama. Prime Minister Netanyahu's office, though, said that any peace agreement would be contingent upon the recognition of Israel as a Jewish state -- a stance that has not found acceptance among Palestinian quarters.

It should also be noted that amid these moves by Israel was the impending decision by the Palestinian Authority to present its application for international recognition of statehood to the United Nations in September 2011.

The Palestinian Authority has made the claim that it does not wish to wait for independence via peace negotiations with Israel, thus the thrust to vitiate the peace process. However, with the United States -- an ally of Israel -- on the United Nations Security Council, it was inevitable that the Palestinian Authority's unilateral declaration of independence would be be subject to veto. As noted above, United States President Barack Obama had already warned of such an outcome months earlier when he re-introduced the aforementioned terms of the peace process. Nonetheless, the Palestinian Authority was hoping that affirmative votes at the United Nations (United States excluded) would strengthen its hand in trying to achieve independence.

At the start of September 2011, in a last-ditch effort to avert a diplomatic showdown at the United Nations, the Obama administration in the United States circulated a proposal aimed at restarting peace talks. The proposal

included a provision for the Palestinians to abandon the membership and recognition vote in the United Nations General Assembly, which was expected to take place on Sept. 20, 2011.

As Israel's closest ally, the United States had been hoping to shift the momentum, while realizing that it could not easily coalesce enough support from individuals countries to block ratification of the Palestinians' aspirations at the United Nations General Assembly. Accordingly, it had advanced the aforementioned proposal aimed at restarting the peace process. Clearly, the United States was hoping to bring the Israelis and Palestinians back to the table -- to traverse the course of the peace process. The United States was also hoping that by providing an an alternate pathway (i.e. distinct from the unilateral and inevitably controversial membership and recognition vote in the United Nations), several individual countries would opt to support the peace process option at a vote in the General Assembly.

As noted above, the Palestinians were hoping to bypass the peace process, and if not outright achieve independence via a vote at the United Nations, at least garner significant political power for the cause. Should the Palestinians ultimately decide to pursue this path at the United Nations, the United States warned the Palestinians that it would use its veto power at the United Nations Security Council to quell the Palestinians' unilateral bid for recognition.

Palestinians Bid for full UN membership --

On Sept. 16, 2011, Palestinian Authority President Mahmoud Abbas said he would seek full membership for a Palestinian state at the anticipated meeting of the United Nations in New York, set to take place within days. As of 2011, Palestinians hoed permanent observer status at the United Nations and were represented by the Palestine Liberation Organization (PLO). This move to pursue full membership could be understood as the desire to seek an upgrade in status, of sorts.

Abbas, who spoke from the Palestinian Authority headquarters in the West Bank city of Ramallah, said that full status and recognition at the United Nations was a legitimate right for the Palestinian people, and that this cause would be taken up at the meeting of the United Nations Security Council.

Note that this strategy involved a modest shift from the initial plan to pursue ratification at the United Nations General Assembly. Now, Abbas was opting to seek full membership at the United Nations Security Council. Speaking of this impending effort, Abbas said: "We are going to the United Nations to request our legitimate right, obtaining full membership for Palestine in this organization." He added, "We take with us all the suffering and hope of our people to achieve this objective." Abbas also noted that more than 100 countries already recognized Palestine as a state and that the patience of the Palestinians people had been exhausted.

It should be noted that while Abbas was speaking on behalf of the collective Palestinian people, the extremist militant Islamist entity, Hamas, which controls Gaza, was not on board with the decision of the Palestinian Authority president. Instead, Hamas has said that the venture into the United Nation was a "risky" endeavor. Of course, Hamas has never endorsed the notion of a two-state solution since it does not recognize the right of existence for the Jewish state of Israel.

The unilateral measure by the Palestinians for statehood and United Nations membership has been strenuously opposed by Israel, which has cast the move as both divisive and provocative. Israeli Deputy Foreign Minister Danny Ayalon observed in dire terms, "A unilateral declaration by the Palestinians of independence or any UN decision will actually be a vote for friction and conflict over co-operation and reconciliation and I think that would be deplorable for many years."

Israel has further said it would undermine the peace process, which aims to achieve a two-state solution, characterized by an independent Israel and an independent Palestine living in peace and security beside one another. Israeli government spokesperson Mark Regev declined to offer an official response to Abbas' speech. That being said, Regev warned that the Palestinians' move would deleteriously affect the prospects for peace; he

also emphasized that the two state solution would only be reached via direct negotiations in Ramallah and Jerusalem, rather that through the United Nations.

Israel has additionally accused the Palestinians of attempting to undermine its legitimacy in pursuing this path at the United Nations. In response, Abbas struck a somewhat more diplomatic tone, saying, "We are not heading there to de-legitimize Israel, no one can do this, it is a state with full membership at the UN. We want to de-legitimize the Israeli occupation and its measures on our territories." This stated objective notwithstanding, in fact, the vote would do nothing to end Israeli jurisdiction in certain spheres of control over the West Bank and Gaza.

For its part, the United States has echoed Israel's concerns and urged a return to the peace process and the negotiating table as the only legitimate path to achieving the two-state solution. While the United States was not keen to go down the path of halting the independence aspirations of the Palestinian people at a time of instability in the wider Middle East region, it was, nonetheless, maintaining its veto threat. Indeed, the Obama administration has made it very clear that if the Palestinians went through with their pursuit of full recognition and membership vote, the United States intended to wield its veto power at the United Nation Security Council. A veto by the United States would effectively render the membership and recognition aspirations of the Palestinians null and void.

Striking a diplomatic course, French President Nicolas Sarkozy was calling for a compromise in the form of enhanced status (as a non-member state) for the Palestinians at the General Assembly, with a timetable for negotiations on the road to a definitive agreement.

The French leader was anxious to see a showdown at the Security Council averted. But it seemed that this compromise found little resonance among the Palestinian leadership. Indeed, Palestinian Authority President Abbas asserted that he was pressing forward with that move.

Leaving no doubt of his course of action to be undertaken, President Obama reportedly told the Palestinian leader (Abbas) on Sept. 22, 2011 that he would veto his bid for United Nations membership. In an address to the United Nations, President Obama reiterated the United States' stance, emphasizing that a sovereign Palestinian state could only be achieved through direct negotiations with Israel. He said, of the road to achieving the two-state solution: "There is no short cut to the end of a conflict that has endured for decades."

On the other side of the equation, Abbas was apparently crafting his written application, which would be submitted to Secretary General Ban Ki-moon on Sept. 23, 2011. Pending approval by the Ban Ki-moon, the application would then be taken up by the Security Council and would require nine affirmative votes of the 15 members, and no vetoes, to pass. That vote, though, was not expected for several weeks. Of course, with a guaranteed veto by the United States in the offing, the application was on the road to nowhere. That being said, Palestinians were claiming imminent victory, suggesting that they had successfully brought the matter of Palestinian independence onto the national agenda.

At the same time, the Netanyahu government in Israel -- not exactly an entity that has enjoyed warm relations with the Obama White House -- was praising President Obama for his country's stalwart support. President Netanyahu declared that the American president deserved a "badge of honor" for his defense of Israel. Indeed, Israel's friends and allies on this subject were limited in the context of the global community.

On Sept. 23, 2011, Palestinian Authority President Abbas formally requested full United Nations membership as a path toward statehood. Abbas conveyed the written request to United Nations Secretary-General Ban Ki-moon and then delivered a speech to the annual gathering of the General Assembly. Following protocol, United Nations Secretary-General Ban Ki-moon then passed on Abbas' request to the Security Council. A vote on the matter was not expected for several weeks.

Regardless of the outcome, it was clear that the Palestinian independence move was likely to metaphorically open a "Pandora's box" of diplomatic tensions with countries in the global community forced to take sides. Moreover, it could well inflame passions in the region of the Middle East, which was already experiencing historic upheaval, ever since the "season of unrest" began to sweep across the Arab world at the start of 2011.

Note: On Oct. 31, 2011 the Palestinians were granted membership in the United Nations Educational, Scientific and Cultural Organization (UNESCO). Israeli Prime Minister Benjamin Netanyahu responded on Nov. 3, 2011 by freezing Israeli funding to UNESCO. Netanyahu argued, "Such moves do not advance peace, but rather push it further away."

Update (as of 2012)

On Feb. 13, 2012, Israel's embassies in India and Georgia were struck by bomb attacks. In the Indian capital city, a magnetic bomb attached to a vehicle left the wife of an Israeli diplomat wounded as she traveled to retrieve her children from school at the American embassy. She was said to be in stable condition in a New Delhi hospital. In the Georgian capital, a bomb was discovered attached to a car in the Israeli diplomatic fleet. Georgian police were able to defuse the bomb after an Israeli embassy employee alerted them to the situation in Tbilisi.

Israeli Prime Minister Benjamin Netanyahu wasted no time in accusing Iran of being behind the two bombs, characterizing Iran as "the greatest exporter of terror in the world." Netanyahu also observed that there were recent thwarted attacks on Jews and Israelis in places such as Azerbaijan and Thailand,. Speaking of this trend, the Israeli prime minister noted, "In all these cases, the elements behind the attacks were Iran and its proxy, Hezbollah."

Israel said that its foreign missions would be placed on high alert, given the current landscape.

While Iran offered no immediate response, it was certainly the case that Tehran had promised to seek revenge for a number of targeted assassinations of Iranian nuclear scientists, which that country blames on Israel.

March 2012 saw a renewal of the notorious cycle of violence between Palestinian militants and Israeli security forces. This latest bout of Israeli-Palestinian violence appeared to have been <u>sparked</u> by an Israeli air strike that killed a senior leader of the militant group, the Popular Resistance Committees PRC). Israel said the strike against the PRC was due to prevailing evidence that the extremist entity was planning a massive terrorist attack.

In March 2012, Palestinian militants fired rockets into Israeli territory, and in retaliation, Israel launched further air strikes into Gaza. More than 35 people were injured in the relentless volley of more than 240 rocket attacks by Palestinian militants, while about 25 Palestinians died in the more than 30 air strikes by Israeli security forces.

It should be noted that the Hebrew publication, Maariv, claimed that 22 of the 25 Palestinians who died in air strikes were militants and not civilians.

By the middle of the month, an Egyptian-mediated truce between the two sides was officially in place and the Israeli government, led by Prime Minister Benjamin Netanyahu, was claiming that the violence had passed. There was a sense of skepticism about whether or not the truce would hold. Indeed, despite the fact that the ceasefire went into force, Palestinian militants in Gaza quickly violated it by firing rockets and mortars into southern Israel, including an attack on Netivot and another on Beersheba, which was intercepted by the anti-missile Iron Dome system. In retaliation, Israel launched an air strike on Gaza City and Khan Khounis. Meanwhile, Hamas was in talks with smaller militant groups, trying to persuade them to observe the ceasefire arrangement.

On March 27, 2012, Shaul Mofaz was chosen to be the new leader of Israel's centrist Kadima Party. Mofaz decisively defeated outgoing Tzipi Livni to become the new leader of Israel's largest party with about two-thirds of the vote share in Kadima's primary election. It should be noted that although Kadima gained the most seats in the unicameral parliament or Knesset in the last election, it is in opposition. Israel is governed by Benjamin Netayahu of the right-wing Likud, which was able to put together a ruling coalition.

In April 2012, global concerns over the prospects of Iran developing a nuclear weapon tamped down to some degree. At issue was a claim by the head of the Israeli military that Iran was not yet committed to the path of developing nuclear weapons. In an interview with the Israeli newspaper, Haaretz, Chief of Staff Lieutenant General Benny Gantz said he did not believe Iran would necessarily develop nuclear weapons. He said Iran's Supreme Leader, Ayatollah Ali Khamenei, had not yet made a final decision whether to build a nuclear bomb.

While Gantz acknowledged that Iran was moving "step by step to the place where it will be able to decide whether to manufacture a nuclear bomb," he expressed the view that the Iranian regime "hasn't yet decided to go the extra mile." Gantz additionally said the following of Ayatollah Khamenei and the Iranian power brokers: "I don't think he will want to go the extra mile. I think the Iranian leadership is composed of very rational people." But Gantz also warned that a decision of some sort in the offing. He said, "Either Iran takes its nuclear program to a civilian footing only, or the world -- perhaps we too -- will have to do something. We're closer to the end of discussions than the middle."

This tempered view was a far cry from the rhetoric to date that Iran has been intent on a plan to develop weapons as part of its nuclear technology program. Those fears by leading members of the international community have only been accentuated by Iran's failure to abide by international agreements regarding the monitoring of its nuclear development activities. Indeed, in late 2011, the International Atomic Energy Agency (IAEA) published a report which noted the fact that it was unable to "provide credible assurance about the absence of undeclared nuclear material and activities in Iran." The IAEA report also warned that it continued to have "serious concerns regarding possible military dimensions to Iran's nuclear program." More recently in February 2012, the IAEA concluded that Iran was not cooperative and that prevailing questions regarding the possible military dimension of the Iranian nuclear development program remained unanswered. Overall, the findings from the IAEA served only to underline existing suspicions by the West that Iran held ambitions to build a nuclear bomb, and raised the specter of a targeted military strike by the Israelis on suspected Iranian nuclear sites.

To date, Iran's continued non-compliance with nuclear monitoring has led to the imposition of sanctions by the United Nations, as well as by individual countries including the United States, Canada, Japan, Australia, as well as the European Union. For his part, Israeli military chief Gantz appeared to be of the mind that international pressure was yielding results.

Still, not everyone in Israel was of the same view. In an interview with CNN, Israeli Prime Minister Benjamin Netanyahu said that he would not want to bet "the security of the world on Iran's rational behavior." Moreover, Netanyahu made it clear that he was willing to take action against Iran to stop it obtaining a nuclear weapon. That being said, the nuanced differences between the words of Gantz and Netanyahu highlighted a growing divide in Israel between political leaders and military/intelligence specialists over the wisdom of attacking Iran. As such, the overall political and diplomatic climate had cooled from its previous level of heated turmoil.

At the close of April 2012, Israeli Foreign Minister Avigdor Lieberman said his far right Yisrael Beitenu party -- the second largest party in the current ruling coalition -- was no longer obligated to the Netanyahu government. Moreover, Lieberman called for general elections to be held in Israel "as soon as possible." The foreign minister suggested that the governmental system was "paralyzed" and drew attention to a brewing political imbroglio over mandated military service in Israel.

At issue was the so-called Tal Law, which allows full-time Yeshiva students to delay their army service until age 23 and shortens their service time. Lieberman was pushing to replace it with new legislation that would ensure equal military service for all, and threatening to quit the government if a vote on a new law did not pass. While Prime Minister Benjamin Netanyahu has expressed support for new legislation that would ensure military service by all Israelis on equal terms, his coalition partners were not finding agreeing on the matter. Indeed, the ultra religious Shas party strongly opposed the idea, preferring the religious provisions contained in the Tal Law. In this way,

Lieberman's Yisrael Beitenu was more closely aligned with Netanyahu's Likud over the notion of forging "equal service for all" legislation. Partners in the ruling coalition were therefore on a collision course ahead of the impending vote set for May 2012.

Meanwhile, Prime Minister Netanyahu was signaling that he was open to the idea of holding early elections. The Israeli head of government said that an early vote could be regarded as a referendum on the notion of military service for all. But political analysts noted that his motivation for early elections was likely more practical. Indeed, recent polling data shows his Likud party leading opponents by a wide margin. An early election could prevent newly-minted Kadima leader, Shaul Mofaz, as well as increasingly popular Yair Lapid of Yesh Atid (Future), from having enough time to leverage themselves into politically advantageous positions on the Israeli scene.

On May 2, 2012, Israeli Knesset Speaker Reuven Rivlin said a bill would soon be introduced to dissolve the parliament and bring forward general elections. The plan for early elections in Israel was soon formalized when Prime Minister Netanyahu said that voting would be moved up by a full year with an election expected on Sept. 4, 2012. The Israeli head of government said that political pressure from his coalition partners had forced him to bring the elections forward. This seemed to be a tacit reference to the brewing dissonance between Yisrael Beiteinu and Shas over the "military service for all" issue. Speaking of the stability of his outgoing government and the emergence of differences only recently, Netanyahu said, "Our government has been the most stable one in dozens of years, but with the beginning of our fourth year we started seeing signs that it started to weaken. Political instability attracts extortion and populism, and these are damaging the security, economy and society.""

Polling data by the Hebrew daily Maariv suggests that Netanyahu's Likud party was likely to garner as many as 31 of the 120 seats in the Knesset; Labor could regain its footing as a major player with the possible acquisition of 18 sears; Yisrael Beitenu and the centrist Kadima Party were each projected to win 11 seats. Such a result would be catastrophic for Kadima, which was actually the single largest party in parliament, although it had decided to be the opposition party following the previous elections. Hence, it was Netanyahu who formed a coalition after the last vote, with Likud as the main player, and augmented by Labor and several minor parties. Now in 2012, a coalition government was the expected outcome of these impending elections, with Netanyahu hoping to hold on to his post as head of that government.

But before snap elections could actually be called, a new government coalition agreement was forged between Likud and Kadima. Until this time, Kadima had remained in opposition; now, with snap elections looming and the possibility of suffering losses, the centrist party decided to enter government. The sudden and surprising deal would conjoin Likud and Kadima in a national unity government that would be in effect until 2013. The deal would also position the new Kadima leader, Shaul Mofaz, as deputy prime minister. In exchange for Kadima's support through the end of the existing term of office, Likud would back Kadima's plan to replace the Tal Law (discussed above).

On July 17, 2012, Shaul Mofaz, the Israeli Vice Prime Minister and leader of the centrist Kadima party, announced that his party would be withdrawing from the Likud-led coalition government of Prime Minister Benjamin Netanyahu.

Mofaz made the announcement that his party was exiting the short-lived "grand coalition" saying, "With great sorrow, we have no choice but to announce that we are leaving the coalition." The decision for Kadima to quit the government appeared to be sourced in prevailing differences between Mofaz and Netanyahu over legislation that would compel ultra-Orthodox Jews and Arab residents to participate in military service. The issue first came to the fore months earlier, as discussed above.

Now, in July 2012 as the conscription issue resurfaced, Netanyahu proposed that Yeshiva students be drafted at the age of 23. Kadima opposed the proposal as it has demanded that all conscripts be drafted at the age of 18 -- consistent with army *policy*. As stated by Mofaz, "This issue is fundamental, and there is no choice but to leave the coalition. Every concession will harm Kadima's image." Clearly, the exit of Kadima from the coalition returned Israel to the state of political impasse once. That being said, there was no need for early elections as Prime Minister Netanyahu retained a majority in the Knesset even without Kadima.

Meanwhile, at the start of July 2012, the Israeli government announced the death of former Prime Minister Yitzhak Shamir. Shamir served as prime minister from 1983 to 1984 and from 1986 to 1992. Shamir's background included participation in Irgun Zvai Leumi, a paramilitary group that opposed British control of Palestine, as well as a commander role at the helm of Lehi, a group regarded as an extremist militant entity by the United Nations Security Council. He served in the Mossad from 1955 to 1965. In that capacity, Shamir directed the assassinations of former Third Reich scientists working on an Egyptian missile program, known as Operation Damocles. Although Shamir entered the political scene of independent and sovereign Israel as a member of the Herut party, headed by Menachem Begin, he was more well-known as a Likud hardliner. As prime minister, Shamir advocated a muscular military stance as well as expansive settlement in the West Bank and Gaza Strip.

On July 18, 2012, eight people died and more than 30 others were injured when a bomb exploded at the Burgas airport in Bulgaria. The victims included the Bulgarian bus driver and the suspected suicide bomber who carried out the attack. The bombing appeared to target a bus carrying Israeli tourists in the Black Sea region of Bulgaria.

Significantly, the attack occurred on the 18th anniversary of a deadly attack on a Jewish community center in Argentina, raising the likelihood that the Bulgaria bombing was another instance of anti-Jewish terrorism by extremist elements.

Israeli Prime Minister Benjamin Netanyahu wasted little time in blaming Iran for the act of terrorism in a statement that read: "All the signs lead to Iran. Only in the past few months we have seen Iranian attempts to attack Israelis in Thailand, India, Georgia, Kenya, Cyprus and other places." He additionally promised retaliation, asserting in the statement, "Murderous Iranian terror continues to hit innocent people. This is an Iranian terror attack that is spreading throughout the entire world. Israel will react forcefully to Iranian terror."

A day later, Israeli Defense Minister Ehud Barak expanded on Netanyahu's claim that Iran was behind the act of terrorism, explaining that the Lebanese Hezbollah was the direct perpetrator of the attack, but had been acting under the aegis of Iran. Netanyahu himself explained the connection using the following phrase: "Hezbollah, the long arm of Iran."

Analysts were suggesting that the terror attack in Bulgaria was likely another manifestation of the covert war between Israel and Iran. To that end, there were intimations that the Bulgaria bombing might have been a retaliatory attack for the series of targeted strikes against Iranian nuclear scientists.

For its part, Iran dismissed the accusation and expressed condemnation for "all terrorist acts." No statement, though, came from Hezbollah.

Speaking from the United States, President Barack Obama condemned the bombing, calling it a "barbaric terrorist attack." The United States president also promised to assist Israel in actualizing justice, saying: "The United States will stand with our allies, and provide whatever assistance is necessary to identify and bring to justice the perpetrators of this attack." While the male suicide bomber had falsified United States documents in his possession, his identity remained unknown at the time of writing.

By July 20, 2012, United States officials were suggesting that the suicide bomber on the bus in Bulgaria was a member of Hezbollah. According to the New York Times, their sources did not wish to be identified as the investigation was under way, however, the suicide bomber was in Bulgaria on a mission to attack Israeli interests. The New York Times' unnamed sources also observed that Hezbollah was being guided and sponsored by Iran in this effort. Bulgarian Interior Minister Tsvetan Tsvetanov was on the record confirming that the suicide bomber had been "in country" for several days prior to the terror attack.

(See below for later developments in this case.)

As September 2012 began, the Iranian nuclear threat resurfaced with International Atomic Energy Agency's (IAEA) report that Iran had doubled its nuclear development capacity at the Fordo nuclear site. According to the IAEA, there were now more than double the number of enrichment centrifuges at Fordo although new equipment was not yet functional. The IAEA also said that Iran had "significantly hampered" its ability to inspect the Parchin military site, which the nuclear watchdog agency said had been "sanitized," presumably to obfuscate Iranian nuclear activities. Undoubtedly, this collective news would concern Israel, raising the specter of an Israeli strike on Iranian nuclear facilities. Of significance was the fact that Israeli Prime Minister Benjamin Netanyahu was set to address the United Nations General Assembly in September 2012 on the dangers of Iran's nuclear program.

With that gathering of the United Nations General Assembly in New York in the offing, Israeli Prime Minister attempted to schedule a meeting with United States President Barack Obama. Media reports indicated that Netanyahu said that he was prepared to travel to Washington D.C. to meet with President Obama. The White House declined the meeting on the basis of the United States' leader schedule; it also drew attention to the fact that there were no bilateral meetings scheduled for the United States president with any other leaders. The White House also pointed to a meeting between Prime Minister Netanyahu with Secretary of State Hillary Clinton.

The White House further noted that there was ongoing contact between President Obama and Prime Minister Netanyahu over a number of security issues, including the nuclear threat posed by Iran. In statement, the White House confirmed that President Obama had just spoken with President Netanyahu for an hour on Sept. 11, 2012. The statement included the following assertions: "The two leaders discussed the threat posed by Iran's nuclear program, and our close cooperation on Iran and other security issues. President Obama and Prime Minister Netanyahu reaffirmed that they are united in their determination to prevent Iran from obtaining a nuclear weapon, and agreed to continue their close consultations going forward."

Nevertheless, Netanyahu's inability to secure a meeting with President Obama fueled speculation about poor relations between the two men. It was certainly possible that the White House was not in the mood to reward Netanyahu after he criticized the United States for not being tough enough on Iran over its nuclear program. During a news conference in Jerusalem with Bulgarian Prime Minister Boyko Borisov, Netanyahu spoke of of the international community's reluctance to sanction a military strike against Iran's nuclear facilities. He said, "The world tells Israel: wait, there's still time. And I say: wait for what? Wait until when?" He continued, "Those in the international community who refuse to put red lines before Iran don't have a moral right to place a red light before Israel." Prime Minister Netanyahu went on to characterize Iran as "the greatest threat to world peace." The level of rhetoric from the Israeli leader was so high that the Haaretz newspaper described Netanyahu's remarks as "an unprecedented verbal attack on the United States government."

By the close of September 2012, Israeli Prime Minister Netanyahu had addressed the United Nations General Assembly and declared that time was running out to halt Iran's push to acquire enough enriched uranium to develop a nuclear bomb. Using a crude visual and a red pen, Netanyahu again reiterated his demand that there be a "red line" draw as regards the Iranian nuclear threat.

Prime Minister Netanyahu charged that Iran might have sufficient material to create a nuclear bomb by the middle of 2013, thus requiring a clear message from the international community in the form of the "red line." Netanyahu said, "Red lines don't lead to war, red lines prevent war. Nothing could imperil the world more than a nuclear-armed Iran." He also dismissed the effectiveness of sanctions passed against Iran, saying that they had not curtailed Iran's nuclear program and asserting that "The Iranian nuclear calendar does not take time out."

It should be noted that the United States has generally taken the view that an aggressive sanctions regime was the best path to placing pressure on Iran to end its nuclear development program. As well, United States Secretary of State Hillary Clinton seemed to dismiss Netanyahu's call, saying instead that her country was not prepared to commit to drawing "red lines." In his own address to the United Nations General Assembly, President Barack Obama asserted that his country would "do what we must" to stop Tehran acquiring nuclear arms." But he also

made it clear that while the United States has not foreclosed a military option against Iran, multinational negotiations and sanctions should be given time to work.

For its part, Iran responded to the Israeli prime minister's address by warning that it had the right to retaliate to any military strike on its territory or interests. Iran's deputy United Nations ambassador also said that his county possessed enough military might to defend itself and that it was not seeing nuclear weapons capability in the first place. Eshagh al-Habib said his country was "strong enough to defend itself and reserves its full right to retaliate with full force against any attack."

That being said, Iran's often-repeated claim that it had the right to a civilian nuclear program was itself subject to serious challenge. In mid-September 2012, the United Nations nuclear watchdog agency, the International Atomic Energy Agency (IAEA), issued a stern rebuke of Iran's refusal to suspend uranium enrichment. Notably, the IAEA's resolution was proposed jointly by the United States, China, Russia, Germany, France, and the United Kingdom in a rare display of unity as regards the Iranian nuclear development issue. Meanwhile, IAEA Director General Yukiya Amano noted that despite a series of meetings with Iran throughout 2012 aimed at ensuring that the IAEA would be able to carry out its investigations, there had been no concrete results. Amano characterized the lack of progress as "frustrating."

On Oct. 6, 2012, the Israeli air force shot down an unmanned aircraft, commonly referred to as a "drone," after it entered southern Israeli territory and remained in Israeli air space for several minutes. The unmanned aircraft was kept under Israeli military surveillance and then followed by Israeli air force jets before it was shot down and crashed in the sparsely-populated northern area of the Negev desert. The Israeli military said there was no conclusive information as to whether or not the drone was being used for a reconnaissance mission or if was intended to be used in an attack. However, at least one Israeli lawmaker speculated that the Iran and Lebanon-based Hezbollah might be linked with the incident. Miri Regev, a member of parliament, said via Twitter that it was an "Iranian drone launched by Hezbollah." Of course, it should be noted that Israeli defense officials offered no such confirmation about either an Iranian or Hezbollah connection to the drone. Nevertheless, Israeli Defense Minister Ehud Barak said his country was taking the incident seriously and pondering the possibility of retaliatory action. In a statement, Barak said: "We view with great severity the attempt to compromise Israeli air space and will consider our response in due course."

It should be noted that on Oct. 11, 2012, Hezbollah's leader, Sheikh Hassan Nasrallah, admitted on the al-Manar television network that the drone was manufactured in Iran, assembled in Lebanon, and had been flown over what it characterized as "sensitive sites" in Israel. Observers surmised that the term "sensitive sites" might be a reference to Israel's Dimona nuclear reactor. Nasrallah said: "A sophisticated reconnaissance aircraft was sent from Lebanese territory... and traveled hundreds of kilometers over the sea before crossing enemy lines and into occupied Palestine." He warned that further such expeditions were in the offing; to this end, he said: "Possession of such an aerial capacity is a first in the history of any resistance movement in Lebanon and the region." He continued with a clear reference to the drone Hezbollah used in its 2006 war against Israel as follows: "It's not the first time and it will not be the last. We can reach all the zones."

Special Report:

Conflict in Gaza after killing of Hamas militant, rocket attacks on Israel, and air strikes on Gaza City; ceasefire agreement brokered by Egypt and United States

Gaza -- the stronghold of Hamas -- was the epicenter of an unfolding confrontation between Israel and the militant Islamic Palestinian entity in mid-November 2012. In the first days of the emerging conflict, fatalities and casualties were reported on both sides.

Leading up to the conflict, the border area between Israel and Gaza was hardly the picture of stability. Indeed, at the start of the second week of November 2012, members of the Israeli military patrolling close to the border were hit by an anti-tank missile fired from inside the Gaza Strip. That incident left three soldiers were seriously injured. Israeli tanks retaliated by firing into Gaza, killing four Palestinians. At that point, Palestinian militants lobbed rockets into Israel while Israeli air strikes targeted a rocket crew in Gaza.

That being said, the emerging conflict was believed to have been <u>sparked</u> when the head of the military wing of Hamas, Ahmed Said Khalil al-Jabari, died as a result of Israeli air and naval strikes on the Gaza Strip. As reported by international media, Lietenant Colonel Avital Leibovich -- the spokesperson for the Israel Defence Forces (IDF) -- noted that Jabari had "a lot of blood on his hands." Presumably in response to this act of targeted terrorist elimination by the Israeli authorities, a relentless wave of rocket attacks were fired from Gaza into Israel. There were also reports from the international media that residents of Gaza were urging Hamas to enact some form of retaliation, with chants of "We want you to hit Tel Aviv tonight" reported to have been heard outside the hospital housing Jabari's body.

The cycle of violence escalated when the Israeli military launch a massive offensive operation against militant Hamas targets in Gaza. Prior to this operation, Israeli authorities dropped leaflets into Gaza informing civilians of the impending strikes and warning Hamas leaders that elimination would be imminent "if they raised their heads above ground." With further extremist militants killed in the ensuing air strikes, Israeli Prime Minister Benjamin Netanyahu asserted in a national broadcast that his government was willing to widen the scope of its operation in Gaza, explaining, "Today we sent a clear message to Hamas and other terrorist organizations." He continued, "And if there is a need, the Israeli Defense Forces are prepared to widen the operation. We will continue to do everything to defend our citizens."

United States President Barack Obama reportedly shared a telephone conversation with Israeli Prime Minister Netanyahu in which he affirmed Israel's right to defend itself, while advocating the protection of civilians. Meanwhile, the new leadership of Egypt condemned the strikes by Israel, summoned the Israeli ambassador to Cairo for consultations, and called for a meeting of the United Nations Security Council and the Arab League. It should be noted that an emergency "closed door session" of the United Nations Security Council was soon held, at the request of Egypt, to discuss the situation unfolding between Israel and Hamas in Gaza. It should also be noted that United States President Obama and Egyptian President Morsi were able to find common ground on the vital need to calm the tensions and stabilize the situation as quickly as possible.

Egypt's reaction was being closely watched with attention focused on the fate of the prevailing bilateral peace agreement between Egypt and Israel. Whereas the former Mubarak regime shared Israel's anti-terrorism goals and placed a priority on the peace agreement, there was no clear sign that Egyptian President Mohammed Morsi, who had political roots within the Muslim Brotherhood, intended on continuing along that path.

While the Egyptian government showed concern for the fate of the people in Gaza who were under constant bombardment from Israeli strikes, with a rising death toll as a result, the fact was that civilians in Israel were also suffering from a ceaseless volley of rockets emanating from Gaza. Indeed, Israelis died in the southern town of Kiryat Malachi as a result of rocket fire.

Of note was the fact that a day after the conflict broke out, rocket fire reportedly hit the area around Israel's largest city, Tel Aviv. This would mark the first time since the 1991 Gulf war that missiles landed in the Israeli city.

On Nov. 15, 2012, the Twitter feed for the Israeli military noted that Israel's "Iron Dome" missile defense system was successfully intercepting most of the rocket attacks, although some did manage to get through. In addition to rockets landing in the suburbs around Tel Aviv, there were other hits in Beersheba and Rishon Lezion.

There was no sense that Hamas would let up its own efforts against Israel. In fact, a Hamas spokesman, Abu Zuhri, was on the record saying, "Israel will regret the moment they even thought of doing this." That being said, according to Agence France Presse, it was the armed wing of Islamic Jihad, the Quds Brigade, who claimed responsibility for firing Iranian-built rockets at Tel Aviv. A day later on Nov. 16, 2012, there were reports of rocket attacks by militants in Gaza on the holy city of Jerusalem.

The rocket launch on Jerusalem was actually claimed by Hamas, according to BBC News. Hamas said that it had hoped to hit the Israeli parliament, but the missile landed harmless outside the city in Gush Etzion, effectively thwarting the militant extremist Islamic group's plans to strike at the heart of Israel. It was the first time since 1970 that a rocket had been fired at the holy city and marked a significant escalation in the conflict. Meanwhile, rocket attacks on Tel Aviv continued with the Israeli government noting that up to 600 missiles had been fired at Israel in only a three-day period.

The ongoing rocket attacks emanating from Gaza raised questions about the success of the Israeli offensive operation in the Gaza Strip. While the Israeli military was claiming that it had seriously undermined Hamas's long-range missile capabilities and underground weapons storage facilities, it was apparent that rocket fire (possibly initiated by the Quds Brigade if not Hamas) was still reaching Israeli terrain, and in some cases, areas close to major metropolitan areas. Given this capability, questions were rising about the utility of Israel's offensive against Hamas in Gaza, especially the timing just months ahead of snap elections in which hard-line Prime Minister Netanyahu hoped to secure a clear parliamentary majority.

Mark Toner, a spokesperson for the United States Department of State reiterated the call made by the Obama administration to "encourage Israel to continue to take every effort to avoid civilian casualties." However, Toner also issued a rebuke of Hamas saying, "Hamas claims to have the best interests of the Palestinian people at heart, yet it continues to engage in violence that is counterproductive to the Palestinian cause."

The governments of the United Kingdom and Germany appeared to echo this rebuke of Hamas as both countries called for an end to the violence while simultaneously placing most of the blame for the escalating conflict at the door of the militant extremist Islamic group. Egyptian President Morsi took a different approach and dispatched Prime Minister Hisham Qandil to the Gaza Strip in an apparent show of solidarity. He said, "Egypt will not leave Gaza on its own, and what is happening is a blatant aggression against humanity."

For its part, actions in Israel indicated that the government of that country intended to continue its mission against Hamas in Gaza. After rockets struck the suburbs of Tel Aviv and were fired at Jerusalem, Prime Minister Netanyahu convened a cabinet meeting. There, members of his cabinet were called on to support the move to call-up as many as 75,000 reservists, possibly in anticipation of a ground operation. This theory was bolstered by the fact that thoroughfares leading to the Gaza Strip and bordering the territory were cordoned off from civilian traffic. Heavy weaponry, including tanks, were identified in the area close to Gaza.

It should be noted that these measures could just as easily be interpreted as psychological tactics against the Palestinian extremist organization in Gaza. But there was no sign that such tactics would have an effect on Hamas as its spokesperson, Sami Abu Zuhri said, "The Israelis should be aware of the grave results of such a raid and they should bring their body bags."

By Nov. 17, 2012, Israel had launched air strikes on key Hamas interests, facilities, and particular militants. Specifically, Israeli strikes hit the headquarters of the Hamas leadership, as well as the office of Prime Minister Ismail Haniya in Gaza. Also hit was the home of a Hamas leader in Jabaliya to the north of Gaza City. Israeli strikes included successful targeting of three members of the Izz al-Din al-Qassam Brigades -- one of Hamas' military wings. Meanwhile, sirens were going off in Tel Aviv as Palestinian militants lobbed rockets at the city, which were intercepted by Israel's Iron Dome defense system. As well, rocket fire resulted in injuries to victims in the Israeli towns of Ashkelon and Ofakim.

It should be noted that almost a week after the conflict broke out more than 150 people had died as a result of hostilities between the two sides. Of note was the fact that an Israeli strike intended to target a Hamas official landed on a home in Gaza, killing at least ten people. Women and children were among the victims. Palestinian Authority President Mahmoud Abbas accused Israel of carrying out "massacres" while Egyptian President Morsi characterized Israel's air strikes as "blatant aggression against humanity." It should, however, be noted that Hamas has made a point of hiding rocket launchers and militants themselves in civilian neighborhoods. Israel has argued that this tactic is akin to using women and children as human shields.

By Nov. 20, 2012, efforts were underway to try to broker a ceasefire between Israel and Hamas, with help from United States Secretary of State Hillary Clinton, on behalf of the Obama administration, and Egyptian President Morsi. The United States top diplomat flew from Cambodia, where she was accompanying President Obama on a landmark trip to east Asia, to Israel for talks with the Netanyahu government. From there, she went onto Egypt to share talks with President Morsi.

The diplomatic efforts were taking place amidst a climate of ongoing violence as Israel continued its bombardment of Gaza, and as Hamas militants continued to hurl rockets at Israel. The diplomatic efforts were certainly not helped by an attack on a bus in Tel Aviv in the early hours of Nov. 21, 2012. Three people were injured as a result of this bus bombing incident, which was not immediately attributed to a particular group. That being said, Hamas praised the attack. Speaking on MSNBC, Israel's Ambassador to the United States, Michael Oren, noted that while his country laments the loss of Palestinian lives in the conflict, Hamas praises attacks on Israel.

Later on Nov. 21, 2012, a ceasefire between Israel and Hamas was finally forged and made official. The ceasefire agreement was announced jointly by United States Secretary of State Hillary Clinton and Egyptian Foreign Minister Kamel Amr. Under the agreement, Israel would halt its operation on Gaza "by land, sea and air, and including incursions and targeting of individuals," while Hamas would stop attacks "from Gaza against Israel, including rocket attacks and attacks along the border." Addressing the deal, Secretary Clinton said, "Now we have to focus on reaching a durable outcome that promotes regional stability and advances the security, dignity and legitimate aspirations of Palestinians and Israelis alike."

Both Israel and Hamas were claiming advantage rhetorically as a result of the deal. Israeli Prime Minister Benjamin Netanyahu said he agreeing to the United States' call "to give a chance to Egypt's proposal for a ceasefire," while simultaneously making it clear that Israel was prepared "to apply greater force," if the need arose. Meanwhile, a Hamas leader, Khaled Meshaal, expressed thanks for the effort by Egypt in negotiating a truce while claiming that Israel's offensive had "failed." Irrespective of such posturing, the ceasefire truce, if enforced, would bring an end to the violence for the time being. It was to be seen if the agreement to end the violence would hold.

Nevertheless, the ceasefire deal was illustrative of the new negotiating regime on the matter of Middle East peace and stability. The collaboration between the United States and Egypt on the matter of stabilizing the scene between Israel and Hamas intimated the start of a constructive diplomatic partnership between the two countries in the aftermath of the Nile Revolution, which swept the Mubarak regime from power. Despite anxieties about Egypt's orientation towards Israel, it was apparent that, at least in this instance, Egypt was moving on a compatible path with the United States, even if the new Morsi regime might be more connected to the Palestinian people, in much the same way as the Obama administration has expressed stalwart support for Israel.

Editor's Note:

The Palestinian territory of Gaza Strip has long been a stronghold of the extremist militant Islamic group, Hamas. By contrast, the Palestinian territory of the West Bank has been under the control of the Palestinian Authority, led by President Mahmoud Abbas. Whereas Hamas refuses to recognize Israel's right to exist and is regarded as a terrorist entity by international powers, the Palestinian Authority recognizes Israel as a legitimate entity and, in the past, has supported the peace process, with an eye on a two-state solution, ending with an independent Palestine living peacefully alongside Israel. With the peace process stalled in recent years, the Palestinian Authority has

pursued statehood at the United Nations -- a process unlikely to end favorably, given the United States' veto power at the United Nations Security Council and that country's advocacy of a negotiated settlement involving concurrence by both Israel and the Palestinians. That being said, the international community has tended to recognize the legitimacy of the Palestinian Authority to speak on behalf of the Palestinian people in their pursuit of independence and sovereignty. The aspirations of Palestinians in the West Bank, under the leadership of President Abbas and the Palestinian Authority, has been distinguished from Hamas-controlled Gaza. There, extremism and a tolerance for the use of terrorism has created a challenge for regional stability. Of course, it should be noted that the Palestinian Authority has remained largely sidelined in these negotiations of November 2012, thus suggesting the limited political influence of Palestinian President Abbas.

Special Report

United Nations General Assembly grants Palestinians non-member observer state status

Summary

The United Nations General Assembly has granted Palestinians non-member observer state status at the international body. This development at the close of November 2012 came more than a year after Palestinian Authority President Mahmoud Abbas began the process of seeking full membership for a Palestinian state within the United Nations. At issue was the Palestinian desire to achieve the United Nations' recognition of a Palestinian state in the West Bank, Gaza Strip, and East Jerusalem. Abbas has said that full status and recognition at the United Nations was a legitimate right for the Palestinian people.

Of course, this unilateral move was opposed by Israel. Indeed, Israel has cast the Palestinians' bid for full United Nations membership as divisive and unlikely to help the peace process, which aims to achieve a two-state solution with an independent Israel and an independent Palestine living side by side in peace and security. For its part, the United States has echoed Israel's concerns and urged a return to the peace process and the negotiating table as the only legitimate path to achieving the two-state solution. The United States also warned Palestinians that it would use its veto power at the United Nations Security Council to quell the Palestinians' unilateral bid for recognition. But before reaching the United Nations Security Council, the Palestinians were hoping to augment their sovereign aspirations with an affirmative vote in the United Nations General Assembly.

The path towards international recognition was helped when the Palestinians were granted membership in the United Nations Educational, Scientific and Cultural Organization (UNESCO) in October 2011. Then, more than a year later in late November 2012, the Palestinians won a favorable vote overwhelmingly in the United Nations General Assembly, which granted them non-member observer state status.

Palestinian President Mahmoud Abbas characterized the vote in the United Nations General Assembly as the "last chance to save the two-state solution" with Israel. Of course, Israeli Prime Minister Netanyahu cast the vote as being at cross-purposes with the peace process leading to that very two-state solution. Meanwhile, many geopolitical analysts have warned that the unilateral bid for recognition at the United Nations by the Palestinians would open the metaphoric "Pandora's box" of diplomatic tensions, with countries in the global community forced to take sides. That being said, the vast majority of the United Nations General Assembly voted on Nov. 29, 2012, to upgrade the Palestinians to non-member observer state status.

Note: See below for a chronology of the details ensconced in this process to date.

The Scene Ahead of the Palestinians' Bid for Statehood --

In August 2011, Israeli Prime Minister Benjamin Netanyahu said he was prepared to discuss a peace plan with the Palestinians, based on United States President Obama's borders proposition. Netanyahu's announcement to Middle East power brokers appeared aimed at reinvigorating stalled peace talks. Months earlier in May 2011, Prime Minister Netanyahu excoriated President Obama for advancing a plan that called for pre-1967 boundaries as a basis for two-state solution in Middle East. Then, in August 2011, Prime Minister Netanyahu appeared to be accepting the pre-1967 borders as a starting point for discussions, although the prime minister's office refused to admit that it was reversing its earlier-stated objections to the terms put forth by President Obama. Prime Minister Netanyahu's office said that any peace agreement would be contingent upon the recognition of Israel as a Jewish state -- a stance that has not found acceptance among Palestinian quarters.

It should also be noted that amid these moves by Israel was the impending decision by the Palestinian Authority to present its application for international recognition of statehood to the United Nations in September 2011.

The Palestinian Authority has made the claim that it does not wish to wait for independence via peace negotiations with Israel, thus the thrust to vitiate the peace process. However, with the United States -- an ally of Israel on the United Nations Security Council -- it was inevitable that the Palestinian Authority's unilateral declaration of independence would be subject to veto. United States President Barack Obama had already warned of such an outcome months earlier when he re-introduced the aforementioned terms of the peace process. Nonetheless, the Palestinian Authority was hoping that affirmative votes at the United Nations (United States excluded) would strengthen its hand in trying to achieve independence.

At the start of September 2011, in a last-ditch effort to avert a diplomatic showdown at the United Nations, the Obama administration in the United States circulated a proposal aimed at restarting peace talks. The proposal included a provision for the Palestinians to abandon the membership and recognition vote in the United Nations General Assembly, which was expected to take place on Sept. 20, 2011.

As Israel's closest ally, the United States had been hoping to shift the momentum, while realizing that it could not easily coalesce enough support from individuals countries to block ratification of the Palestinians' aspirations at the United Nations General Assembly. Accordingly, it had advanced the aforementioned proposal aimed at restarting the peace process. Clearly, the United States was hoping to bring the Israelis and Palestinians back to the table, in order to traverse the course of the peace process. The United States was also hoping that by providing an an alternate pathway (i.e. distinct from the unilateral and inevitably controversial membership and recognition vote in the United Nations), several individual countries would opt to support the peace process option at a vote in the General Assembly.

As noted above, the Palestinians were hoping to bypass the peace process, and if not outright achieve independence via a vote at the United Nations, at least garner significant political power for the cause. Should the Palestinians ultimately decide to pursue this path at the United Nations, the United States warned the Palestinians that it would use its veto power at the United Nations Security Council to quell the Palestinians' unilateral bid for recognition.

Palestinians Bid for full United Nations membership --

On Sept. 16, 2011, Palestinian Authority President Mahmoud Abbas said he would seek full membership for a Palestinian state at the anticipated meeting of the United Nations in New York, set to take place within days. As of 2011, Palestinians hoed permanent observer status at the United Nations and were represented by the Palestine Liberation Organization (PLO). This move to pursue full membership could be understood as the desire to seek an upgrade in status, of sorts.

Abbas, who spoke from the Palestinian Authority headquarters in the West Bank city of Ramallah, said that full status and recognition at the United Nations was a legitimate right for the Palestinian people, and that this cause would be taken up at the meeting of the United Nations Security Council.

Note that this strategy involved a modest shift from the initial plan to pursue ratification at the United Nations General Assembly. Now, Abbas was opting to seek full membership at the United Nations Security Council. Speaking of this impending effort, Abbas said: "We are going to the United Nations to request our legitimate right, obtaining full membership for Palestine in this organization." He added, "We take with us all the suffering and hope of our people to achieve this objective." Abbas also noted that more than 100 countries already recognized Palestine as a state and that the patience of the Palestinians people had been exhausted.

It should be noted that while Abbas was speaking on behalf of the collective Palestinian people, the extremist militant Islamist entity, Hamas, which controls Gaza, was not on board with the decision of the Palestinian Authority president. Instead, Hamas has said that the venture into the United Nation was a "risky" endeavor. Of course, Hamas has never endorsed the notion of a two-state solution since it does not recognize the right of existence for the Jewish state of Israel.

The unilateral measure by the Palestinians for statehood and United Nations membership has been strenuously opposed by Israel, which has cast the move as both divisive and provocative. Israeli Deputy Foreign Minister Danny Ayalon observed in dire terms, "A unilateral declaration by the Palestinians of independence or any UN decision will actually be a vote for friction and conflict over co-operation and reconciliation and I think that would be deplorable for many years."

Israel has further said it would undermine the peace process, which aims to achieve a two-state solution, characterized by an independent Israel and an independent Palestine living in peace and security beside one another. Israeli government spokesperson Mark Regev declined to offer an official response to Abbas' speech. That being said, Regev warned that the Palestinians' move would deleteriously affect the prospects for peace; he also emphasized that the two state solution would only be reached via direct negotiations in Ramallah and Jerusalem, rather that through the United Nations.

Israel has additionally accused the Palestinians of attempting to undermine its legitimacy in pursuing this path at the United Nations. In response, Abbas struck a somewhat more diplomatic tone, saying, "We are not heading there to de-legitimize Israel, no one can do this, it is a state with full membership at the UN. We want to de-legitimize the Israeli occupation and its measures on our territories." This stated objective notwithstanding, in fact, the vote would do nothing to end Israeli jurisdiction in certain spheres of control over the West Bank and Gaza.

For its part, the United States has echoed Israel's concerns and urged a return to the peace process and the negotiating table as the only legitimate path to achieving the two-state solution. While the United States was not keen to go down the path of halting the independence aspirations of the Palestinian people at a time of instability in the wider Middle East region, it was, nonetheless, maintaining its veto threat. Indeed, the Obama administration has made it very clear that if the Palestinians went through with their pursuit of full recognition and membership vote, the United States intended to wield its veto power at the United Nation Security Council. A veto by the United States would effectively render the membership and recognition aspirations of the Palestinians null and void.

Striking a diplomatic course, then-French President Nicolas Sarkozy was calling for a compromise in the form of enhanced status (as a non-member state) for the Palestinians at the General Assembly, with a timetable for negotiations on the road to a definitive agreement.

The French leader was anxious to see a showdown at the Security Council averted. But it seemed that this compromise found little resonance among the Palestinian leadership. Indeed, Palestinian Authority President Abbas asserted that he was pressing forward.

Leaving no doubt of his course of action to be undertaken, President Obama reportedly told Abbason Sept. 22, 2011, that he would veto his bid for United Nations membership. In an address to the United Nations, President Obama reiterated the United States' stance, emphasizing that a sovereign Palestinian state could only be achieved through direct negotiations with Israel. He said, of the road to achieving the two-state solution: "There is no short cut to the end of a conflict that has endured for decades."

At the same time, the Netanyahu government in Israel -- not exactly an entity that has enjoyed warm relations with the Obama White House -- was praising President Obama for his country's stalwart support. President Netanyahu declared that the American president deserved a "badge of honor" for his defense of Israel. Indeed, Israel's friends and allies on this subject were limited in the context of the global community.

On the other side of the equation, Abbas was apparently crafting his written application, which would be submitted to Secretary General Ban Ki-moon on Sept. 23, 2011. Pending approval by the Ban Ki-moon, the application would then be taken up by the Security Council and would require nine affirmative votes of the 15 members, and no vetoes, to pass. Of course, with a guaranteed veto by the United States in the offing, the application was on the road to nowhere. That being said, the Palestinians were hoping to augment their sovereign aspirations with an affirmative vote in the United Nations General Assembly. To that end, Palestinians were claiming imminent victory, as they noted that they had successfully brought the matter of Palestinian independence onto the forefront of the international agenda.

On Sept. 23, 2011, Palestinian Authority President Abbas formally requested full United Nations membership as a path toward statehood. Abbas conveyed the written request to United Nations Secretary-General Ban Ki-moon and then delivered a speech to the annual gathering of the General Assembly. Following protocol, United Nations Secretary-General Ban Ki-moon then passed on Abbas' request to the Security Council. A vote on the matter was not expected to happen in the immediate future.

Palestinian granted UNESCO membership --

On Oct. 31, 2011, the Palestinians were granted membership in the United Nations Educational, Scientific and Cultural Organization (UNESCO). Israeli Prime Minister Benjamin Netanyahu responded on Nov. 3, 2011, by freezing Israeli funding to UNESCO. Netanyahu argued, "Such moves do not advance peace, but rather push it further away." Nevertheless, this development strengthened the Palestinians' public relations hand in their thrust for international recognition.

Palestinians granted upgraded non-member observer state status --

More than a year later on Nov. 29, 2012, the Palestinians won a favorable vote overwhelmingly in the United Nations General Assembly when they were granted non-member observer state status by the international body. At issue was the Palestinian desire to achieve the United Nations' recognition of a Palestinian state in the West Bank, Gaza Strip, and East Jerusalem.

The vote outcome was not close. The United Nations General Assembly voted 138-9 in favor of non-member observer state status for the Palestinians, with 41 nation states abstaining from the vote. The United States was, as expected, among the nine countries voting against the measure; Canada, the Czech Republic and Panama were also among this group. France, Spain, Italy, Belgium, Switzerland, Sweden, and Japan were among the countries voting in favor of the measure. Germany, the United Kingdom, and Australia were among the 41 countries

abstaining from the vote. The result was met with great celebration in the streets of Ramallah -- the major city in the West Bank.

While the vote outcome was expected, it was nonetheless a sharp blow to Israel, which has opposed such measures as discussed above. It was also opposed by the United States, which has argued that a sovereign Palestinian state should emerge from bilateral negotiations, as set forth under the 1993 Oslo Peace Accords, which established the Palestinian Authority.

Palestinian President Mahmoud Abbas characterized the vote in the United Nations General Assembly as the "last chance to save the two-state solution" with Israel. On the other hand, Israeli Prime Minister Netanyahu cast the vote as being at cross-purposes with the peace process leading to that very two-state solution. United States Secretary of State Hillary Clinton struck a similar tone as she referred to the vote "unfortunate and counter-productive," and noted that it cast more obstacles on the path to peace. Likewise, Israel's ambassador to the United Nations, Ron Prosor, said the move did not advance peace; he argued that the vote instead "pushed it [re: the peace process] backwards." Prosor additionally noted that "the only way to reach peace is through agreements" and not unilaterally at the United Nations. To that end, United States Ambassador to the United Nations, Susan Rice, called on Israel and the Palestinians to return to the negotiating table for peace talks and expressed misgivings about unilateral actions.

Of course, not all Israeli and Palestinian politicians were in lockstep with the stances of the principal players in this drama. Former Israeli Prime Minister Ehud Olmert, who engaged in intense direct negotiations with Abbas during his tenure in office, said in an interview with The Daily Beast that he viewed the Palestinian request for recognition as "congruent with the basic concept of the two-state solution." He continued, "Therefore, I see no reason to oppose it." Clearly, his view was inconsistent with that of the Netanyahu-led government of Israel. Meanwhile, the militant Islamic group, Hamas, which controls Gaza said that it would now no longer stand in the way of the United Nations bid for statehood, although it maintained its position of refusing to recognize the state of Israel.

It should be noted that the thrust to seek international recognition and statehood at the United Nations General Assembly was more of a public relations victory for the Palestinians, rather than a catalyst to actually achieve these ends. As discussed above, with the United States poised to exercise its veto at the United Nations Security Council, the Palestinians' aspirations in the United Nations arena would likely ultimately be blocked. Still, gaining non-member observer status would endow the Palestinians with certain advantages, such as stronger footing to oppose Israel in the realm of international jurisprudence. Moreover, the strong international backing for the Palestinians was a clear symbolic victory, and highlighted Israel's isolation on the matter.

But Israel was not about to back down easily. Israeli Ambassador to the United Nations, Prosor, drew upon the Jewish people's lengthy historic claim to Israel as he declared: "No decision by the UN can break the 4,000-year-old bond between the people of Israel and the land of Israel."

The timing of the vote was significant as it occurred on the 65th anniversary of the General Assembly vote that initially partitioned the former British Mandate of Palestine into two entities -- one Jewish and the other Arab — thus initiating the birth of the modern Jewish state of Israel. Now, 65 years later, the Palestinians were claiming the day as the birth of their state. As noted by Palestinian President Abbas, "Sixty-five years ago on this day, the United Nations General Assembly adopted Resolution 181, which partitioned the land of historic Palestine into two states and became the birth certificate for Israel. The General Assembly is called upon today to issue a birth certificate of the reality of the State of Palestine."

Geopolitical analysts have warned that the unilateral bid for recognition at the United Nations by the Palestinians would open the metaphoric "Pandora's box" of diplomatic tensions, with countries in the global community forced to take sides. That being said, with the vast majority of the United Nations General Assembly voting on Nov. 29, 2012, to upgrade the Palestinians to non-member observer state status, that division was clearly asymmetrical. Still,

these moves could well inflame passions in the region of the Middle East, which was already experiencing historic upheaval, ever since the season of unrest began to sweep across the Arab world in the spring of 2011. In practical terms, though, the Middle East peace process between Israel and the Palestinians remained stalled and the roadway to a two-state solution was no further along the path of progress as November 2012 came to a close.

Note on Israel's settlement expansion plan --

Only a day after the landmark vote in the United Nations General Assembly, Israel approved the construction of 3,000 housing units in East Jerusalem and the West Bank. Israel also accelerated the processing of 1,000 planning permits. At issue was the proposed expansion into the so-called E1 territorial stretch between Jerusalem and Ma'ale Adumim. Expansion into this strategic area would ultimately hinder the existence of a contiguous Palestinian zone, and thus make the creation of a future Palestinian state geographically difficult. As noted by United Nations Secretary-General Ban Ki-Moon, "It [the settlement expansion into the E1 territorial stretch] would represent an almost fatal blow to remaining chances of securing a two-state solution."

Both Democratic and Republican administrations in the United States have eschewed the notion of such expansion in the past. Now, in December 2012, the United States was responding to this settlement expansion news with disapproval. The Obama White House released a statement in which it cast the settlement expansion plans as counterproductive and warned that these moves would only hinder the peace process. Several European countries also expressed dismay over the settlement expansion plans, with some of them hinting at diplomatic consequences.

Opposition critics at home in Israel expressed anxiety that the expansion plan would isolate the country in relation to the global community. The Netanyahu government, however, appeared undeterred by these criticisms and buoyed by strong domestic support for its moves. Prime Minister Netanyahu declared: "We will carry on building in Jerusalem and in all the places that are on the map of Israel's strategic interests."

Note on Hamas leader's "Jihadist" declaration --

On Dec 8, 2012, having returned to Gaza to celebrate Hamas' 25th anniversary, Hamas leader Khaled Meshaal declared to supporters: "Jihad is the way to liberation." Addressing tens of thousands of Palestinian supporters, Meshaal offered little in the way of restraint as he underlined and augmented the militant extremist Islamic entity's Jihadist orientation saying, "Resistance is the means not the end ... for 64 years we have tried all other options but to no avail ... there is no victory without resistance." He continued, "Jihad is the way to liberation, along with all types of national and diplomatic struggle ... there is no value for all those types without resistance."

Meshaal referenced the bid for United Nations' recognition of Palestine as "a small but important step," but took an intransigent and confrontational line in declaring, "Palestine is ours from the river to the sea and from the south to the north. There will be no concession on an inch of the land." Using bellicose language, he reiterated Hamas' uncompromising stance of not recognizing Israel as follows: "We will never recognize the legitimacy of the Israeli occupation and therefore there is no legitimacy for Israel, no matter how long it will take."

Israel responded to Meshaal by describing his speech as "hateful and extremist." Israeli government spokesperson, Mark Regev, noted that Meshaal message clearly "says no to peace and no to reconciliation, a message that says every Israeli man, woman and child is a legitimate target." He additionally noted, "That sort of extremism won't help peace, the opposite is true."

Update (Early 2013):

In January 2013, snap parlimentary elections were held in Israel leading to a fairly inconclusive result and a complicated government formation process. Please see "Primer" below for details.

In February 2013, Bulgarian officials were placing the blame on Lebanon-based Hezbollah for a bus bombing that killed five Israelis and a local bus driver, in the Black Sea resort town of Burgas in mid-2012.

The attack on July 18, 2012, which also resulted in the death of the suspected suicide bomber, occurred at the Burgas airport in Bulgaria. The bombing appeared to target a bus carrying Israeli tourists and ensued on the 18th anniversary of a deadly attack on a Jewish community center in Argentina, raising the likelihood that the Bulgaria bombing was another instance of anti-Jewish terrorism by extremist elements.

At the time, Israeli Prime Minister Benjamin Netanyahu wasted little time in blaming Iran for the act of terrorism in a statement that read: "All the signs lead to Iran. Only in the past few months we have seen Iranian attempts to attack Israelis in Thailand, India, Georgia, Kenya, Cyprus and other places." He additionally promised retaliation, asserting in the statement, "Murderous Iranian terror continues to hit innocent people. This is an Iranian terror attack that is spreading throughout the entire world. Israel will react forcefully to Iranian terror." A day later, Israeli Defense Minister Ehud Barak expanded on Netanyahu's claim that Iran was behind the act of terrorism, explaining that the Lebanese Hezbollah was the direct perpetrator of the attack, but had been acting under the aegis of Iran. Netanyahu himself explained the connection using the following phrase: "Hezbollah, the long arm of Iran."

Analysts were suggesting that the terror attack in Bulgaria was likely another manifestation of the covert war between Israel and Iran. To that end, there were intimations that the Bulgaria bombing might have been a retaliatory attack for the series of targeted strikes against Iranian nuclear scientists.

For its part, Iran dismissed the accusation and expressed condemnation for "all terrorist acts." No statement, though, came from Hezbollah.

By July 20, 2012, United States officials were suggesting that the suicide bomber on the bus in Bulgaria was a member of Hezbollah. According to the New York Times, their sources did not wish to be identified as the investigation was under way, however, the suicide bomber was in Bulgaria on a mission to attack Israeli interests. The New York Times' unnamed sources also observed that Hezbollah was being guided and sponsored by Iran in this effort. Bulgarian Interior Minister Tsvetan Tsvetanov was on the record confirming that the suicide bomber had been "in country" for several days prior to the terror attack.

More than six months later in February 2013, and with an investigation having taken place, Bulgarian officials were now officially saying that there were "obvious links" to Lebanon and Hezbollah. Bulgarian Interior Minister Tsvetan Tsvetanov said that two suspects involved in the Burgas bombing plot were directly linked to Hezbollah. He said, "We have established that the two were members of the militant wing of Hezbollah. There is data showing the financing and connection between Hezbollah and the two suspects."

Israeli Prime Minister Benjamin Netanyahu wasted little time re-entering the fray. He accused Lebanon-based Hezbollah and Iran of "waging a global terror campaign across borders and continents" and called on Europe to "reach the required conclusions regarding the true nature of Hezbollah." That latter call appeared to reference the fact that many European countries have not gone so far as Israel and the United States in classifying Hezbollah as a terrorist organization.

In mid-February 2013, the trial of former Israeli Foreign Minister Avigdor Lieberman on charges of fraud and breach of trust commenced in Jerusalem. Lieberman was charged with fraud and breach of trust in connection with a long-standing financial scandal in December 2012. At issue were allegations relating to Lieberman's suspected involvement in the promotion of Zeev Ben Aryeh, Israel's former ambassador to Belarus, to a new post in Latvia.

While Lieberman was cleared of more serious charges, such as bribery and money laundering, the breach of trust issue was not expected to be helpful, emerging as it did only six weeks ahead of the country's parliamentary elections, which took place in the first part of 2013 (as discussed below). Lieberman resigned as foreign minister

on Dec. 14, 2012. At that time, he said, "Though I know I committed no crime... I have decided to resign my post as foreign minister and deputy prime minister."

Lieberman's name returned to the headlines at the end of December 2012 when he was formally indicted on the aforementioned grounds of fraud and breach of trust.

In February 2013, not only was Lieberman no longer a cabinet minister, he was also in the legal fight of his life. In the background was the question of his political future. Although the alliance of Likud and

Yisrael Beitenu won the most seats in the elections held on Jan. 22, 2013, they were markedly short of forming a workable majority in parliament. While Netanyahu was busy trying to cobble together a coalition government, Lieberman was in court facing trial in mid-February 2013. Should Lieberman be found guilty and and sentenced to three months or more in prison, he would be forced to relinquish his parliamentary seat and he would be banned from government office for seven years.

Primer on 2013 Parliamentary Elections in Israel

Parliamentary elections were set to take place in Israel on Jan. 22, 2013. At stake would be the 120 seats in the unicameral "Knesset" (Parliament). Members are popularly elected by one district proportional representation to serve four-year terms. The main political parties contesting the elections would be Likud, Kadima, Yisrael Beiteinu, Shas, the Labor Party, SHAS, United Torah Judaism, United Arab List, among others. Details of the election landscape leading up to voting were as follow.

On Oct. 9, 2012, Israeli Prime Minister Benjamin Netanyahu announced that fresh elections would be held for the 120-member Knesset or parliament. Prime Minister Netanyahu said the general election could be held as early as January 2013 -- nine months ahead of schedule. The decision to call fresh elections appeared to have been motivated by an inability to forge an agreement with his coalition partners over the annual budget. Speaking of this issue, Netanyahu said, "At this time, in the face of the turmoil around us, it is my obligation as prime minister to put the national interest above all. Therefore I have decided for the benefit of Israel to hold elections now and as quickly as possible." To that end, the election date was set for Jan. 22, 2012. The conventional wisdom was that Netanyahu's conservative Likud party was positioned to win this forthcoming election. However, as was the case in the previous election of 2009, without an outright parliamentary majority, he would more than likely have to form another coalition government.

Note that on Oct. 25, 2012, Prime Minister Benjamin Netanyahu who leads the ruling Likud Party, and Foreign Minister Avigdor Lieberman, the leader of Yisrael Beiteinu, agreed that their parties would run on a united list in the country's forthcoming elections set for Jan. 22, 2013. Clearly, the move was intended to consolidate the right-wing factions of the political spectrum. Speaking of this tactical move, Netanyahu said: "At this time, Israel needs this joining of forces. This union would give us strength to lead Israel for the upcoming years and defend it against the external threats we're facing from Iran, as well as the internal issues like the cost of living and other socioeconomic topics."

The move was met with some criticism from within Likud. As reported by the Ha'aretz newspaper, a senior government official said: "We're repulsed by this partnership with Lieberman. I don't want to run with a person like Lieberman and the kind of values he stands for." This vociferous comment appeared to reference Lieberman's notoriety as a far right hardliner, illustrated by his advocacy of a loyalty-citizenship bill.

But Lieberman had his own political problems. On Dec. 13, 2012, the Israeli foreign minister was charged with fraud and breach of trust in connection with a long-standing financial scandal. While he was cleared of more serious charges, such as bribery and money laundering, the breach of trust issue was not expected to be helpful, emerging as it did only six weeks ahead of election day. Although he said that he committed no wrongdoing, Lieberman

resigned as foreign minister on Dec. 14, 2012. He said, "Though I know I committed no crime... I have decided to resign my post as foreign minister and deputy prime minister."

Lieberman was nonetheless expected to contest the impending election. Note that at the end of December 2012, Lieberman was formally indicted on the aforementioned grounds of fraud and breach of trust.

Meanwhile, on Nov. 26, 2012, Defense Minister Ehud Barak, said he would not be contesting the forthcoming elections as he intended to retire from politics. The Labor Party would, thus, enter the election contest without Barak who served in the past as both party leader and as prime minister of Israel.

Two months ahead of the election in Israel, which was set to be held in January 2013, most polls showed the right-wing with the clear lead and headed for victory. The aforementioned alliance between Likud and Yisrael Beiteinu looked to be paying political dividends at that time. Divisions within the center-left, and the exit of Barak, appeared to be hurting that bloc politically.

But by mid-December 2012, the election race appeared to have become a closer one, with the gap narrowing between the two main political wings in the contest for control over the 120-seat Knesset. At the close of December 2012, polling data showed Likud with the lead in voters' preferences although the ultra-right Habayit Hayeudi ("Jewish Home") was gaining strength. The sudden surge towards Habayit Hayeudi came as a result of a statement by party leader Naftali Bennet promising to resist the evacuation of settlements. Still, it was Likud poised to win about 35 seats, with Labor headed to capture 17 seats, and Habayit Hayeudi set to carry 13 seats, according to a Dialog Group poll for the Ha'aretz newspaper.

Note: On the political right, the political parties and blocs contesting the election in January 2013 included the Likud-Yisrael Beiteinu alliance, the religious Shas party, Jewish House, and United Torah Judaism. For the center-left bloc, the parties and blocs contesting the election in January 2013 included the Labour party, Kadima, the newly-established Hatua party of Tzipi Livni, the newly-established Yesh Atid party of Yar Lapid, the left-wing Meretz, and a number of Arab parties.

On Jan. 22, 2013, Israeli voters went to the polls in droves. Reports from the ground in Israel suggested high voter turnout. Exit poll data released after the polling station were closed indicated that although Prime Minister Benjamin Netanyahu's right-wing Likud-Beitenu alliance had won the most seats, it actually lost support overall. Indeed, the alliance of Likud and

Yisrael Beitenu won the most seats in the elections held on Jan. 22, 2013, they were markedly short of forming a workable majority in parliament.

Moreover, the right wing appeared to have ceded political ground to center-left parties. In first place was Likud-Beitenu, which was expected to secure about 31 seats. In second place after Likud-Beitenu was the center-left Yesh Atid (There is a Future) party, led by journalist-turned-politician Yair Lapid, which was expected to take about 19 seats. The Labour Party was in third place with 17 seats expected to go its way. Habayit Hayehudi (Jewish Home), which would likely carry about 12 seats. The religious Shas party was on track to win 11 seats. Hatua, the party of former Kadima leader, Tzipi Livni, was expected to take six seats.

Since victory for Netanyahu's alliance was anticipated, the real news from the Israeli election was the shockingly strong performance of a newly-formed party like Yesh Atid. The Labour Party's healthy poll performance was also worthy of attention.

These results also meant that Netanyahu was poised to return as prime minister, although he would likely have to form a coalition with another party to do so.

If Netanyahu chose to form a right-wing coalition, he would see major challenges from an ascendant center-left bloc. Meanwhile, that theoretical right-wing coaliton could include Habayit Hayehudi -- a party that has been vocal in its plan to annex significant swaths of the West Bank, while rejecting the notion of a two-state solution to the Israel-Palestinian conflict. Israel was thusly headed for a highly-polarized political future. With such a possibility in sight, some voices from within Likud were calling for the formation of a broad coalition that might include the center-left. Those voices seemed cognizant that entrenchment of the hardline right would likely evoke the sharp consternation of most of the international community.

To these ends, a day after the election, Netanyahu said that he hoped to create a broad-based government. "The elections are behind us and the challenges are in front of us, including the Iranian nuclear threat, the global economic crisis and striving for a peace with the Palestinians. We would like to join hands with as many partners as possible to work and solve those challenges," Netanyahu said.

It was yet to be seen if he could achieve the goal of forming a broad coalition government. On the one hand, Lapid of the Yesh Atid made it clear that he was not interested in political gamesmanship and did not intend to block Netanyahu from forming a government. Lapid indicated that he was also interested in reaching the goal of a broad coalition, saying, "The outcome of the election is clear: we must work together." But on the other hand, Lapid was highly emphatic about the priority of the peace process with the Palestinians during the election campaign. It was not clear that Netanyahu and his party shared that aspiration. Another bone of contention for Lapid was the matter of ultra-Orthodox Jewish seminary students deferring their military service. This was a major issue leading up to the election with religious parties strongly opposed to changing this provision and Lapid's party demanding reform of the law. Meanwhile, Labour leader, Shelly Yachimovich, made it clear that she was interested in

forming a center-left governing coalition. But Yachimovich was not expected to have that opportunity since the leader of the largest party in parliament is usually asked by the president to form a government.

The government formation process was to go on for about one month. But as discussed here, Netanyahu was not having success in forging a coalition easily. Although President Shimon Peres originally said that he hoped the new government could be quickly formed in the interests of Israel's economic and political stability, more time was needed to form a coalition. Accordingly, President Peres granted Netanyahu a two-week extension to the government formation process.

But it was difficult to determine if that two week extension would yield results, and create a softening stance from other parties since Netanyahu wasted little time in blaming the other parties for his failure to form a new coalition government. In an interview with Israeli media, Netanyahu said, "The reason there is no coalition so far is because there are boycotts of an entire public in the State of Israel and that does not match my views."

Lapid, leader of the Yesh Atid (There is a Future), wrote on his Facebook page that he did not see how his party could find resolution with religious parties, stating: "I do not believe that Shas and UTJ (United Torah Judaism) can sit in a government that will make the changes for which we went to elections." His statement was a direct reference to the election results, which showed Israelis wanting equal treatment on the matter of the military draft, and irrespective of the religious ideology of ultra-orthodox Jewish factions. Naftali Bennet of the Bayit Yehudi (Jewish Home) was more vociferous in his stance, stating on his Facebook page: "The message from was simple: at no price will religious Zionism be in the government. Forget about it."

The passionate declarations from these three players aside, by mid-March 2013, a coalition government had been formed. To this end, Netanyahu said: "We have kept the government in our hands." The new government would include Netanyahu's Likud-Yisrael Beitenu party list, Lapid's Yesh Atid, Livni's Hatnua, and Bennet's Jewish Home. It would be the first time in years that Israel would be led by a government that did not include ulta-orthodox Jewish parties. Left out of the alliance were the ultra-Orthodox parties, Shas and United Torah Judaism, as well as left-wing Labour, which made it clear it would not join a government with Netanyahu. Also out of government would be Kadima and the Arab parties.

The inclusion of Yesh Atid, Hatnua, and Jewish Home indicated a collision course of sorts between Lapid and Livni, who favored a return to the peace process with the Palestinians, and Bennet, who championed a nationalist and pro-settler cause. Nevertheless, Netanyahu would return as prime minister, while also holding the foreign ministry portfolio since Avigdor Lieberman (the former foreign minister and co-leader of the Likud-Beitenu party list) was busy facing legal charges of fraud and breach of trust. Lapid would become finance minister while Bennett would become the minister of trade and industry. Livni would be justice minister and chief negotiator in talks with the Palestinians.

Moving Forward

The new government of Israel would take charge in Israel just ahead of a visit by United States President Barack Obama.

The first official visit to Israel of a sitting American head of state occurred as the issue of Iran's nuclear development program was dominating the international geopolitical landscape. For some time, Israel has threatened strikes on suspected Iranian nuclear facilities, in the interests of national security. Indeed, Iran does not recognize the Jewish state of Israel and has issued repeated (often anti-Semitic) warnings to "wipe Israel off the map," essentially posing an existential threat to the Jewish State.

While the United States has eschewed imprudent military action against Iran, it has nonetheless stood with Israel in asserting that it would take necessary action to prevent the Islamic Republic of Iran from ever producing a nuclear weapon.

Ahead of this visit to Israel, President Obama was signaling that Iran was yet some ways away from being able to produce a nuclear weapon. In a pre-visit interview with Channel 2 in Israeli, he said that Iran was "over a year or so" away from being able to develop a nuclear weapon. Still, President Obama said that he was not interested in leaving action against Iran for the last moment. He said, "We think that it would take over a year or so for Iran to actually develop a nuclear weapon but obviously we don't want to cut it too close." Describing the purpose of his meeting with Israeli Prime Minister Benjamin Netanyahu on the issue of Iran, President Obama said, "My message will be the same as before: if we can resolve it diplomatically, that's a more lasting solution. But if not, I continue to keep all options on the table." The United States leader did not foreclose military strikes against Iran's nuclear facilities, saying, "When I say that all options are on the table, all options are on the table and the United States obviously has significant capabilities."

See "Special Entry" below for further details related to the Iranian nuclear issue and President Obama's 2013 visit to Israel.

Special Entry

United States President Obama emphasizes bond with Israel in first official state visit as president

On March 20, 2013, United States President Barack Obama traveled to Israel in his first official state visit as president. The trip would offer an opportunity for the American president to improve frosty personal ties with Israeli Prime Minister Benjamin Netanyahu, rather than operate as a *policy* catalyst of any sort. The White House in the United States indicated that meetings between Obama and Netanyahu were not likely to focus on the peace process with Palestinians, since the movement on that track was expected to be slow. Instead, the focus would be on the matter of Iran's nuclear aspirations and the priority to prevent that country, which poses a threat to Israel, from developing a nuclear weapon. The war in Syria was also likely to be addressed during bilateral meetings. But the essential purpose for the trip appeared to be oriented towards recalibrating the relationship between the two leaders.

In 2013, the political landscape was quite different from the scenario of the last few years, and the political dynamics for the two men had certainly changed. Whereas United States President Obama had been decisively reelected to power in November 2012 and inaugurated for a second term in January 2013, Israeli Prime Minister Netanyahu had emerged from his country's elections as the weakened leader presiding over a precarious coalition. Now, with both men having to deal with one another and with the geopoitical stakes in the ever-more volatile Middle East higher than ever, it appeared that the time was right for a "re-setting" of the relationship between the two men and an affirmation of bilateral ties.

President Obama arrived in Israel for this highly-anticipated visit on March 20, 2013. As the president disembarked from Air Force One onto the tarmac of Ben-Gurion International Airport, he was personally greeted by both Israeli Prime Minister Netanyahu and President Shimon Peres.

President Obama affirmed the United States' long-standing and unbreakable bond with Israel saying, "Just as we have for these past 65 years, the United States is proud to stand with you as your strongest ally and your greatest friend." Emphasizing the bilateral bond between the two countries, President Obama characterized his visit to Israel as "an opportunity to reaffirm the unbreakable bonds between our nations, to restate America's unwavering commitment to Israel's security, and to speak directly to the people of Israel and to your neighbors." He continued by noting that the United States' interests intersected with those of Israel, saying, "It's in our fundamental security interest to stand with Israel." There was a moment of levity when President Obama said to Prime Minister Netanyahu and President Peres, "It's a lovely day. Great to see you, great to be here ... It's good to get away from Congress."

During a joint press conference, Israeli Prime Minister Netanyahu made a clear departure from the challenging tone taken with President Obama in previous venues of this sort. In one infamous case, Netanyahu stood next to Obama during a news conference and lectured the leader of the free world on Israel's unique security challenges. This time, Netanyahu's attitude towards Obama was significantly more conciliatory, and even marked by amity. Indeed, Prime Minister Netanyahu offered a heartfelt welcome to the American president, saying, "I come here today with a simple message. Thank you." He continued, "Baruch haba ley Israel — welcome to Israel. The people of Israel are honored to have you visit." Netanyahu further thanked President Obama for the United States' support for the Jewish state of Israel saying, "Thank you for standing by Israel at this time of historic change in the Middle East."

The trip was not purely focused on improved personal relations between the two heads of government, The serious challenge of a nuclearized Iran was also on the table for discussion. Indeed, even before President Obama's trip to Israel, the issue of Iran's nuclear development program has loomed large. It should be noted that Iran does not recognize the Jewish state of Israel and has issued repeated (often anti-Semitic) warnings to "wipe Israel off the map," essentially posing an existential threat to the Jewish State. With such threats prevailing and with the prospect of a nuclear-armed Iran on the horizon, Israel has threatened strikes on suspected Iranian nuclear facilities. While the United States has eschewed imprudent military action against Iran, it has nonetheless stood with Israel in asserting that it would take necessary action to prevent the Islamic Republic of Iran from ever producing a nuclear weapon.

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Once "in country" in Israel, President Obama confirmed his stance on Iran, asserting the United States' resolve to prevent Iran from obtaining a nuclear weapon. Israeli Prime Minister Netanyahu underlined the United States president's commitment on this issue, saying he was "absolutely convinced that the president [Obama] is determined to prevent Iran from getting nuclear weapons.

In a significant development, Netanyahu acknowledged that Obama's stated one year timeline on Iran's nuclear weapons development capacity was correct, although he noted that his [Netanyahu's] so-called "red line" involved the uranium enrichment aspect of weaponization and not the actual building of a nuclear weapon. Of course, both uranium enrichment and the manufacture of a bomb would be involved in nuclear weapons development. Accordingly, it seemed that President Obama and Prime Minister Netanyahu were respectively offering a sense of unanimity on the issue of Iran and its nuclear development program. Indeed, as noted by President Obama himself, there was "not a lot of daylight" between American and Israeli assessments on the stage of Iran's nuclear development program, although he added that there was "time to resolve this diplomatically."

Netanyahu reserved the right to take unilateral action against Iran saying that he was certain Obama appreciated the fact that Israel "can never cede the right to defend ourselves to others, even to the greatest of our friends." He continued, "Today we have both the right and the capability to defend ourselves." For his part, President Obama offered concurrence on this point, saying "Each country has to make its own decisions when it comes to the awesome decision to engage in any kind of military action. And Israel is differently situated than the United States."

President Obama also expressed hopes that the Israeli-Palestinian peace process might be revitalized. Although President Obama was scheduled to meet with Palestinian leader Mahmoud Abbas, Palestinians in the West Bank and Gaza appeared to have no enthusiasm for the American president. The previously-hopeful attitude of Palestinians towards Obama was now replaced with jaded resentment, presumably due to the United States' opposition to the Palestinians' unilateral bid for statehood at the United Nations and the lack of active participation by the Obama administration on the Israeli-Palestinian issue.

Conversely, President Obama -- who arrived in Israel in 2013 without great support from the Israeli people -- was now experiencing the benefits of thawing relations. The majority of Israelis were not fans of President Obama, viewing with suspicion his relentless push for Israel to end its settlement activities in predominantly Palestinian areas, as well as his decision not to visit Israel during his 2009 trip to the Middle East when he gave his landmark pro-democracy speech in Cairo. Now, however, the tide appeared to be turning.

Israelis watched President Obama's motorcade as it drove through the streets of Jerusalem from the homes and on television with interest. News commentators in Israel cast the temperature between Obama and Netanyahu as genuinely warmer. If the news commentators in Israel were reflective of national sentiment, Obama's declaration "Tov lihiyot shuv ba'aretz" -- Hebrew for "It is good to be back in Israel" -- resonated very positively with Israelis. The Israeli news commentators also paid particular -- and affirmative -- attention to President Obama's statement that Israel was "the historic homeland of the Jewish people." President Obama said, "More than 3,000 years ago, the Jewish people lived here, tended the land here, prayed to God here. And after centuries of exile and persecution, unparalleled in the history of man, the founding of the Jewish state of Israel, was a rebirth, a redemption, unlike any in history. Today, the sons of Abraham and the daughters of Sarah are fulfilling the dream of the ages: to be masters of their own fate in their own sovereign state." This fulsome nod to the plight of Jews through history appeared to reify the essential and historic claim of the Jewish people on the land of Israel.

President Obama also earned personal capital in the simple gesture of assisting 89-year old President Peres along the red carpet. As stated by one Israeli commentator, "Who Remembers Romney Now?" in a clear reference to the fact that Prime Minister Netayahu and many Israelis were hoping for a one-term Obama presidency. Likewise, as noted by Herb Kleinom in the Jerusalem Post, "He had us at "Shalom."

On March 21, 2013, as expected, President Obama met with Palestinian Authority President Mahmoud Abbas in Ramallah. There he called on Palestinian leaders to resume peace talks with Israel, regardless of ongoing Israeli settlement building. Obama's arrival in the West Bank was not without political stress. Palestinian extremists greeted the United States leader by firing rockets from Gaza into the Israeli border city of Sderot in violation of a prevailing ceasefire agreement.

On the same day, President Obama delivered a speech to Israeli university students at the International Convention Center in Jerusalem. In that address, he acknowledged the obstacle to resolving the Palestinian issue, but asserted that peace "is the only path to true security." President Obama noted that the path to ensuring Israel remained a democratic and Jewish state necessitated peace and a two-state solution with Israel existing alongside a future Palestinian state.

President Obama said, "Given the demographics west of the Jordan River, the only way for Israel to endure and thrive as a Jewish and democratic state is through the realization of an independent and viable Palestine." He also outlined the rights for Palestinians, saying, "The Palestinian people's right to self-determination and justice must also be recognized." On the issue of national security, and given the challenge of global opinion, President Obama urged Israel to take on the challenge of peace, saying: "Given the frustration in the international community, Israel must reverse an undertow of isolation. And given the march of technology, the only way to truly protect the Israeli people is through the absence of war -- because no wall is high enough and no Iron Dome is strong enough, to stop every enemy from inflicting harm."

Irrespective of the controversial subject matter, President Obama's address was well-received by the Israeli youth who applauded his passionate call for the cause of peace, gave him a standing ovation in response to his good humored attitude to a heckler, and even expressed support for the notion of a Palestinian state.

A state dinner, hosted by Israeli President Shimon Peres, brought a conclusion to President Obama's first official visit to israel as the American head of state and leader of the free world. There, President Peres awarded Obama with Israel's Presidential Medal of Distinction in recognition of his [Obama's] "tireless work to make Israel strong, to make peace possible." As he bestowed on President Obama Israel's highest honor, President Peres said: "The path to tomorrow may be fraught with obstacles, I believe we can overcome them with our determination and with your commitment."

Note: Barack Obama is the first serving United States president to receive the Medal of Distinction from the state of Israel.

Special Entry

Israel carries out strikes into Syrian territory to stop transfer of weapons to Hezbollah

On May 3, 2013,

Israel carried out an initial air strike into Syrian territory. While Israel was highly reticent about providing any confirmation of its activities, various reports indicated that the first air strike was intended to stop the transfer of missiles from Syria to the militant Islamic group, Lebanon-based Hezbollah, which has posed a clear and aggressive threat to Israel's national security. Indeed, the Assad regime in Syria along with Lebanon-based Hezbollah have long been allied with Iran, which has repeatedly voiced the desire for the destruction of the Jewish state of Israel.

Two days later on May 5, 2013, it was reported that Israeli warplanes struck a military research facility in Syria. There were some suggestions in the media that the second strike was aimed at neutralizing or destroying a delivery system for chemical weapons.

However, as reported by Reuters News, an Israeli official speaking on the condition of anonymity made it clear that these air strikes by Israel on Syrian targets were for the singular purpose of stopping the transfer of weapons from Syria to Hezbollah in Lebanon. The official was cited in Reuters as saying: "There was an air strike. The target was not a chemical weapons facility. It was missiles intended for Hezbollah." A separate report by the New York Times appeared to corroborate this view, as anonymous United States officials were reported to have said that the weapons targeted included advanced Fateh 110 surface-to-surface missiles from Iran, which were located in a warehouse at the Damascus International Airport.

The Netanyahu government in Israel has made it clear that it would use force, if necessary, to prevent weapons from reaching Hezbollah that could be used against Israel. Indeed, months earlier in January 2013, Israel reportedly bombed a convoy in Syria, with an eye on preventing the delivery of weapons to Hezbollah.

At the international level, the Arab League condemned the Israeli air raids, while United Nations Secretary General Ban Ki-Moon expressed his worry over the situation and urged "maximum calm and restraint."

Still, NBC reporter, Richard Engel, said via Twitter that irrespective of official disapproval over Israel's actions, there were many activists privately applauding the moves.

For his part, United States President Barack Obama offered little in the way of an admonishment to Israel, saying instead that Israel had the right to protect itself. In an interview with the Spanish-speaking network, Telemundo, he said: "What I have said in the past and I continue to believe is that the Israelis justifiably have to guard against the transfer of advanced weaponry to terrorist organizations like Hezbollah. We coordinate closely with the Israelis recognizing they are very close to Syria, they are very close to Lebanon."

To that end -- Israel acting to protect itself from potential threats posed by enemies in the region -- it should be noted that it was unlikely that Syria actually entered Syrian air space when it carried out its strikes. All expectations were that the Israel used "stand off" bombs to hit Syria from a distance.

Not surprisingly, Syria was not at all sanguine in its response to Israeli air strikes. At first Syria did not even acknowledge that any of its interests had been bombed at all. But late in the day on May 5, 2013, Syria promised that retaliation was in order. As reported by CNN News, the strike by Israel was being treated by Syria as "an act of war."

To that end, Syrian Deputy Foreign Minister Faisal Miqdad described the Israeli air strikes as a "declaration of war" and warned of retaliation. At the same time, Syrian Information Minister Omran Zoabi declared: "Syria is a country that does not accept insults and it doesn't accept humiliation." He further added that the strikes left "a wide door for all possible options."

Progress on the Middle East peace process?

Since mid-July 2013, United States Secretary of State John Kerry has been traveling to the Middle East in another effort of "shuttle diplomacy" as he attempted to revitalize the peace process between Israelis and Palestinians.

Israel's Prime Minister Benjamin Netanyahu welcomed Secretary of State Kerry's peace efforts, and noted that the re-engagement with the Palestinians was of "vital and strategic interest" to Israel. Prime Minister Netanyahu intimated that challenges in the region from Iran and Syria demanded that the Israeli-Palestinian issue be settled for the long run. He said, "It is important in itself to try and end the conflict between us and the Palestinians and it is important in light of the challenges we face from Iran and Syria."

As part of an apparent good faith agreement, Israel announced plans to release a number of high value Palestinian prisoners who had been in jail for decades. The actual release of the prisoners would ensue on a phased basis.

On the other side of the equation, the Palestinians committed to participating in "serious negotiations" over the course of a minimum nine-month period.

Contentious issues, such as the matter of Jewish settlements in the West Bank and East Jerusalem, did not appear to be part of the immediate agreements. However, they found their way into the initial discussions anyway. A senior Palestinian official was reported to have said, "Our position remains clear: resumption of negotiations should be based on the two-state solution and on the 1967 borders." But Israel made clear that it would not be accepting the Palestinians' demands that a future Palestinian state be crafted on the basis of 1967 borders. Israeli Strategic Affairs Minister Yuval Steinitz asserted: "There is no chance that we will agree to enter any negotiations that begin with defining territorial borders or concessions by Israel, nor a construction freeze."

As well, Israeli Prime Minister Netanyahu promised to subject any future peace deal with the Palestinians to a referendum. He said there was a need for a potential peace deal to be ratified directly by Israelis in order to "prevent a rift among the people." He continued, "Any agreement that is not approved by the people is not worthy of being signed." That being said, Netanyahu noted that peace was the ultimate objective for his country. He said, "Achieving peace is a crucial goal for Israel." Critics of Netanyahu said that subjecting such a major **policy** decision to a popular referendum would be akin to tacitly sabotaging the peace process; however, the actual proposition for a referendum (which was approved by the Israeli cabinet), would relate to a peace deal involving territorial concessions.

Secretary of State Kerry noted that both Israelis and Palestinians had an important foundation for the resumption of direct peace talks after an impasse that had lasted three years. Secretary of State Kerry's peace agenda was also supported by the Arab League, which indicated that it would also be interested in moving forward with some variant of its earlier "land for peace" deal that did not really gain traction about a decade earlier. The actual peace talks were set to begin at the end of July 2013. The White House said the task head would be "an enormous challenge."

On July 28, 2013, the United States Department of State announced that Israeli and Palestinian negotiators would resume peace talks on July 29, 2013. After those talks, United States Secretary of State John Kerry announced that the two sides had agreed to remain engaged in sustained peace negotiations for at least a nine-month period, with the goal of forging a peace treaty.

Secretary Kerry explained: "The parties have agreed here today that all of the final-status issues, all of the core issues, and all other issues are all on the table for negotiation, and they are on the table with one simple goal: a view to ending the conflict, ending the claims." Speaking of the difficulty of the task at hand, Secretary Kerry said, "We all appreciate -- believe me, we appreciate the challenges ahead. But even as we look down the difficult road that is before us and consider the complicated choices that we face, we cannot lose sight of something that is often forgotten in the Middle East, and that is what awaits everybody with success."

The next round of talks would resume in mid-August 2013. Before those talks resumed, the contentious issue of Jewish settlements emerged when Israel approved the construction of close to 1,200 new Jewish homes in east Jerusalem as well as the West Bank. Palestinian negotiators said the move undermined Israel's good faith in the peace process. In an interview with Reuters, chief Palestinian negotiator, Saeb Erekat, said, "If the Israeli government believes that every week they're going to cross a red line by settlement activity, if they go with this behavior, what they're advertising is the unsustainability of the negotiations." But Israeli Housing Minister Uri Ariel defended the move saying that no country in the world would take orders on where its citizenry could build its homes. He said: "No country in the world takes orders from other countries [about] where it can build and where it can't."

Meanwhile, some political analysts have suggested that the settlement move had less to do with the government's attitude to the peace process, and was more about satisfying the right-wing base of the Likud-led Israeli coalition government. That hardline base has been outraged over the Israeli government's concession to release Palestinian prisoners. Rather than flagrantly undermining the peace process, the Israeli government very well may have been

throwing the hard-right flank a proverbial "bone" ahead of the resumption of peace talks and just as 26 of the 100 Palestinian prisoners were released from captivity.

The peace process was challenged in mid-August 2013 when Hamas militants fired rockets from the Gaza Strip into Israeli territory, spurring the Israeli military to respond by launching an airstrike on Gaza. There were no casualties in either incident but the scenario was a reminder of the ongoing tensions on both sides at a time when peace talks were set to resume in Jerusalem.

It should be noted that on Aug. 22, 2013, militants fired rockets from southern Lebanese territory into Israel, yielding damage at a kibbutz close to the coastal town of Nahariya. One rocket was intercepted using the Iron Dome missile defense system. Israel did not place the blame on Lebanon-based Hezbollah, with whom Israel was engaged in a short war in 2006, but instead on global jihadists. It was unknown if this incident was in response to ongoing peace efforts.

Months of shuttle diplomacy by United States Secretary of State John Kerry followed but in November 2013, United States-brokered Middle East peace talks hit a snag. Palestinian negotiators resigned over a lack of progress and in protest over Israel's continued settlement in Palestinian areas.

As noted by chief Palestinian negotiator, Saeb Erekat, "In reality, the negotiations stopped last week in light of the settlement announcements." At issue was the news that Israel announced plans for new Jewish settler homes in the West Bank and East Jerusalem. Palestinian negotiators reacted negatively to that development by walked away from the peace negotiations.

United States Secretary of State John Kerry entered the fray to note that the settlement plan undermined the peace process, and he urged Israel to limit its settlement activity in the interests of creating "a climate for these talks to be able to proceed effectively." Secretary of State even went so far as to move away from the usual stance by the United States in characterizing settlement expansion as "unhelpful." In this case, the United States top diplomat cast the settlement activity as "illegitimate." He said, "Let me emphasize that the position of the United States is that we consider now, and have always considered, the settlements to be illegitimate."

Perhaps cognizant of the negative effect on the peace process that the settlement activity might have on negotiations, Israeli Prime Minister Benjamin Netanyahu intervened into the brewing crisis. He said that he has no knowledge of the Israeli Housing Ministry's decision to grant construction permits and called for a halt on the settlement projects. That being said, Israeli Prime Minister Netanyahu blamed the Palestinians for the current obstacle to the peace process, accusing them of creating "artificial crises."

Prime Minister Netanyahu nevertheless indicated his hopes that the talks could return to more positive footing thanks to the presence of United States Secretary of State John Kerry.

For his part, Palestinian President Mahmoud Abbas made clear that the resignation of his negotiating team did not signal a death knell to the peace process, and that he would be willing to appoint a new team, if needed. He said, "Either we can convince it to return, and we're trying with them, or we form a new delegation."

It should be noted that the Palestinian leader had his own problems in trying to meet the needs of a Palestinian people lacking a sense of political unity. The goal for the Palestinian political establishment has been the formation of an independent Palestinian state in the West Bank and Gaza Strip; however, Gaza has long been under the control of the Islamist militant group, Hamas, which is hostile to the Jewish state and opposes peace with Israel. Hamas could hardly be regarded as a partner in the peace process.

By the first week of December 2013, United States Secretary of State John Kerry was back in Israel for peace talks. The United States' top diplomat, Secretary of State Kerry noted that progress had been made and security proposals were under consideration with an eye on addressing Israel's main concerns. He said, "We are closer

than we have been in years in bringing about the peace and prosperity and security that all the people in this region deserve and have been yearning for." Striking a positive tone during a news conference with Secretary of State Kerry, Israeli Prime Minister Netanyahu said that Israel was ready for historic peace with the Palestinians based on a two-state solution.

In an ironic twist, despite the positive tone taken by the Israeli prime minister, the Israeli foreign minister suggested the peace talks were at a "dead end." Avignor Lieberman argued that no deal was in sight, even indicating that the two sides were at an impasse as he said, "We are at a dead end." Although Lieberman was not playing a part in peace negotiations, he suggested that there was simply not enough trust between the two sides to hold credible negotiations. He said, "...Something simple like trust and reliability. The trust between the two sides is non-existent. It is hard to make peace when you don't believe the other side." On the issue of the prospects of a peace deal, Lieberman said, "My feeling is that there is great desire but I don't think it's possible. It is not easy to bridge the gaps. We are not even close to a deal, not even an interim one. That is my estimate."

By mid-December 2013, the "mixed" report on the progress of peace negotiations continued. Palestinian negotiators accused United States Secretary of State Kerry of dooming the peace process by adopting the Israeli position on security arrangements, which they said would short-circuit all the other issues under consideration.

At issue was the Israeli demand that it retain a security presence along the Jordan River -- something the Palestinian Authority has rejected as a non-starter. One possible compromise might be the notion of an Israeli Jordan River presence for a limited period of time for 10 to 15 years.

Nevertheless, Israeli Justice Minister Tzipi Livni, Israel's chief negotiator, said that progress was being made although the process would be difficult and laborious. She also made it clear that Israel should not take positions that would impair the peace process -- such as the construction of settlement. During an address to students at Tel Aviv University, Livni said: "My choice is clear -- peace and security, and not settlements and isolation." She continued by noting, "We are capable of making a decision that will lead to two states," but the process "will be gradual, and its implementation will be gradual."

Disagreements over measures and obstacles to the peace process have continued to crop up at the start of 2014. The decision by Israel to continue to build Jewish settlements in the West Bank and East Jerusalem raised the ire of Palestinians, who questioned Israel's commitment to a long-term "two-state solution," given these moves. But Israel has also questioned the proposed security arrangement in the Jordan Valley between a future Palestinian state and Jordan (discussed above) charging that there remained a serious security demand for Israeli forces to retain its military presence in flashpoint areas.

It should be noted that Palestinian Authority President Mahmoud Abbas has dismissed the Israelis' demand that it retain its military presence in the West Bank for decades for security reasons. He instead said that the Palestinian Authority would favor a would said in an interview aired Tuesday a three-year transition period for three years. Abbas said, "A transitional period cannot exceed three years, during which Israel can withdraw gradually. We are willing to allow a third party to take Israel's place, during and after withdrawal to soothe our concerns and Israel's." The vast distance between three years and several decades suggested that there was a major negotiating chasm yet to be bridged.

Meanwhile, bilateral tensions flared between Israel and its closest ally, the United States in January 2014. At issue were what the United States called the "offensive" comments of Israeli Defense Minister Moshe Yaalon regarding United States Secretary of State John Kerry. For his unrelenting efforts to advance peace between the Israelis and the Palestinians, Secretary of State Kerry was rewarded with insult instead of accolades.

According to Israel's Yediot Ahronot newspaper, Israeli Defense Minister Yaalonn said, "John Kerry -- who has come to us determined and is acting out of an incomprehensible obsession and messianic fervor -- cannot teach

me anything about the conflict with the Palestinians." Yaalon further disparaged the security plan recommended by Kerry saying, the proposal presented to Israel was "not worth the paper it was written on."

The United States -- the one country that has stood steadfastly by Israel as most of the Western world moved to support the Palestinians' bid for recognition at the United Nations, and which has provided unrelenting security support to Israel for decades -- reacted with outrage.

The White House in the United States condemned Yaalon's comments, characterizing them as "offensive" and rebuking Israel for this "inappropriate" stance, given the Unites States' support to Israel's security. White House spokesman Jay Carney, speaking on behalf of the government of the United States, further added the following condemnation: "Secretary Kerry and his team have been working non-stop in their efforts to promote a secure peace for Israel because of the deep concern the United States has, and the deep commitment the United States has for and to Israel's future and the Israeli people....To question his motives and distort his proposals is not something we would expect from the defense minister of a close ally."

Israeli Prime Minister Benjamin Netanyahu, perhaps realizing the extent of the bilateral damage, distanced himself from his own defense minister, saying, "Even when we have disagreements with the United States, they always pertain to the matter at hand, and are not personal." However, the Israeli defense minister was forced to issue an apology of his own. A statement issued by Yaalon's office read as follows: "The defense minister... apologizes if the secretary was offended by words attributed to the minister." Yaalon further added that he had no intention of "causing offense" and expressed gratitude for the United States' top diplomat's work in advancing peace, saying that Israel and the United States shared "a common goal" of advancing peace talks with the Palestinians and that his country appreciated "Secretary Kerry's many efforts towards that end."

Death of former Israeli leader Ariel Sharon

On Jan. 11, 2014, former Israeli Prime Minister Ariel Sharon died at age 85 -- eight years after suffering a massive stroke that left him in a comatose state. Sharon's condition deteriorated rapidly at the start of 2014, ultimately resulting in his death less than two weeks later.

A mix of condolences and accolades for Sharon were soon registered with Israeli Prime Minister Shimon Peres leading the charge to lionize the man he described as his "dear friend." President Peres characterized Sharon as "a brave soldier and a daring leader who loved his nation and his nation loved him." A commander in the Israeli army from its creation in 1948, Sharon would certainly be viewed as a national hero for his role in the 1967 Six Day War and the 1973 Yom Kippur War. Indeed, he gained the nicknames "The King of Israel," and "The Lion of God" for these efforts that resulted in victories for the Jewish state of Israel.

Of course, Sharon's biography would be written quite differently by Palestinians and by members of the conservative Likud party from which he ultimately withdrew.

For Palestinians, Sharon would be forever linked with his role as defense minister when Israel invaded Lebanon in 1982 and the finding by a commission that found him indirectly responsible for the deaths of hundreds of Palestinians by Lebanese Christian fighters in refugee camps under Israeli control. Sharon would also be linked with **sparking** the 2000

al-Aqsa Intifada when he visited the sacred site Temple Mount/ Haram al-Sharif (Holy <u>Sanctuary</u>) in Jerusalem. The visit <u>sparked</u> angry protests by Palestinians who were disgruntled with the lack of improvement in their daily lives since the Oslo Agreement, and the progress of the peace process as a whole. They viewed the sight of hawkish Sharon surrounded by police and bodyguards at the Muslim holy site as a clear provocation.

While Sharon was long considered an integral part of the conservative Likud party, in-fighting within the party over the matter of peace with Palestinians led the former prime minister to resign from Likud and start a new centrist party, known as Kadima (which translates into "Forward"). As the head of government in 2005, he took the unprecedented step of calling for Israeli soldiers and Jewish settlers to withdraw from Gaza and parts of the West Bank. This move was aimed at advancing the peace process -- a remarkable shift from his previous hardline stance -- but for which he earned the ire of conservative and pro-settler Israelis.

Regardless of his controversial political legacy, Ariel Sharon -- born Ariel Scheinermann -- would be remembered as a leading figure in Israel's national narrative. The Israeli government said that Sharon's

body would lie in state at the Israeli parliament, followed by a state funeral, and a burial at his ranch in the Negev.

Israel announces arrest of Palestinian al-Qaida cell with plans to attack U.S. embassy

On Jan. 22, 2014, Israel announced it had foiled a terror plot by a Palestinian al-Qaida cell in East Jerusalem. Israeli authorities from the Shin Bet security service said that they had arrested three Palestinians who were recruited in the Gaza Strip and the West Bank and were planning terror attacks. Those planned attacks included an operation against the United States embassy in Tel Aviv, an attack on a conference center in Jerusalem, and the abduction of Israeli soldiers from a Jerusalem's bus station. The Islamist extremist Hamas movement, which controls the Gaza Strip, dismissed Shin Bet's allegations, casting them as "silly fabrications," and suggesting that Israel was just trying to find justifications for its military strikes in Gaza. However, Shin Bet had fairly detailed claims against the cell saying that the operative were headed to Syria for weapons training and were in possession of fake Russian documents. As well, Shin Bet also noted that the Palestinian operatives used their Israeli resident cards to procure intelligence on their intended terrorism targets.

Former Israeli Prime Minister Olmert convicted of bribery

At the close of March 2014, former Israeli Prime Minister Ehud Olmert, who resigned from office in 2008 as a result of a corruption probe, was convicted of bribery. At issue was Olmert's guilty verdict in the so-called "Holyland affair." The case implicated Olmert in the payment of bribes to public officials, for the purpose of advancing a luxury property development project in Jerusalem at a time when he was the mayor of that city. The former leader of the Kadima has long insisted that he was innocent and has, indeed, been cleared of wrong doing in other corruption inquiries. Olmert, who succeeded Ariel Sharon as head of government when Sharon had a stroke in early 2006, was hoping for a political comeback. Having been cleared in 2012 of two major corruption charges, Olmert was on his way to actualizing that goal. However, that same year he was convicted of illegally granting favors to a business associate during his tenure as trade and industry minister in the Sharon administration. A suspended sentence and \$19,000 kept his political ambitions alive; however, it was not known if he could survive the guilty verdict in the Holyland affair -- one of Israel's most scandalous corruption cases ever.

U.S. Secretary of State Kerry cancels Middle East; peace process on "pause"

Since mid-July 2013, United States Secretary of State John Kerry has been traveling to the Middle East in another effort of "shuttle diplomacy" as he attempted to revitalize the peace process between Israelis and Palestinians. But at the start of April 2013, the peace process hit a significant obstacle and United States Secretary of State Kerry cancelled a scheduled trip to the Middle East.

By April 2014, the peace process was was not simply faltering- it was on its symbolic "death bed." At issue was the decision by Palestinian President Mahmoud Abbas to sign 15 international conventions pertaining to the Palestinians' attempt to be recognized as an independent country by the United Nations. The attempt to bypass the peace process and seek independent recognition at the United Nations has long been a contentious issue and one that the United States has opposed in favor of a negotiated settlement with both Israelis and Palestinians as stakeholders. For his part, Abbas said he was reacting to Israel's decision to issue 700 new tenders for settlements in the Jerusalem neighborhood of Gilo across the so-called Green Line (i.e. sometimes referred to as the "pre-1967").

borders" but actually the line of demarcation set out in the 1949 Armistice Agreements between Israel and its neighbors following the 1948 Arab-Israeli war. Throughout, Israel's intermittent decisions to move forward with Jewish settlements in the West Bank and East Jerusalem have been cause for consternation among Palestinians, and have frustrated the United States as it attempts to broker peace.

From the point of view of the United States, which was acting as the peace negotiations broker, both the Israelis and Palestinians were acting in bad faith. As such, Secretary of State Kerry signaled his outrage over their actions by cancelling his visits to Jerusalem and Ramallah respectively. He stopped short of casting the renewed Middle East peace effort as being in a state of crisis, and instead issued the following call: "We urge both sides to show restraint." Secretary of State Kerry also indicated that the peace effort would continue for a month as he said, "Abbas has given me his word that he will continue to negotiate until end of April." However, Kerry also intimated that there was no hope for peace without the commitment of the Israelis and the Palestinians, as he added, "It is up to the parties to make decisions." Israel itself was making its stance known as it decided not to go forward with a planned release of Palestinian prisoners -- a central element of the confidence-building measures in the larger peace process.

The fate of the peace process moved in a negative direction on April 4, 2014, when Secretary of State Kerry noted that the Obama administration in Washington was evaluating whether or not to continue its role as a broker in the Middle East peace talks. During a visit to Morocco, Kerry warned there were limits to his country's efforts. He said, "This is not an open-ended effort, it never has been. It is reality check time, and we intend to evaluate precisely what the next steps will be."

Efforts were underway to try to rescue the peace process as April 2014 moved into its second week, although hopes for a breakthrough remained limited since the negotiations schedule was set to expire on April 30, 2014.

Those remaining hopes for a breakthrough were dimmed on April 23, 2014, when the Palestine Liberation Organization (largely dominated by the more moderate Fatah wing of Palestinian President Abbas) decided to enter into a reconciliation agreement with the extremist Palestinian entity, Hamas, which has refused to recognize the right of Israel to exist and has been responsible for countless terror attacks against Israel. The agreement would facilitate a unity Palestinian government.

For several years, the Palestine Liberation Organization and Hamas have been at odds with one another. The so-called "seven-year schism" resulted with the Palestine Liberation Organization holding sway in the more moderate West Bank and Hamas controlling the more extremist Palestinian elements in the Gaza Strip. Peace talks between Palestinians and Israelis have been involved the government of Israel and the Palestinian Authority, with Hamas essentially left out of the equation and uninterested in pursuing peace with a country it has expressly sought to destroy. Now, however, rapprochment between the two Palestinian sides was sure to augur further stress and pressure on an already fragile United States-sponsored peace process.

Not surprisingly, on April 24, 2014, one day after the announcement of the reconciliation deal between the Palestine Liberation Organization and Hamas, the government of Israel decided that it would suspend the peace talks. Following a six hour meeting of select members of the cabinet, Israel made it clear that under no circumstances was it prepared to negotiate with a Palestinian administration backed by a terrorist organization, such as Hamas.

A statement dispatched by the office of Israeli Prime Minister Benjamin Netanyahu read as follows: "Whoever chooses the terrorism of Hamas does not want peace." The government of Israel also warned that there would be retaliatory measures implemented against the Palestinians for forming a unity government with the Gaza-based Hamas, which has made no secret of its rejection of the State of Israel. That statement read as such: "Israel will respond to unilateral Palestinian action with a series of measures."

For his part, Prime Minister Netanyahu observed that the reconciliation deal between the Palestinians " was signed even as Israel is making efforts to advance the negotiations with the Palestinians." Regarding that move as a

betrayal of the peace process, Netanyahu added, "It is the direct continuation of the Palestinians' refusal to advance the negotiations." In interviews with both BBC News and MSNBC News, Netanyahu emphasized the fact that there would be no resumption of peace talks unless Abbas abandoned his pact with Hamas. On MSNBC News, during an interview with Andrea Mitchell, Netanyahu outlined the parameters for future talks with the Palestinians, saying, "I hope (Abbas) changes his mind...I will be there in the future if we have a partner that is committed to peace. Right now we have a partner that has just joined another partner committed to our destruction. No-go."

It should be noted that earlier in the month of April 2014, the peace process was plunged into a stalemate when the Palestinians signed 15 United Nations conventions and Israel decided not to move forward with the prisoner release. There were some suggestions that Palestinian President Abbas' decision to refocus on rapprochment with Hamas was a tactic intended to revitalize negotiations and force Israel into concessions. However, Israeli Prime Minister Netanyahu instead seized upon Abbas' move as a legitimate rationale for exiting the peace process entirely. It was no secret that Netanyahu and the right-wing flank of the political spectrum in Israel had little enthusiasm for the peace process as exemplified by the "offensive" comments by Israeli Defense Minister Moshe Yaalon regarding United States Secretary of State John Kerry's peace efforts (discussed above).

On the other side of the equation, there was no sign that the Palestinians were willing to acknowledge the destructive impact of the reconciliation agreement with Hamas on the peace process. Instead, Wasel Abu Yousef, a Palestine Liberation Organization official, rejected what he called "Israeli and American threats."

A day later on April 26, 2014, Palestinian President Abbas issued a collection of confusing statements that only added to the perception that he had bungled the Palestinian side of the negotiations. He suggested that he was still prepared to move forward with peace talks with Israel, and insisted that his new unity government partner, Hamas, would renounce violence and recognize the state of Israel. But Hamas quickly refuted this claim, declaring that the militant entity "will not give any cover for any negotiations with the enemy." It was hardly the language of a group interested in a peace process with Israel and suggested that Abbas himself was not sufficiently cognizant of the actual political dynamics at play.

Meanwhile, the United States appeared to be weary of the tactics and bad faith employed by both Israel and the Palestinians in this latest peace effort, with President Barack Obama saying that it was time for a "pause."

The collapse of the peace process was thus to be regarded as an unfortunate blow to United States Secretary of State John Kerry and his peace envoy, Martin Indyk, who have diligently attempted to bridge the gaps between the two sides. At the start of the process, there was cautious optimism about the cause of advancing the peace agenda in the Middle East, and inching closer to achieving a two-state solution with Israel living peacefully beside an independent Palestine. Now, however, that mixture of anticipation and optimism had given way to anxiety and despondency.

Palestinian President Abbas swears in unity government following reconciliation deal with Hamas --

At the start of June 2014, Palestinian President Mahmoud Abbas had sworn into office a unity government solidifying the aforementioned reconciliation deal with Hamas. The move essentially ensured that Israel would no longer be prepared to engage with in peace negotiations with the Palestinians, given their decision to renew relations with a terrorist entity that has repeatedly refused to accept Israel's right to exist.

For his part, Abbas concentrated on the reconciliation between Palestinian factions, declaring: "Today, and after announcing the government of national unity, we declare the end of division that caused catastrophic harm to our cause."

On the other side of the equation, Israel made its disapproval clear, preventing three Gaza-based ministers from traveling to the West Bank for the cabinet inauguration ceremony. Israel issued a statement noting: "We are deeply disappointed" but also warning that the existence of the new unity government meant that President Abbas would

now be directly responsible for any terrorist attacks emanating from Palestinian areas. Accordingly, the statement continued: "The agreement with Hamas makes Abbas directly responsible for any terrorist activity from Gaza." Israel also had harsh words for the United States, which it accused of giving cover to Abbas for forming a government with a terrorist entity. This was a reference to the United States' restrained response to Abbas' announcement of the unity government.

To be clear, the United States was charting a cautious course. Since it was not interested in entirely alienating the Palestinian government, the United States authorities focused on the fact that the actual cabinet did not contain any members of Hamas and suggested they would try to work with the new Palestinian government. As noted by United States Department of State spokesperson Jen Psaki, "It appears that President Abbas has formed an interim technocratic government that does not include ministers affiliated with Hamas." She continued, "But we will continue to evaluate the composition and **policies** of the new government and calibrate our approach accordingly,"

Hamas, as before, did Abbas no favors. Instead of choosing the path of silence, its outgoing prime minister, Ismail Haniyeh, promised to continue "resistance by all forms" in its fight against Israel. In fact, Haniyey said that its inclusion in the new unity government meant that Hamas' militant wing -- the Qassam Brigades that has often been responsible for terror attacks -- was now transformed into a legitimate army. That type of messaging was not likely to assuage opponents of the Palestinian unity deal.

Primer on 2014 presidential election in Israel

An internal presidential election was held in Israel on June 10, 2014 to choose the successor to the outgoing chief of state, President Shimon Peres, who has served in that capacity since 2007. In Israel, the president is elected for a seven-year term by the "Knesset" or Parliament.

In the first round of the 2007 vote, Peres won 58 ballots -- just shy of the 61 needed for a majority in the 120-seat Knesset. In that round, Reuven Rivlin of Likud received 37 votes, while Colette Avital of the Labour Party garnered 21 votes. They both expressed support for Peres after the first round results were announced. Peres then won the support of 86 out of 120 parliamentarians to take victory in a second round voting. The president-elect was inaugurated on July 15, 2007. The election of Peres as president came after Moshe Katsav took a leave of absence from his presidential role, in the wake of accusations of rape. That matter had contributed to rising calls for his resignation, and created something of a domestic political crisis in Israel.

In 2014, the main candidates were Reuven Rivlin (who contested the 2007 election as discussed above) and Meir Sheetrit of the moderate Hatnuah party. Benjamin Ben-Eliezer, the Labor candidate and a veteran politician, withdrew from the race amidst rising allegations of financial malpractice. Rivlin ultimately claimed victory, securing the most votes in the second round.

As noted here, Rivlin belonged to Prime Minister Benjamin Netanyahu's Likud party and his position in opposition to a Palestinian state presented a defined departure from outgoing President Peres who has supported a two state solution to the Middle East peace process. That being said, Rivlin was yet able to garner support from the left-wing Haaretz newspaper on the basis of his interest in advancing Jewish-Arab cooperation. Indeed, it should be known that Rivlin was something of a political independent and was certainly no stalwart of Netanyahu, who has been antagonistic towards the peace process.

At an inauguration ceremony in the Knesset after the election, Rivlin declared, "The faith you have shown in me today, in all corners of this house, obliges me to shed, from this moment on, my political role."

Special Report

2014 Crisis in Gaza:

July 2014 saw already-dismal relations between Israelis and Palestinians devolve to a new nadir in the aftermath of the murder of three Israeli teenage seminary students. The three youth disappeared in mid-June 2014 having been last seen at a popular hitchhiking spot. The bodies of Naftali Frenkel, Gilad Shaar, and Eyal Yifrach were found under a pile of rocks close to the Palestinian town of Halhul. Their murders raised the ire of Israelis and the discovery of the bodies of the three students in a Palestinian town directed blame to Palestinian extremist militant elements.

The government of Israel, led by hardliner Prime Minister Benjamin Netanyahu wasted little time in blaming Hamas and promising retribution against that militant extremist Palestinian entity. It should be noted that Hamas recently entered into a unity agreement with the relatively more mainstream Palestinian Liberation Organization, essentially ending the peace process with Israel. Prime Minister Netanyahu said: "Hamas is responsible and Hamas will pay." Israel's Deputy Defense Minister, Dan Danon, issued a similar assertion, noting that Hamas "must pay a price."

For its part, Hamas denied any involvement in the killing on the three youth, claiming that Israel was just looking for an excuse to justify an anti-Palestinian operation. However, Israeli authorities have insisted that Hamas was responsible for the abduction and murder of Frenkel, Shaar, and Yifrach. In fact, Israeli authorities named two suspects as Ayoub al-Kawasma and Abu Aisheh, having raided the homes of both individuals in the West Bank city of Hebron.

The situation turned more grim on July 2, 2014, when the body of an abducted Palestinian youth was found in a wooded area close to Jerusalem. All expectations were that that 16-year-old Mohammed Abu Khudair, who was seen being pushed into a van, was the victim of a revenge killing, this time at the hands of Israelis. The discovery of Khudair's body spurred angry clashes between Palestinians and Israeli police in Jerusalem. Palestinian President Mahmoud Abbas reacted angrily and accused Jewish settlers of behind the killing of the Palestinian youth. He also called on Israel to "mete out the strongest punishment against the murderers if it truly wants peace." Israeli Prime Minister Benjamin Netanyahu also reacted with condemnation to the death of the young Khudair and called on police "to swiftly investigate who was behind the loathsome murder and its motive." He also urged both sides -- Israeli and Palestinian -- "not to take the law into their own hands."

A controversy soon erupted when mobile phone footage was released showing two officers relentlessly beating a teenager believed to have been a participant in the clashes, which included attacks on police.

That teenager was soon revealed to be Tariq Khudair, the American cousin of the Palestinian murder victim, Mohammad Abu Khdair.

It should be noted that Tariq Khudair and his family have denied the charges that he had been taking part in the street violence. Regardless of the veracity of their claims, the footage was sufficiently disturbing that the United States Department of State entered the fray, expressing concern over the treatment of a United States national at the hands of Israeli police.

As the first week of July 2014 came to a close, Israel's Shin Bet security agency confirmed that six suspects has been arrested in connection with the murder of the Palestinian youth, Mohammed Abu Khudair, discussed above. The statement from Shin Bet read as follows: "In the wake of intelligence and operational information, the Israel Police and the ISA (Shin Bet) this morning arrested several Jewish suspects regarding the 2 July abduction and murder of Mohammad Abu Khdair." The suspects, who were identified as Jewish, were described as being motivated by revenge for the deaths of Frenkel, Shaar, and Yifrach. (Note that a week later, three Jewish Israelis in custody confessed to the murder of young Khudair.)

It was apparent that that at least one of Israel's investigations to find the killers of murdered youth had seen some success. Nevertheless, there was little indication that Palestinians were applauding the arrests of the Jewish suspects, with many Palestinian spokespersons instead concentrating on the brutal murder of young Khudair. Of course, the fact of the matter was that the same story of irrevocable death applied to the murders of the three

Jewish youth -- Frenkel, Shaar, and Yifrach -- whose parents were yet to see their tragedy find any sense of closure. Also of note was the fact that Hamas, which was officially a participant in the Palestinian unity government, was doing little to apprehend those responsible for the deaths of the three Israeli teenagers.

Meanwhile, in response to a relentless barrage of rocket attacks by Palestinian extremists from Gaza into southern Israel, the Israeli military launched scores of air strikes on the Gaza Strip. This action should be interpreted as separate from the promised retribution sure to descend upon Hamas for the deaths of Frenkel, Shaar, and Yifrach. With the killing of Khudair in the background, the Israeli government made clear that it would not be pursuing the retribution path against Hamas with any degree of rapidity. Given the increased tensions over the tragic deaths of youth on both sides, the Israeli Defense Forces issued a statement saying that their immediate task, instead, was on defense in southern Israel against the volley of rocket fire from Gaza. As well, the Israeli government made public statements that it wanted to tamp down tensions. Clearly, it was in no one's interests to incite another Intifada.

Nevertheless, Hamas was increasing its brazen rocket attacks on southern Israel as July 2014 entered its second week. Hamas was actually quite proud of its work, declaring that it managed to fire more than one hundred rockets onto Israeli territory. Israeli authorities confirmed that as many as 20 rockets per hour had been fired, with several scores of rockets striking inside Israel -- even triggering sirens in the outskirts of Tel Aviv and Jerusalem -- and the rest being successfully shot down by Iron Dome interceptors.

While Israel had intended to aim for a restrained response to both the murders of the youth and the initial volley of attacks from Palestinian extremists in Gaza, the latest attacks from Hamas changed the calculus and prompted the mobilization of reservists. According to an Israeli military spokesperson, Lieutenant Colonel Peter Lerner, "Now the Israeli military is talking about preparedness for an escalation." While the Netanyahu government stopped short of a ground offensive (at least in the immediate future), it was clearly not prepared to ignore the blatant and continuous attack by Hamas.

Yet even so, Prime Minister Netanyahu continued to try to track the path of prudence, cautioning against a significant confrontation with Hamas. This stance by Netanyahu -- a well-known hardliner -- was insufficiently vigorous for far-right Foreign Minister Avigdor Lieberman, who decided to end his party's coalition with the prime minister's Likud. Lieberman said, "A situation in which a terrorist group has hundreds of rockets which it can decide any moment to use is intolerable... There have been suggestions that we wait but I don't know what we're waiting for."

But it was soon apparent that the Israeli government intended to plan its strategy against Hamas carefully rather than to react rashly. While Israel was already carrying out targeted strikes against Hamas terror centers and the homes of Hamas members in Gaza, it was yet to intensify its actions. To this end, Defense Minister Moshe Yalon said Israel was getting ready for an escalation in its conflict with Hamas, saying, "We are preparing for a battle against Hamas which will not end within a few days." He continued, "We will not tolerate missiles being fired at Israeli towns and we are prepared to extend the operations with all means at our disposal in order to keep hitting Hamas."

A Hamas spokesperson claimed that the Israeli strikes in Gaza City, which killed a Hamas terrorist Mohammed Shaaban, and another strike on the home of a Hamas leader in Khan Younis that killed six people, constituted "a horrendous war crime." However, it was clear that Israel was reserving its wrath for Hamas and not the civilian Palestinian population with Israeli authorities issuing warnings of impending strikes. Indeed, the Palestinian Interior Ministry acknowledged that it had received calls from the Israeli military urging family members of Hamas, who are often used as human shields, to depart from strike target locations.

Of note was the fact that Hamas takes no such action in warning Israeli civilians of impending rocket attacks from Gaza. But also worthy of note was the reality that even so-called targeted attacks often yield civilian casualties, which serve only to amplify already-heightened tensions. Indeed, as of July 12, 2014, more than 120 Palestinians

had died in Gaza. While several of them were legitimate targets linked with Hamas and terrorism, there was no escaping the fact that many civilian Palestinians were also among the dead. Indeed, the United Nations Office for the Coordination of Humanitarian Affairs estimated that more than 75 percent of those killed in Gaza were civilians.

That civilian death toll was unsurprisingly evoking concerns from the international community about the proportionality of Israel's air strikes in response to Hamas' rocket attacks. On the face of it, rocket attacks by Hamas from Gaza might not seem as pressing a threat as aerial bombardment by Israel. As well, Israel had the capability of its Iron Dome anti-missile defense system to defend itself against rocket attacks. Taken together, critics of the Jewish state of Israel have suggested that it often reacts in an overly-harsh manner, usually exacting a painful death toll on Palestinians.

However, for Israeli citizens, the rocket attacks from Gaza have not been viewed in terms of effectiveness, but rather through the valence of intent. The fact of the matter for Israeli citizens was that Hamas militant extremists were actively and relentless attempting to attack and kill them. As such, the people of Israel both expected and demanded that their government protect them and put an end to the campaign of terror to which they have been exposed.

For his part, Prime Minister Netanyahu on July 12, 2014, emphasized Israel's right and responsibility to defend itself, adding that "no international pressure will prevent us from acting with all power."

While United States President Barack Obama has backed Israel's right to take action in the face of aggression from Hamas, he also conveyed his concern over further escalation and called for both sides "to do everything they can to protect the lives of civilians and restore calm." President Obama additionally made it clear that the United States was prepared to broker a truce. It was to be seen if his offer would be taken up.

But it was Egypt and the United States who took the first steps toward brokering a truce by advancing a ceasefire deal on July 14, 2014. Several Arab and Western countries, including the United States, welcomed the ceasefire proposal. For its part, Israel quickly assented to agreement, with members of the Netanyahu government voting to move forward with the Egypt-sponsored truce. Thus, there were high hopes that the ugly cycle of violence would be brought to an end.

However, on July 15, 2014, Hamas killed all such hopes by rejecting the blueprint to immediately de-escalate hostilities and end the fighting entirely within 12 hours. Instead, Hamas promised to "increase its attack on Israel with "ferocity and intensity" and continued its barrage of rocket attacks onto Israeli territory. In fact, while the ceasefire was supposed to be going into effect, Hamas was firing more than a hundred rockets at Israel, with that country's Iron Dome anti-missile system repelling many of them -- including some that targeted the Israeli city of Tel Aviv.

These defiant acts of aggression propelled Israel to abandon the Egypt-sponsored ceasefire deal and return to its air strike mission. As noted by Israeli Prime Minister Netanyahu, his country had no choice but to "expand and intensify" its efforts to end Hamas' rocket attack capacity. It seemed that the terror group, Hamas, was not interested in the path of peace, irrespective of the fact that Palestinian civilians were paying the highest price in blood for the ongoing conflict.

Some analysts pointed to the fact that Hamas was suspicious of the new Egyptian government, which largely orchestrated the 2013 ousting of the former Islamist Egyptian executive government, led by Mohammed Morsi and the Muslim Brotherhood. It was certainly true that Hamas had more luck in gaining the cooperation of former President Morsi, although it was still seeking to ease blockades at the Rafa crossing in Gaza into Egypt. As such, Hamas may have hoped that its rejection of the July 2014 ceasefire deal might press the new Egyptian government into further concessions that favored Gaza. However, President Sisi of Egypt, with his strong military ties, was not warm to the notion of granting concessions to a terrorist entity, and he was certainly not about to ease a tight security hold on the Egypt-Gaza border region.

Hamas' rejection of the truce shifted global support in the direction of Israel, which had embraced the opportunity to end the violence. Moreover, the decision of Hamas members to cloister themselves in hospitals and residential buildings only bolstered Israel's argument that Hamas was prepared to use Palestinian civilians as human shields. Notably, United States Secretary of State John Kerry condemned Hamas, asserting: "I cannot condemn strongly enough the actions of Hamas in so brazenly firing rockets, in multiple numbers, in the face of a goodwill effort (to secure) a ceasefire." He additionally warned that Hamas would now have to bear the brunt of the responsible for whatever bloodshed occurred. Certainly, the terror enclave was delivering a curious message that it was more interested in the pursuit of aggression than it was in protecting the lives of Palestinians, on whose behalf it claimed to be operating.

Whatever limited pro-Israel momentum occurred in mid-July 2014 was short-circuited on July 16, 2014.

Israel had resumed its air strikes in the Gaza Strip and one such strike ended tragically with the deaths of four children playing on a beach close to Gaza City. Mindful that the international community reacted in horror to the news, and cognizant of the fact that the deaths of children did not help its public relations campaign to justify continuing air strikes in Gaza, the Israeli government on July 16, 2014, announced a humanitarian ceasefire for six hours. The temporary "pause" by Israel was intended to allow Palestinian civilians to seek humanitarian and medical assistance. Israel also said it would launch an investigation into the strike that killed the four aforementioned children. Hamas, however, ignored these overtures and continued to strike Israel with rocket attacks.

In the wake of Hamas' rejection of an Egypt-sponsored peace deal, and in light of its continued attacks on Israel, it seemed that peace was not on the agenda of the Israeli government either. As noted by Israeli cabinet minister, Naftali Bennet, "We are moving from Iron Dome to an iron fist."

On July 17, 2014, Israeli Prime Minister Netanyahu announced that the Israeli Defense Forces (IDF) had commenced a ground operation in Gaza. The intervention of IDF into Gaza marked a new phase of "Operation Protective Edge" as Israeli authorities said they intended to target Hamas militant sites. Those sites included Hamas "infiltration" tunnels used to transport arms, munitions, and terrorists intent on carrying out attacks and abductions on Israeli territory. A statement from the Israeli government read as follows: "The prime minister and defense minister have instructed the IDF (Israel Defense Force) to begin a ground operation tonight in order to hit the terror tunnels from Gaza into Israel."

Heavy artillery and naval shelling was soon reported along the Gaza border, while Israeli tracer fire into the sky. Some shells landed close to the al-Wafa rehabilitation hospital to the east of Shejaia. The head of the hospital, Basman Alashi, told Reuters News that his staff had not been able to evacuate all of the patients, and as such, the facility was in bad shape, having been hit "many times." In a separate incident, the aerial bombardment of a house in Gaza left several children dead. Overall the death toll was increasing on the Palestinian side of the border -- crossing the 300 mark on July 19, 2014. On that day, two Israeli soldiers were killed in a cross-border attack by Hamas militants, while a third soldier was injured in a raid by Palestinian militants who reached Israel through a concealed tunnel.

Meanwhile, rocket attacks by the Palestinian terrorist group, Hamas, continued to be fired in the direction of Tel Aviv, Beersheba, and Ashkelon, triggering air sirens across the country as Israelis ran for shelter from incoming attack. As well, the United Nations Relief and Works Agency for Palestinian refugees (UNRWA) reported that it had discovered several rockets hidden in an empty Gaza school. There were other reports that Hamas leaders were taking up residence in the basement of a hospital. These discoveries bolstered Israel's contention that Hamas was prepared to use children and civilian facilities -- such as schools and hospitals -- as human shields and as hiding places for their weaponry. Indeed, Israel's ambassador to the United Nations, Ron Prosor, noted that Hamas was using ambulances filled with children "to move their terrorists around Gaza."

July 20, 2014, was the deadliest day in the conflict with the death of close to 90 Palestinians and more than a dozen Israeli soldiers in a 24-hour period. On the Palestinian side, most of the deaths occurred in the hard-hit neighborhood of Gaza City called Shejaiya. The overall death toll now stood at 425 Palestinians -- most of them civilians -- and around 20 Israelis -- at least 18 of them being soldiers. Its should be noted that the number of Israel Defense Forces (IDF) deaths after only a few days of the ground offensive in Gaza in 2014 already exceeded than the final number of IDF deaths sustained during the last ground operation in to Gaza in 2008-2009.

For his part, United States President Barack Obama warned against the escalation of violence. He also made it clear that he remained supportive of Egyptian ceasefire proposal, as well as the continuing efforts by Egypt, Qatar, France, and the United Nations to secure a resolution. He said that his government would also use its diplomatic resources to pursue an end to the violence and dispatched Secretary of State John Kerry to Cairo. There, the United States' top diplomat was expected to meet with Egyptian officials about the Israeli-Hamas conflict. President Obama additionally maintained his stance in support of Israel's right to defend itself, while simultaneously expressing "serious concerns" over the civilian deaths on the Palestinian side of the equation.

But the civilian deaths were not the only casualties of this Israeli-Hamas conflict. Palestinians lucky enough to survive the offensive were being forced to abandon their homes in order to escape the crossfire of violence. The United Nations reported that tens of thousands of Gaza-based Palestinians were seeking shelter provided by the United Nations.

The stakes in the Israeli-Hamas conflict intensified on July 20, 2014, when the Qassam Brigades -- a militant wing of Hamas -- announced the abduction of an Israeli soldier. Abu Ubaida, a spokesperson for the Qassam Brigades announced that his militant group had "captured a Zionist soldier." He also identified the soldier as Shaul Aron and offered the soldier's military identity tag number. For its part, the Israeli government had limited comment on the matter -- presumably because it was seeking to verify the veracity of this claim.

However, the Israeli people were likely to react in shock to this news since Aron would be the first Israeli soldier to be captured by Palestinian militants since Gilad Shalit, who was held for more than five years following his 2006 capture in a cross-border raid. Shalit's release was secured following a deal with the Palestinians to release 1,000 militants.

For his part, Israeli Prime Minister Netanyahu said during a news conference that the IDF would continue its campaign in Gaza. He noted that the goals of the campaign included the destruction of Hamas' terrorist infrastructure in Gaza, as well as the "restoration of quiet" in Israel. Regarding the costs and risks of the operation, the Israeli leader said, "We are undeterred. We shall continue the operation as long as is required."

By July 22, 2014, the death toll on both sides of the conflict was increasing. The IDF was sustaining some of its worst losses in recent times, with 25 soldiers dead in ground conflict with Palestinian terrorists from Hamas. Two Israelis were also killed but the civilian death toll on the Israeli side was largely mitigated by the effectiveness of the Iron Dome anti-missile interceptor system. Undaunted by the fact that Palestinian civilians were paying the price for their terrorism, Hamas militants continued to hurl missiles at Israel, presumably hoping that one of these projectiles of death would slip past Iron Dome. On July 22, 2014, alone, more than 130 rockets were fired from Gaza. At the same time, as promised by the Netanyahu government, Israel continued its offensive in Gaza.

Given the bloodshed and violence, United Nations Secretary General Ban ki-Moon demanded a ceasefire, while United States Secretary of State John Kerry was in Egypt attempting to broker such an end. Caught in an "open mike" moment, Kerry was heard talking to an aide sarcastically about Israel's "pin-point" anti-Hamas operation that seemed to be killing far more civilians than Hamas terrorists. But in official remarks, Kerry was more balanced as he said that the United States was "deeply concerned about the consequences of Israel's appropriate and legitimate effort to defend itself." He noted, "No country can stand by when rockets are attacking it." Kerry then added, "But always, in any kind of conflict, there is a concern about civilians -- about children, women, communities that are caught in it."

Meanwhile, with Hamas terrorists continuing to attack Israel with rockets, and with a rocket from Gaza striking close to the Ben Gurion International Airport on July 22, 2014, the Federal Aviation Administration (FAA) temporarily prohibited United States air carriers from flying to or from the Tel Aviv airport. That ban was lifted on July 24, 2014.

On that day, a United Nations shelter for Palestinians fleeing the crossfire of violence was struck, resulting in multiple casualties. Women and children were among those believed to have been killed. The international media said that Israel had been given the precise coordinates of the shelter in Beit Hanoun, presumably in an effort to ensure that it would not be bombed by Israeli forces. For its part, the IDF released a statement reminding readers that Hamas habitually used civilians as human shields, while also suggesting that Hamas had launched rockets in the region and might be responsible. Later, Israel acknowledged that it may have hit the outer compound of the shelter; however, Israel said that its imagery of the incident indicated that the area was clear of all persons and thus it could not have been responsible for the deaths there -- the footage of the bloodshed broadcast by international media notwithstanding.

While this response by Israel on July 28, 2014, produced an uproar on the part of Palestinians, there was a deafening silence from that side of the conflict when it was revealed on July 29, 2014, that Hamas had concealed weapons in yet another United Nations shelter. That discovery bolstered Israel's claim that Hamas was, indeed, using human shields to protect its leadership -- many of whom were hiding in hospitals – and using United Nations shelter to hide its weapons cache, as exemplified in this case.

As July 2014 was coming to a close, outrage over the bloodshed of civilians was adding to the pressure to forge a ceasefire in the violent conflict with an ever-increasing death toll. That death toll in Gaza now stood at well over 1,000 Palestinians, with the vast majority of victims being civilians and with a disturbing number of children being among the dead. The death toll on the Israeli side included 50 soldiers and a number of civilians. As discussed above, this was the highest price the IDF had paid in a regional conflict in recent years. Despite the high cost in human life, there was little progress on the ceasefire front.

A humanitarian truce lasted only a few hours on July 26, 2014, and although there were overtures intended to extend it, Hamas ultimately violated the truce by shooting rockets once again into Israeli territory. As such, Israel resumed its operations with Prime Minister Netanyahu warning Israeli citizens to be prepared for a long campaign. In an address, he said, "We need to be prepared for a protracted campaign. We will continue to act with force and discretion until our mission is accomplished."

Nevertheless, there was a continuing global push for an end to the death and destruction. With wide swaths of Gaza destroyed and the death toll on both sides rising, United Nations Secretary General Ban Ki-Moon issued a passionate call for peace, urging both sides to do their best to bridge the gap. He said: "It's a matter of their political will. They have to show their humanity as leaders, both Israeli and Palestinian. Why are these leaders allowing their people to be killed by others? It's not responsible, (it's) morally wrong."

The cause of humanity appeared to elude both the Israeli and Palestinian leadership. For Hamas, there were only demands that the blockade of Gaza be lifted in totality, along with dramatic declarations that the leadership was willing to die for the cause. Hamas commander, Mohammad Deif, asserted proudly that his soldiers were "eager for death." But in fact, most of Hamas' leadership figures were in hiding, and the actual people confronting the reality and tragedy of death were the Palestinian civilians. Making matters worse was the fact that Hamas was using its al-Asqa media to broadcast messages to Gaza residents, instructing them to ignore warnings by the Israeli Defense Forces to vacate certain areas ahead of military activity there.

For Israel, its central mission was to disarm and disable Hamas. Economy Minister Naftali Bennett said, "Hamas must be permanently stripped of its missiles and tunnels in a supervised manner. In return we will agree to a host of economic alleviations." Buoyed by the support of the vast majority of Israelis for the operation in Gaza, Prime

Minister Netanyahu was single-minded in his goals, and seemingly incognizant of the rising global outrage over the civilian casualty list. Calling on Israelis to prepare for a long fight, he said, "The process of preventing the armament of the terror organization and demilitarization of the Gaza Strip must be part of any solution. And the international community must demand this forcefully." But in fact, what the international community was demanding was an end to the bloodshed.

It should be noted that United States Secretary of State John Kerry had spent a week in the Middle East attempting to broker an agreement that would bring an end to the hostilities. However, Israel condemned his efforts, suggesting it conceded too much ground to Hamas. Israeli cabinet members even cast the ceasefire plan as "a disaster" even though it was essentially a reconstitution of the earlier Egyptian agreement that Israel had signed onto. There was no acknowledgement of Secretary of State Kerry's unflagging efforts to end the conflict from Israel, whose security -- including the Iron Dome that was saving Israeli lives on a daily basis -- was largely funded by United States taxpayers.

As July 2014 came to an end, a United Nations-run school in the Jabaliya district of Gaza City being used as a civilian shelter was shelled, thus leading to the deaths of more than a dozen people.

Mark Regev, a spokesperson for the Israeli government, would not forthrightly take responsibility for the shelling of the school, saying instead, "We have a *policy* - we don't target civilians." However, for the United Nations -- a neutral body tasked with caring for civilians -- the fact of the matter was that its facility, which was intended to provide safe haven for Gaza civilians, was struck. The United Nations was also making it clear that it blamed Israel for the incident and the ensuing loss of life. Pierre Krahenbuhl, the commissioner-general for the United Nations Relief and Works Agency (Unrwa), declared: "Children were killed as they slept next to their parents as a result if a serious violation of international law by Israeli forces." The United Nations also emphasized the fact that it was now impossible to guarantee safety to the civilian population of the area. As noted by United Nations humanitarian chief, Baroness Valerie Amos, in an address to the United Nations Security Council, "The reality of Gaza today is that no place is safe."

The United States -- Israel's closest ally -- reaffirmed its belief that Israel had the right to defend itself while condemning the shelling of the United Nations shelter. In fact, the White House cast the tragic incident as "totally unacceptable and totally indefensible." In remarks to the media, White House spokesperson, Josh Earnest, said: "There is a difference in approach between what Hamas is perpetrating on the Israeli people and what Israel is doing to defend their country. But the shelling of a UN facility that is housing innocent civilians who are fleeing violence is totally unacceptable and totally indefensible, and it is clear that we need our allies in Israel to do more to live up to high standards that they have set for themselves."

For its part, Israeli authorities said that it had been successful in "neutralizing" 70 percent to 80 percent of Hamas' tunnel network into Israel, and asserting that it would not cease its work to destroy the full network of Hamas' tunnels until the job was complete.

That being said, late on July 31, 2014, the United Nations and the United States were able to jointly broker a three-day humanitarian truce aimed at allowing time to people in Gaza to collect the dead and gain vital supplies.

In his announcement regarding the truce, United States Secretary of State John Kerry explicitly noted that the truce, which was agreed to by Israel, would allow that country to maintain its positions in Gaza, and also continue its mission of destroying the tunnel system. Envoys from Qatar, along with other Palestinian representatives, indicated that the Palestinian side -- including Hamas -- had agreed to the humanitarian ceasefire agreement.

The three-day truce was also aimed at allowing Israeli and Palestinian negotiations to travel to Egypt to participate in talks aimed at finding a longer-term resolution. Egypt made it clear that its role was simply to facilitate talks, adding that any eventual agreement would be up to the two stakeholders.

Thus, on Aug. 1, 2014, the first hour and a half of the truce went forward with no sound of warfare in the battle zone. However, only 90 minutes into the humanitarian truce, Israel accused Hamas of violating the agreement and immediately declared the ceasefire to be over.

At issue was the claim by Israel that Hamas militants attacked Israeli soldiers who were searching for tunnels in the southern Gaza Strip. Israel said that Palestinian militants killed two IDF soldiers and took a third hostage although it was later announced that the third Israeli soldier died in the *fracas*. Lieutenant-Colonel Peter Lerner, a military spokesman for Israel, described the incident that ended the truce as follows: "Out of a tunnel access point or several, terrorists came out of the ground. At least one was a suicide terrorist who detonated himself. There was an exchange of fire."

For Israel, the fact of the matter was that Hamas had again violated a ceasefire agreement and the grounds for trust were null and void. For its part, the Hamas leadership insisted that it was simply defending its interests in that clash with Israeli troops in the southern Gaza Strip, and accused Israel of continuing its actions (destroying the tunnel network). However, it should be noted that the Aug. 1, 2014, truce was expressly predicated on the notion that Israel could hold its positions in Gaza and continue its tunnel destruction work. As such, the violation of the ceasefire could plausibly be attributed to Hamas.

Acknowledging that the prospects for another truce looked grim, given the failure of this one after being in effect for only 90 minutes, United States President Barack Obama said, "I think it's going to be very hard to put a ceasefire back together again if Israelis and the international community can't feel confident that Hamas can follow through on a ceasefire commitment." It was certainly clear that the Palestinian leadership had no control over its disparate factions, and even less control over its militant extremist factions. The consequences of such weak leadership would undoubtedly fall upon the Palestinian civilian population since Israel wasted little time in resuming its offensive operations in Gaza -- large swaths of which had now been reduced to rubble.

In a news conference, Israeli Prime Minister Netanyahu announced that the military campaign in Gaza would go on, and that the mission to disrupt and destroy Hamas' warren of tunnel would prevail until the goal was accomplished. Netanyahu said, "From the beginning, we promised to return the quiet to Israel's citizens and we will continue to act until that aim is achieved." he continued, "We will take as much time as necessary, and will exert as much force as needed." But the prime minister also tacitly hinted towards an eventual end to the engagement in Gaza, as he said, "We will deploy in the places most convenient to us."

Before any redeployment could take place, the ongoing Israeli campaign in Gaza yielded further unfortunate consequences on Aug. 3, 2014, striking yet another United Nations shelter -- this time in Rafa. It was the second such shelling incident in less than a week. According to the Israeli military, it was targeting "three Islamic Jihad terrorists on board a motorcycle in the vicinity of an UNRWA school in Rafah." Clearly, what they actually hit was another United Nations school being used to house Gaza residents with no other place to go.

Not surprisingly, the United Nations erupted with outrage. Robert Serry, the United Nations' Middle East Special Coordinator, said the school had been providing shelter to 3,000 displaced persons and the strike caused casualties. Serry said, "It is simply intolerable that another school has come under fire while designated to provide shelter for civilians fleeing the hostilities." The United Nations Secretary-General Ban Ki-moon was particularly vehement in his ire as he characterized the strike on the shelter as a "moral outrage and a criminal act" and demanded that those responsible for the "gross violation of international humanitarian law" be held to account. The United States also entered the fray, with State Department spokesperson, Jen Psaki, saying that her country was "appalled by today's disgraceful shelling." The United States also demanded that Israel do far more to prevent civilian casualties and urged an investigation into the disturbing number of strikes on United Nations shelters.

Faced with international recrimination, Israel said that it was "reviewing the consequences of this strike." But Israel was also bristling from the criticism received from the United States. Nevertheless, Israel announced that it would unilaterally hold fire for several hours across most of the Gaza Strip on Aug. 4, 2014 in order to allow humanitarian aid to flow into the region, and also to allow some displaced Palestinians to go home. It was, of course, an open question as to whether or not they would have habitable homes where they could return. Israel also warned that if Hamas or other Palestinians violated the "hold fire" window from 10 am to 5 pm, they would return fire.

Violence at the hands of Hamas also prevailed with the Palestinian terror group resuming its barrage of rocket salvoes into Israeli territory, effectively ensuring that the cycle of violence would continue. On Aug. 3, 2014, alone, Hamas had fired as many as 80 rockets into Israeli territory. In one incident, a rocket was shot down by Israel's Iron Dome interceptor system but not before shrapnel fell inside a Tel Aviv playground. Siren alarms ensured that people had taken cover and thus there was no injury; however, the incident was illustrative of the threat posed by Hamas' relentless rocket attacks. Meanwhile, in the southern Gaza Strip, Israeli forces unearthed a store of more than 150 mortar bombs ostensibly intended to cause harm to Israelis.

The temporary truce instituted on Aug 4, 2014, by Israel ended with both sides accusing one another of carrying out attacks. Palestinians claimed that Israel bombed a refugee camp in Gaza City that left one child dead and several others injured. On the other side of the equation, Israel pointed out that Hamas fired rockets from Gaza that landed in Israeli territory during the time of the strike. Hamas leaders, though, made it known that they had not signed onto Israel's humanitarian ceasefire so they were carrying out their "resistance" operation against Israel as was their right. That resistance operation -- which included using concrete intended for the construction of Gaza infrastructure instead to build tunnels -- was precisely what **sparked** the chaos and conflict now rocking Gaza.

Meanwhile, some Palestinians were apparently willing to take up arms against Israelis. On Aug. 4, 2014, one man using an excavator to run over and kill an Israeli in an apparent terrorist attack in Jerusalem. The man also rammed a bus; however, because there were no passengers in the vehicle, that attack yielded no casualties. The incident ended when Israeli police eliminated the terrorist. In a separate attack, a Palestinian gunman shot and badly injured an Israeli soldier close to the Hebrew University in Jerusalem; the assailant was able to escape on a motorcycle. Rioting at the Temple Mount left five police officers wounded.

Such tactics were not likely to persuade Israel to end its operation in Gaza. Instead, Israel was more likely to dig in its heels and insist on calm and security before withdrawing from Gaza. Sure enough, while Prime Minister Netanyahu had earlier indicated that the effort to disrupt and destroy Hamas' tunnel network was coming to an end, the Jerusalem attacks may have reinforced Israel's commitment to broader security goals in Gaza. Israeli military spokesperson Lieutenant Colonel Peter Lerner said its operations -- including aerial bombardment -- "against terrorist infrastructures in Gaza" would be resumed. He said in an interview with BBC News, "The mission is not time bound, but rather goal bound."Likewise, a statement from the prime minister's office read as follows: "The campaign in the Gaza Strip goes on. What is about to end is the Israeli military's handling of the tunnels, but the operation will end only when a prolonged period of quiet and security is restored to Israel's citizens."

It should be noted that Hamas has remained essentially isolated in the Middle East throughout the duration of this conflict. Many Arab countries have been notably silent in regards to the actions of Hamas. While several Arab countries have condemned the civilian death toll in Gaza as a result of Israel's offensive operation, they have been not seen fit to issue statements justifying the actions of the extremist Palestinian terror group. Indeed, most Arab countries have conveyed no support whatsoever for Hamas.

In the aftermath of the Arab Spring of 2011 and the ensuing years, many Arab countries were now wary of extremist Islamist populism that was now creating havoc in Libya, Syria, and beyond, and which had brought Morsi and the Muslim Brotherhood to power in Egypt. In fact, Egypt under Morsi had been far more sympathetic to Hamas, whereas the new military-backed government of Egypt had its eye on security and was making it clear it was no friend of Hamas. Cast against this background, the vast majority of Arab nation states in the Middle East were

essentially willing to let Israel do the "dirty work" of dealing with Hamas, which they viewed as the Palestinian version of extremist Islamist populism that has destabilized the region.

The Egyptian media has been particularly harsh in criticizing the Hamas leadership for living in the lap of luxury -outside of Gaza -- while the Palestinian civilian population suffered the consequences of the conflict with Israel.
But the criticism was coming from other quarters as well. On Aug. 3, 2014, the security chief for Dubai (United Arab Emirates) uttered a rhetorical blow against Hamas leader, Khaled Meshaal, who has found safe haven in Qatar.
Via the social media outlet, Dhahi Khalfan wrote: "Hamas must cease firing rockets at Israel and accept the Egyptian ceasefire proposal, accept the Saudi leadership, and abandon Qatar." He added, "He who lives in luxurious five-star hotels in Qatar cannot meet achievements for the Palestinians. The Palestinians must unite around Abu Mazen (Palestinian Authority President Mahmoud Abbas)."

But in truth, it was Hamas and not Abbas who was influencing Palestinians in Gaza.

As of the start of August 2014, more than 1,800 Palestinians, mostly civilians, had been killed, in the Gaza conflict. On the other side of the equation, about 65 Israeli soldiers died in clashes with Hamas terrorists, while three civilians died on the Israeli side as a result of Palestinian rocket attacks.

Despite the repeated failed attempts at a ceasefire, late on Aug. 4, 2014, a fresh truce was finally announced with both the Israeli and Palestinian authorities agreeing to the Egyptian-brokerd deal. That truce went forward with Israel withdrawing its ground forces from Gaza and without any violations on either side as of Aug. 7, 2014.

With the agreement set to expire a day later, negotiations in Egypt were afoot to attempt to extend the ceasefire. While the government of Israel and the Palestinian Authority were supportive of an extension of the truce, Hamas was threatening to withdraw from the agreement if it did not gain any concessions from Israel. These concessions included an end to the blockade on Gaza and control over the Rafa border crossing into Egypt. In truth, no such end of the blockade was likely to be possible without addressing Israel's security concerns. It was also highly debatable as to whether the Egyptian government would be willing to allow a terrorist group to hold sway over a crossing into its sovereign territory.

Israeli's security concerns were being illustrated by video footage made available by international journalists showing Hamas terrorists launching attacks from civilian areas within Gaza. The video footage appeared to bolster Israel's argument that Hamas was indeed prepared to carry out provocative attacks from heavily populated areas, sometimes using human shields, and certainly with an eye on increasing the civilian death toll for politically advantageous reasons.

On Aug. 8, 2014, despite the fact that the government of Israel and Palestinian negotiators said they favored an extension of the ceasefire agreement, Hamas made clear it was rejecting the move. Hamas said that Israel had not met its demands (intimated above). Before the expiration of the existing ceasefire, and in clear violation of that agreement, Hamas was shooting rockets once again into Israeli territory. Israel responded by resuming air strikes on Gaza.

By Aug. 10, 2014, after two days of renewed violence, Israeli and Palestinian negotiators had agreed to a new 72-hour ceasefire in the Gaza. The fresh truce was to go into effect on Aug. 11, 2014, and this time had the concurrence of not only of the Israeli government and the mainstream Palestinian Authority, but also Hamas. There were high hopes that the new ceasefire agreement would provide the foundation for negotiations to take place, which would be aimed at forging a comprehensive and durable deal. Such an agreement would end the bloodshed and -- ideally -- meet some of the security demands of Israel, while easing the blockade on Gaza.

However, on Aug. 13, 2014, sirens were heard in Israel in response to apparent rocket attacks being fired from Gaza. Israeli authorities said the rockets landed in an open area near Ashkelon. Clearly, such actions would be in violation of the fresh truce that was still in effect on this day. It should be noted that Hamas denied being

responsible for the rocket attack; however, with Hamas controlling militant activity in Gaza, their denial was being viewed with grave skepticism.

Israel was soon launching air strikes on Gaza, which were aimed at "terror sites" in Gaza.

There remained high hopes that these developments would not affect ongoing negotiations in Egypt, which were aimed at forging a comprehensive and durable ceasefire deal. For the shorter term, both sides agreed to an extension to the prevailing truce for a five more days.

By Aug. 19, 2014, as the truce was set to expire, Palestinian militant terrorists launched fresh rocket attacks into Israeli territory. The first volley of rockets landed close to Beersheba while the Iron Dome system intercepted two rockets in Netivot. That being said, sirens were sounding the alarm for Israelis to rush to safe rooms in their homes and offices in Tel Aviv as further rockets were lobbed in the direction of Israel's largest city. Not satisfied to simply hurl rockets into Israeli territory, Hamas' armed wing issued a clear threat of terrorism against Israel, saying that a "gateway to hell" had been opened and that it would now actively

target Israel's Ben-Gurion International Airport.

As noted by Mark Regev, a spokesperson for Israeli Prime Minister Benjamin Netanyahu, the rocket attacks constituted "a grave and direct violation of the ceasefire" and essentially ended the negotiations process in Egypt. Regev said, "The Cairo talks were based on an agreed premise of a total cessation of hostilities. When Hamas breaks the ceasefire, they also break the premise for the Cairo talks. Accordingly, the Israeli team has been called back."

But the negotiations were already in jeopardy since there was little concurrence between the Palestinian and Israeli sides on certain key issues such as Hamas' disarmament and the end of a blockade on Gaza. Given this lack of diplomatic progress, in conjunction with extremist Palestinians' decision to resume attacks on Israel, it was clear that no comprehensive and durable ceasefire deal would soon be produced.

Late on Aug. 19, 2014, in response to rocket attacks from Palestinian extremists, the clear violation of the prevailing ceasefire, and the ongoing threats of terrorism by Hamas, Israeli renewed its air strikes on Gaza. By Aug. 20, 2014, Palestinian militants had lobbed more than 80 rockets into Israel, while Israeli had carried out more than 60 air strikes into Gaza in retaliation. Israel had also targeted Mohammed Deif, the military head of Hamas' Izz al-Din al-Qassam brigades, in one strike. That event killed Deif's wife and child rather than Deif himself.

On Aug. 20, 2014, Israeli strikes targeted and eliminated three top Hamas commanders in the southern part of the Gaza Strip.

On Aug. 23, 2014, an Israeli strike flattened an apartment block in Gaza that Israeli authorities said functioned as a Hamas command center. Prior to that event, Israeli aircrafts fired non-explosive rockets at the building to alert residents of the impending strike, which ultimately injured 17 people.

On the same day, an Israeli strike on a commercial center in the Gaza town of Rafah left three people injured.

A day later on Aug. 24, 2014, Israeli Prime Minister Benjamin Netanyahu urged Palestinian civilians to vacate any structures where Hamas militants were located. Netanyahu issued the following warning publicly: "I call on the inhabitants of Gaza to evacuate immediately from every site from which Hamas is carrying out terrorist activity. Every one of these places is a target for us." On the same day, 10 homes including one that was owned by a leading member of Hamas member, were destroyed in an air strike in the town of Khan Younis. Several people were injured in that aerial attack as a result of airborne debris; however, there were no deaths thanks to another warning using non-explosive rocket fire.

Death visited Gaza city as a result of an Israeli strike on a Hamas official, Mohammed al-Ghoul, whom Israel described as being an orchestrator of "terror fund transactions." Other fatalities were reported as a result of the bombing of the Jabalya refugee camp; a woman and three children were among the victims.

On Aug. 25, 2014, a strike on a mosque in Gaza city killed a 17-year-old boy and injured another 25 people. On Aug. 26. 2014, Israel carried out strikes on two Gaza buildings housing both apartments and commercial enterprises. Because warnings were issued prior to the strikes on the Basha Tower and the Italian Complex, the only casualties reported involved injuries to 25 people.

Meanwhile, Palestinian terrorists continued to hurl hundreds of rockets and mortars into Israeli territory, **sparking** siren alerts in Israel. The Iron Dome system did its job of intercepting several of the rocket assaults into southern Israel however several Israelis were wounded in a mortar attack at the Erez border crossing. Separately on Aug. 22, 2014, a mortar attack killed a four-year-old boy.

As before the rhetorical war was occurring alongside the military engagement. Hamas accused Israel of war crimes, with little regard for its own actions in the dynamic of violence, or its blatant use of human shields. At the same, while Israel spared fer words for its own role, and instead blamed Hamas for operating amidst the non-combatant population, thus ultimately causing Palestinian civilian casualties.

As August 2014 was drawing to a close, Israel made clear that it was not interested in returning to the negotiating table unless Palestinians ceased their rocket assaults. Justice Minister Tzipi Livni -- typically an advocate for the peace process -- said in an interview with the Israeli media that a ceasefire would have to be the foundation for any renewed negotiations. "Israel is not ready to talk while under fire." Livni's stance was illustrative of the overall frustration shared by Israeli citizens of all political persuasions with regard to Hamas. To that end, Livni made it clear that the Israeli government had no intention of entering any agreement with the Palestinians that would reward Hamas in any way.

ALERT:

Note that on Aug. 26, 2014, a long-term ceasefire in Gaza was agreed upon by Israelis and Palestinians. The truce was brokered by Egypt and included no timeline for termination. The deal called for an easing of the blockade of Gaza, while facilitating talks that would deal with the diarmament of Palestinian extremists in Gaza and controls on the transfer of weapons into Gaza. The deal, however, offered no promises regarding Hamas' demands for a sea port, an airport, and prisoner releases. Nevertheless, in Gaza, Palestinians were taking to the streets to celebrate with Hamas-sympathizers declaring "victory," while in Israel, the government was claiming that it had delivered a "devastating" blow to Hamas. In truth, Hamas had not achieved many of its central goals in this conflict despite the cost of more than 2,000 Palestinian lives. On the other side of the equation, Israel could not truly claim to have crippled Hamas, which continued to hurl rockets into Israeli territory even as the latest ceasefire was being announced.

Special Report:

Israeli-Palestinian collapse to new low over brutally slaying of four Jewish rabbis, death of Palestinian minister, and plan for new "national rights" for Jewish citizens --

On Nov. 18, 2014, two Palestinians from East Jerusalem armed with a gun, axes and meat cleavers carried out a barbaric attack on Jewish worshippers who were praying at a West Jerusalam synagogue. Four Jewish rabbis and a Druze police officer died, while several other people were seriously injured as a result of the horrific massacre. A military wing of the Popular Front for the Liberation of Palestine, known as the Abu Ali Mustafa Brigades, quickly claimed responsibility for the bloodshed.

The brutal killing of the Jewish rabbis and the Druze police officer by Palestinian terrorists on Nov. 18, 2014, was only the latest episode in a spate of attacks on civilians. In the first week of November 2014, Palestinians in Jerusalem used their vehicles to run down pedestrians, killing four people. On Nov. 10, 2014, two Israelis -- and Israeli soldier and a female civilian -- were stabbed to death in separate incidents of violence. The soldier was stabbed and killed at a train station in Tel Aviv; the woman was stabbed and killed at the Alon Shvut Jewish settlement in the West Bank. A day later on Nov. 11, 2014, clashes broke out in Hebron when approximately 150 Palestinians hurled stones and Molotov cocktails at a convoy of Israeli soldiers. In the melee that followed, as Israeli forces sought to disperse the crowds, a young Palestinian man was shot to death during clashes with the Israeli army. As well, a Palestinian gunman on a motorcycle shot and wounded a well-known Jewish activist who was advocating greater access for Jews to the Temple Mount.

These developments were illustrative of increasing Israeli-Palestinian tensions, and augured the possibility of a fresh Palestinian Intifada. Palestinians said relations were devolving in response to Israeli settlement plans in East Jerusalem as well as the Jewish call for prayer rights at the holy Dome of the Rock (located on the Temple Mount in the Old City of Jerusalem). The sensitivity of these moves would likely give significant weight to the Palestinian view. However, Israeli authorities have placed the blame on the Palestinian leadership for inciting violence that has left random Israeli civilians dead. Despite the Israeli government's insistence that there would be no change to the security regulations preventing Jews from worshipping at the Temple Mount, Palestinian leaders have suggested otherwise, fueling tensions ever further.

Palestinian President Mahmoud Abbas' incendiary claim that Israel was starting a "religious war" and his call for Palestinians to "protect" the Temple Mount was likely to further bolster Israel's claim on that score.

Israeli Prime Minister Benjamin Netanyau warned that the spate of violence would not go unanswered and that his government would respond to "terror being directed at all parts of the country." In a speech to the Israeli parliament, he said, "Terror ... is being directed at all parts of the country for a simple reason: the terrorists, the inciters, want to drive us from everywhere." He continued, "As far as they are concerned, we should not be in Jerusalem, Tel Aviv, or anywhere. I can promise you one thing -- they will not succeed. We will continue to fight terror ... and we will defeat it together."

But before Israel could make headway in the fight to defend itself from Palestinian terrorism, the horrific attacks at the synagogue in West Jerusalem described above had transpired on Nov. 18, 2014.

Two Palestinians from East Jerusalem armed with a gun, axes, and meat cleavers stormed the Bnei Torah Kehilat Yaakov synagogue and seminary site on Harav Shimon Agassi Street in the mostly Jewish Orthodox Har Nof neighbourhood of West Jerusalem.

Screaming "God is great!" in Arabic, they proceeded to carry out a heinous massacre with worshippers as the primary victims. Four Jewish rabbis and a Druze police officer died, while several other people were seriously injured as a result of the horrific violence, which included attempts by the assailants to hack and shoot the victims to death.

A shootout between the Palestinian terrorists and police ensued, and the assailants -- Uday and Ghassan Abu Jamal -- were ultimately killed in the exchange of fire. A military wing of the Popular Front for the Liberation of Palestine, known as the Abu Ali Mustafa Brigades, quickly claimed responsibility for the bloodshed.

Four of the five victims were soon identified as Rabbi Moshe Twersky, the head of the seminary, Arieh Kupinsky, Kalman Levine, and Avraham Goldberg. It should be noted that the first three of the victims listed were dual citizens of the United States and Israel, while the fourth victim was a dual citizen of the United Kingdom and Israel. The fifth victim was Zidan Seif, a police officer who was on the scene and came under attack, ultimately dying at the Hadassah hospital.

Israeli Prime Minister Benjamin Netanyahu vociferously condemned the killings, and placed the blame for the violence on Hamas and Palestinian President Mahmoud Abbas for "inciting" extremists.

He also demanded that the West react with the expected level of furor, saying: "I call on all leaders of countries in the Western world: I want to see outrage over this massacre." The United States was the first country to answer Netanyahu's call with President Barack Obama declaring, "There is and can be no justification for such attacks against innocent civilians." He warned, "The murderers for today's outrageous acts represent the kind of extremism that threatens to bring all of the Middle East into the kind of spiral from which it's very difficult to emerge."

Hamas had a very different reaction to the grizzly killings. As reported by Jeffrey Goldberg of The Atlantic, a spokesperson for Hamas responded as follows: "The new operation is heroic and a natural reaction to Zionist criminality against our people and our holy places. We have the full right to revenge for the blood of our martyrs in all possible means." To be utterly clear, Hamas was essentially sanctioning the synagogue massacre.

A cousin of the two terrorists who carried out the massacre not only lauded the murders but called for more bloodshed. Huda Abu Jamal said of his cousins, "I salute Odai and Ghassan for this heroic act." He added, "Every Palestinian should strike."

While Palestinian President Mahmoud Abbas issued his own condemnation of the bloodshed, Israeli Prime Minister Benjamin Netanyahu quickly dismissed the gesture, noting that it was not enough, and that Abbas was instrumental in inciting Palestinians to violence. Netanyahu pointed out that Abbas and Hamas had made the claim that a bus driver who committed suicide in East Jerusalem on Nov. 17, 2014, was "murdered by Jews." The erroneous and highly inflammatory claim no doubt heightened tensions; however, there was no conclusive evidence of a link between the dissemination of such misinformation and the synagogue massacre. Moreover, some Palestinians were questioning the findings of the forensic autopsy that showed evidence consistent with suicide.

That being said, in the immediate aftermath of these acts of pure brutality, videotaped footage was made available of Palestinians in Gaza celebrating the murder of the Jewish rabbis. Such expositions of pleasure over the gruesome hacking and shooting deaths of four men of the cloth -- while in prayer -- were not likely resonate positively with the global community.

That global public has become increasingly weary of extremists willing to use revolting measures to advance their political measures.

In the aftermath of Israel's hardline 50-day war on Gaza in mid-2014, which left thousands of Palestinians dead (with many of them being children), the pro-Palestinian side of the divide had garnered the sympathy of the world, essentially "winning" the public relations debate on the Israeli-Palestinian conflict. While many countries abhored the tactics of the terror group Hamas, which the Palestinian authorities brought into government, the gobal community was nevertheless highly disturbed by the fact that Israel's effort to disrupt and destroy Hamas' tunnel network was actually killing more civilians than terrorists. However, in November 2014, the world was being presented with a new vista -- one marked by appalling murderous acts, and highlighted acutely by the sight of Palestinian civilians celebrating those acts.

That new vista was further accentuated by reports from the Jerusalem Post about disturbing Palestinian songs lionizing and inciting the killing of Israelis. One such song issued praise of a so-called "car intifada" in which Palestinian militants were urged to purposely drive into crowds of Israelis. Lyrics in the song included ""Zionist run away, run away Zionist, you are about to be killed by a car" and was accompanied by a shocking animated video. Another Palestinian song of the same ilk was titled "Run Over the Settler."

The songs appeared to reflect a shifting landscape in the region whereby individual Palestinians were being encouraged to use cars and butcher knives to kill Israelis. Whereas previous acts of violence have been marked by suicide bombings, the hallmark of this new burst of bloodshed has been carried out by "lone wolves" ploughing into

civilians with cars and hacking civilians to death with knives and axes. These barbaric methods of assassination were reminiscent of Islamic State-type executions in Iraq and Syria and, in fact, were being advocated by that notorious terror entity in its global Jihadist mission. It was to be seen if Palestinian Islamic militants would actually align with Islamic State or simply borrow the group's strategies.

Regardless, the cycle of violence would go on, given Israel's clear record of never letting acts of Palestinian terrorism go unanswered. To this end, Israeli Prime Minister Benjamin Netanyahu's promise of "heavy" retribution for the synagogue massacre. Indeed, the Israeli leader wasted no time in ordering the destruction of the homes of the attackers, as he said, "We are in a battle over Jerusalem, our eternal capital." Prime Minister Netanyahu then promised to "settle the score with every terrorist" saying that those "who want to uproot us from our state and capital... will not succeed." The Israeli prime minister called for national unity in the face of tragedy, but also warned Israelis to exercise restraint and let the appropriate process run its course. To this end, Netanyahu said, "No one must take the law into their own hands, even if spirits are riled and blood is boiling."

But Netanyahu's warning went unheeded. In the West Bank, Israeli settlers attacked a school in the village of Urif to the south of Nablus. The incident <u>sparked</u> clashes and left five Palestinians injured. In Hebron to the south of the West Bank, Israeli settlers attacked Palestinian cars. Meanwhile, there were reports of Israelis chanting "Death to Arabs" during a rally in Jerusalem. Clearly, the animosity was building on both sides.

Israeli-Palestinian hostility promised to sink to even newer lows when on Nov. 19, 2014, Israel announced that it had approved the construction of almost 80 new homes in two settlements in the West Bank. The move was guaranteed to inflame tensions. A spokesman for Palestinian President Mahmoud Abbas reacted to the news of the new settlement permits as follows: "These decisions are a continuation of the Israeli government's **policy** to cause more tension, push towards further escalation, and waste any chance to create an atmosphere for calm." To date, Israeli settlement activity has been a continuing source of consternation and a prevailing obstacle to the peace process.

In late November 2014, obstacles to the peace process between Israelis and Palestinians only increased when Israeli Prime Minister Netanyahu advocated legislation that would solidify Israel's status as a Jewish nation state. The legislation would "uphold the individual rights of all of Israel's citizens" (presumably including Arab Israelis) but preserve "national rights" for Jewish people alone. Netanyahu's support for the legislation was believed to be driven by a desire to curry favor with hardliners in his right-wing Likud party and retain his leadership position.

For his part, Netanyahu defended his support for the bill, saying that it would guarantee "Israel's character as the national state of the Jewish people." Critics, however, have said that the only thing it would guarantee was legal descrimination with two categories of citizens.

While the controversial measure won support in the Israeli parliament, it was rejected by Israeli President Reuven Rivlin who warned that the bill was contrary to the notion of equality for Arab citizens envisioned by Israel's founders. The president said, "The formulators of the Declaration of Independence, with much wisdom, insisted the Arab communities in Israel, as well as other groups, should not feel as the Jews had felt in exile." Of note was the fact that while the 1948 declaration proclaimed Israel to be a Jewish state, it also enshrined the country with democratic values and promised "complete equality" for all citizens of Israel. Also of significance was the fact that this criticism was coming from Rivlin -- a right-wing politicians who was well known for his opposition to an independent state for Palestinians and instead in favor of a confederation model. The fact that he found the legislation at stake to be anti-democratic was regarded as highly relevant.

In the first part of December 2014, Israeli-Palestinian relations sunk to a new low following the death of a Palestinian cabinet minister during an altercation with Israeli police. Ziad Abu Ein, a minister without portfolio, was among several activists stopped at an Israeli checkpoint en route to a demonstration aimed at protesting Jewish

settlements. The actual "protest action" was intended to be the planting of olive tree saplings on some land close to the Jewish settlement of Shiloh.

According to reports, an altercation ensued and Israeli security forces used tear gas and sound grenades to disperse the crowd. In the <u>fracas</u> that ensued. Abu Ein was grabbed by an Israeli police officer at the throat and shoved. It was not known if he was additionally hit by a tear gas cannister. Regardless, he soon became faint, fell to the ground, and died on the way to the hospital.

His actual cause of death was unknown at the time of writing although an autopsy was scheduled to be carried out. Video footage furnished by Reuters News indicated that Abu Ein was not resisting Israeli police with any aggression. Thus, that Reuters video footage promised to increase the controversy surrounding the already-shocking news of a death of a Palestinian cabinet minister. Perhaps mindful of this impending fallout, Israeli Defense Minister Moshe Yaalon expressed regret for the minister's death in a statement. But Palestinian President Mahmoud Abbas reacted passionately, describing the death of Abu Ein as "a barbaric act which we cannot be silent about or accept" and promised that consequences would be in the offing.

Note: For its part, the Israeli military said it was investigating the circumstances surrounding Abu Ein's death.

Special Report

U.N. Security Council rejects call for Israel to withdraw from Palestinian territories; Palestinians move to join ICC --

With the hardline government moving to solidify special national rights for Jews in israel and with the peace process a distant memory, the international community's patience waiting for an independent Palestinian state was being exhausted. Already, several countries around the world recognized Palestine as a nation state, irrespective of Israel's objections, the stymied peace process, as well as obstacles at the United Nations Security Council where Western permanent members, such as the United States, have insisted on a negotiated settlement as the only vehicle to the establishment of a Palestinian state.

But Palestinians gained a powerful boost at the start of December 2014 when the Socialist-dominated French parliament voted to recognize Palestine. The move was symbolic and was not expected to directly influence the status of Palestine internationally. However, it was a clear sign that even major European powers -- including a veto-wielding permanent Security Council member like France -- were frustrated by the stalled peace process. Already, other European countries, such as Sweden and Spain, had taken similar symbolic measures as their parliaments "blessed" the non-binding resolutions calling for the recognition of a Palestinian state.

Palestinians have continued to insist that their only option is to pursue recognition unilaterally while Israel has said that this latest move will only make a negotiated settlement more difficult. A statement by the Israeli Foreign Ministry read as follows: "Israel believes that the vote ... will only jeopardize the possibility of reaching an agreement between Israel and the Palestinians."

In December 2014, Palestinians took their cause to the United Nations, putting forth a resolution calling for Israel to withdraw from Palestinian territories by late 2017. But the draft measure went down to defeat in the United Nations Security Council, failing to garner the requisite nine votes needed to pass the measure. The outcome was not a surprise since Western delegations had warned the Palestinians that there was no appetite for a controversial vote ahead of Israel's elections in 2015. However, the Palestinians were eager to move forward in the face of this cautionary guidance.

It should be noted that even if that nine vote threshold had been passed, the measure would have ultimately been defeated by the United States -- one of the veto-wielding permanent members of the United Nations Security Council. Samantha Power, the United States Ambassador to the United Nations, defended her country's stance

against the Palestinians' unilateral approach and in favor of a negotiated peace agreement, saying, "The United States every day searches for new ways to take constructive steps to support the parties in making progress toward achieving a negotiated settlement. The Security Council resolution put before us today is not one of those constructive steps." She added,

"This text addresses the concerns of only one side."

Undeterred by the failure of the draft resolution at the United Nations Security Council discussed above, the Palestinians followed up by advancing a bid to join the International Criminal Court (ICC). To this end, Palestinian President Mahmoud Abbas signed the Rome Statute, the founding treaty of the ICC. Given the Palestinians' upgraded status of "non-member observer state" at the United Nations General Assembly, the chances of the Palestinians qualifying to join the Rome Statute were strong.

For its part, Israel responded to this move to join the ICC by halting the transfer of tax revenues to the Palestinian Authority. Senior Palestinian official Saeb Erekat condemned the move to hold the transfer of \$127 million collected on behalf of the Palestinian Authority, calling it a "new war crime." An anonymous Israeli official responded to this vituperative accusation from Erekat in an interview with the Haaretz newspaper, saying, "It is the Palestinian Authority -- which is in a unity government with Hamas, an avowed terrorist organization that, like ISIS [Islamic State], perpetrates war crimes -- that needs to be concerned about the ICC."

Note that in January 2015, United Nations Secretary-General Ban Ki-moon confirmed that the Palestinians would officially become a member of the International Criminal Court on April 1, 2015.

Special Entry

Exchange of fire between Israeli forces and Hezbollah leaves two Israeli soldiers and a peacekeeper dead

In the worst eruption of violence between Israel and Lebanon-based Hezbollah since the 2006 war, Israeli forces and Hezbollah fighters exchanged fire at the end of January 2015, leaving two Israeli soldiers and a Spanish peacekeeper dead. The two Israeli soldiers died when Hezbollah fired five missiles at a convoy of Israeli military vehicles along the border with Lebanon. The Spanish peacekeeper, who was serving as part of a United Nations monitoring mission in southern Lebanon died when Israel responded to the assault by Hezbollah with artillery fire and air strikes. Hezbollah wasted little time claiming responsibility for the eruption of violence, saying that its attack on Israel was carried out in retaliation for an Israeli air strike in southern Syria that killed an Iranian general and several members of Hezbollah weeks earlier. Israeli Prime Minister Benjamin Netanyahu promised retribution, saying "Those behind the attack today will pay the full price." Across the border in Lebanon, supporters of Hezbollah in southern Beirut shot gunfire into the air in celebration of the killing of the Israeli soldiers. But other residents of the city were preparing to evacuate Beirut in the event that Israel made good on its promise of retribution, and with the memory of the devastation associated with the 2006 war still fresh in their memories. That being said, with an election in Israel looming ahead, there was deep skepticism that Netanyahu would pursue a military effort against Hezbollah anytime soon.

Special Entry

Special Report: United States-Israeli relations at new low due to Israeli PM Netanyahu's address to Congress on Iranian nuclear program

Highlights:

- President Obama and PM Netanyahu at odds over Iranian nuclear negotiations
- Key Democrats boycott speech in protest of Speaker Boehner's invitation to Israeli PM only weeks ahead of election and in violation of White House protocols

- Mossad report differs from Netanyahu's claims in United Nations speech about timing of Iran nuclear breakout threat
- 47 Republican senators dispatch letter to leader of Iran in attempt to put curbs on diplomatic process
- Despite diplomatic contretemps between U.S. and Israel, progress still being made during multilateral nuclear negotiations with Iran

In detail:

A diplomatic contretemps was brewing between the United States and Israel in the latter part of January 2015 when United States House Speaker John Boehner (Republican) invited Israeli Prime Minister Benjamin Netanhayu to address Congress without first consulting the White House, as is normal practice. Even with this breach of protocol, Netanyahu accepted Boehner's irregular invitation.

At the heart of Boehner's overture to Netanyahu was President Obama's State of the Union warning that he would veto any legislation from Congress for new sanctions against Iran while tough multilateral negotiations were still ongoing. At issue was the effort to forge a deal with Tehran that would prevent that country from manufacturing nuclear weapons. Those multilateral negotiations were advanced precisely with the understanding that the United States would not introduce fresh sanctions while talks continued. President Obama noted that new sanctions would deliver the message to the international community that the United States was operating under bad faith. But knowing that the Israeli prime minister has long opposed the talks with Iran in the first place, Boehner was making the calculation that Netanyahu could influence members of Congress to act on sanctions in contravention to President Obama's stance.

That very calculation to undermine the United States president by calling on a foreign leader to offer a countervailing foreign *policy* view in the chambers of Congress soon erupted into a foreign relations *fracas*. Boehner's irregular invitation to Netanyahu without first seeking concurrence from the White House was already a source of controversy. However, the situation devolved further when it was revealed that the Israeli Ambassador to the United States, Ron Dermer, planned the invitation in concert with Boehner, believing that it would boost Netanyahu's prospects at the polls in Israeli elections set for March 2015. The sordid nature of that blatantly political move was intensified when it was revealed that Dermer did not notify United States Secretary of State John Kerry of the move during a meeting with the United States' top diplomat.

Such machinations have been regarded at best as suspect, and at worst, as duplicitous. Indeed, the moves evoked condemnation from the opposition Labor bloc in Israel, which warned that Netanyahu's address would damage relations with the Obama White House. The possible consequences to United States-Israeli ties appeared to be a real risk and was being discussed among the Israeli cognescenti. In Israel's leading daily newspaper, Yedioth Ahronoth, former diplomat Alon Pinkas wrote: "These relations are the greatest strategic asset that Israel has had since its establishment. Netanyahu has harmed, weakened, and finally destroyed the interpersonal channel (with the U.S. president) and created an unprecedented rift in the relations between president and prime minister."

At home in the United States, former United States Ambassador to Israel, Martin Indyk, entered the fray, warning: "Netanyahu is using the Republican Congress for a photo-op for his election campaign....Unfortunately, the U.S. relationship will take the hit. It would be far wiser for us to stay out of their politics and for them to stay out of ours."

Thee situation devolved even further when Netanyahu asked Boehner to change the date of the proposed address to Congress from February 2015 to March 2015 -- only weeks ahead of the Israeli elections the prime minister hoped to win.

In a rebuke to Israel, the Obama White House soon announced that United President Obama would not meet with Netanyahu while the Israeli Prime Minister was in the United States at Capitol Hill in March 2015. The White House made clear that such a meeting would be entirely inappropriate, given the proximity to the Israeli elections. A more vivid view of the Obama White House's outrage was illuminated with the release of an anonymous quote by a United States official, which was published by Israel's Haaretz newspaper. That newspaper quoted the unnamed United States official as saying, "We thought we've seen everything. But Bibi managed to surprise even us. There are things you simply don't do. He spat in our face publicly and that's no way to behave. Netanyahu ought to remember that President Obama has a year and a half left to his presidency, and that there will be a price."

Note that in the first week of February 2015, Israeli Ambassador Dermer met with key Congressional Democrats in an effort to smooth tensions that had arisen over Netanyahu's irregular speech to be given before Congress. Dermer appeared to place the blame on House Speaker Boehner for the diplomatic crisis, suggesting that the speaker of the House of Representatives had misled Israel into believing the invitation was a bipartisan one. At the end of the day, those meetings did not appear to have yielded positive results for Dermer. Instead, Jewish Democrats in Congress blasted Dermer for his part in the brewing fiasco, while House Minority Leader Nancy Pelosi urged that the speech be postponed, noting under the current conditions it would be "inappropriate."

Exacerbating the situation was the news that Congressman John Lewis -- a known civil rights icon -- would be boycotting the Nentanyahu address. In the House of Representatives, Representative John Clyburn, one of the highest ranking Democrats in the lower chamber, along with Representative Raúl Grijalva, the head of the Congressional Progressive Caucus, Representative Jim McDermott and others all said they would not be attending the Netanyahu address. Representative Earl Blumenauer went so far as to write an artice in The Huffington Post explaining his decision. In that piece, he said that the Constitution "vests the responsibility for foreign affairs in the president."

The list of prominent Democrats boycotting the Netanyahu speech grew with Senator Bernie Sanders casting the event as "wrong," and saying he would skip it. Senator Patrick Leahy not only announced his own boycott of the speech, but paired it with a searing rebuke of the Republican-led Congress. He said: "They [House leaders] have orchestrated a tawdry and high-handed stunt that has embarrassed not only Israel but the Congress itself. It has long been an unwritten rule and practice through the decades that when it comes to American foreign *policy*, we speak and act thoughtfully, with one voice when we can, with the national interests of the United States as our uppermost consideration, and with caution about the unintended consequences of unilateral actions like this. They have diminished that valuable precedent." Also of note was the decision by Senator Brian Schatz -- a Jewish Democrat from the president's home state of Hawaii -- who said he would not attend the Netanyahu speech "because it does more harm than good to the bipartisan U.S.-Israel alliance." Schatz also added that he believed the House Speaker issued the invitation to the Israeli prime minister for "the apparent purpose of undermining President Obama's foreign *policy* prerogatives."

During a press conference with German Chancellor Angela Merkel, President Obama was asked about the Netanyahu speech and, at first issued a diplomatic response, noting that it would be inappropriate to meet with any leader so soon ahead of an election. He said, "I think it's important for us to maintain these protocols —— because the U.S.-Israeli relationship is not about a particular party." But he added that as much as he loved the German leader, his White House would not have extended an invitation to her ahead of a general election in Germany, and he added, "And I am sure she would not have asked for one." Chancellor Merkel responded with an emphatic "no" headshake, making clear that she tacitly agreed that such a move would be a break in proper protocol.

The Obama White House also delivered its own more direct message to Prime Minister Netanyahu and the government of Israel when it announced that Vice President Joe Biden -- typically a guaranteed presence at events involving foreign leaders -- would not be in attendance. The Obama White House said that Vice President Biden would be traveling on the day set for the Netanyahu address; the news could only be regarded as a snub by the administration to the current Israeli government.

A CNN poll released in February 2015, indicated that the vast majority of Americans -- 66 percent -- did not approve of House Speaker Boehner's move to sidestep President Obama and invite Israeli Prime Minister Netanyahu to speak before Congress, by-passing normal protocol. For his part, Netanyahu appeared to be undeterred by criticisms of his speech, perhaps calculating that whatever ill will he was building in the United States would be vitiated by his political and nationalist gains at home just ahead of elections in Israel.

The rift between the United States and Israel deepened as February 2015 came to a close, reaching a new nadir just as Netanyahu was set to address to Congress in the first week of March 2015.

Of note was Israeli Prime Minister Netanhayu's claim that the United States and other world powers had abandoned their vow to prevent Iran from getting a nuclear bomb. Speaking from Israel, Netanhayu accused the multilateral bloc, including the United States, of "accepting that Iran will gradually, within a few years, will develop capabilities to produce material for many nuclear weapons." Netanyahu continued, saying, "I respect the White House and the president of the United States but on such a fateful matter, that can determine whether or not we survive, I must do everything to prevent such a great danger for Israel."

Key members of the United States government hit back against Netanyahu forcefully and aggressively. United States Secretary of State John Kerry responded to the accusation from the Israeli leader by questioning Netanyahu's judgement on the issue. Indeed, Secretary of State Kerry issued a rebuke of Netanyahu, saying, "He may have a judgment that just may not be correct here." Expanding on his point after the latest round of negotiations in Europe, the United States' top diplomat said, "The president has made clear -- I can't state this more firmly -- the *policy* is Iran will not get a nuclear weapon."

Secretary of State Kerry went further by reminding the world of Netanyahu's questionable geopolitical acumen and strategic perspicacity when he noted that the Israeli leader "was profoundly forward-leaning and outspoken about the importance of invading Iraq under (President) George W. Bush, and we all know what happened with that decision."

Meanwhile, another official in the United States government -- this time, National Security Adviser Susan Rice -- cast the impending visit to the United States by Netanyahu as "destructive to the fabric of the [bilateral] relationship." In an interview with Charlie Rose on the Public Broadcasting Service (PBS), National Security Adviser Rice said, "We want the relationship between the United States and Israel to be unquestionably strong, immutable... regardless of which party may be in charge in either country." Her implication was that Netayahu's speech, imbued now with political elements, could not be understood as anything other than partisan, and as such, would have a negative impact on the bilateral ties between the United States and Israel.

The White House itself highlighted the problem in reducing the bilateral relationship to partisanship when spokesperson, Josh Ernest, said: "The president has said the relationship between the United States and Israel can't just be reduced to a relationship between the Republican party and the Likud party."

Meanwhile, for Netanyahu, it was apparent that he was making the calculation that deteriorating ties with the leader of the free world might be worth the risk if he saw gains at the polls at home in mid-March 2015. But on the issue of a pending deal aimed at curbing Iran's nuclear ambitions, it was difficult to see what achievement Netanyahu hoped to make. Even if he were to deliver a tour de force of a speech on Capitol Hill, replete with repeated standing ovations from Republicans in Congress anxious to show their solidarity with the hardline conservative Israeli prime minister, the multilateral talks in Europe on the Iranian nuclear deal were still going to move forward. Even if some sort of legislation was advanced in the United States Congress aimed at sabotaging such a deal (for example via fresh sanctions against Iran), the president of the United States would have the power of the veto to counteract such a move.

Netanyahu himself appeared cognizant of this reality as he said, "Can I guarantee that my speech in Congress will prevent a dangerous deal with Iran from being signed? Honestly, I don't know. But I do know this — it's my sacred duty as prime minister of Israel to make Israel's case."

To that end, the Israeli leader went to Capitol Hill on March 3, 2015, to give his address to Congress. In that speech, he warned that the nuclear deal being negotiated by global powers and Iran in Geneva, Switzerland, would actually herald a nuclearized Iran. To this end, he said, "This deal doesn't block Iran's path to the bomb, it paves Iran's path to the bomb." Disparaging the efforts being carried out by United States Secretary of State John Kerry and his counterparts from the United Kingdom, France, Germany, Russia and China, Netanyahu said: "We've been told that no deal is better than a bad deal. Well this is a bad deal, a very bad deal."

Of course, the Israeli leader had harsh words regarding Iran, reminding the chamber -- and the worlds -- that "Iran's regime is as radical as ever, the ideology is deeply rooted in militant Islam... it will always be an enemy of U.S." He also noted that the Iranian imprint was growing in the Middle East, as it meddled in the affairs of countries such as Iraq and Yemen, while backing Lebanon-based Hezbollah. To this end, Nentanyahu said that Iran was on a "march of conquest, subjugation and terror."

Netanyahu's speech, despite the boycott by as many as 60 Democrats, was well-received by the Republicandominated Congress. Indeed, Republicans in Congress made a point to giving the Israeli leader a far warmer reception, with more boisterous applause than had been conveyed to President Barack Obama at the State of the Union less than two months earlier.

For its part, the White House blasted the Israeli prime minister's address as being filled by rhetoric and short of good ideas. As noted by President Obama himself after the Netanyahu visit to Capitol Hill, "On the core issue, which is how to prevent Iran from obtaining a nuclear weapon which would make it far more dangerous, the prime minister [Netanyahu] did not offer any viable alternatives."

Nevertheless, the fact of the matter was that Netanyahu's address was a political success that would likely help him with hardline voters at home, while currying favor with hardliners across party lines in the United States. Of course, it was harder to say if the Netanyahu speech was necessarily in the best interests of the United States.

The reality was that without an agreement of some sort, Iran would likely move forward with the pursuit of its nuclear program, which could potentially involve bomb production. Indeed, it was only the interim nuclear deal (set to expire in mid-2015), which created the space for nuclear negotiations to take place, that had brought any halt to Iranian nuclear activities. Before the interim agreement was forged, despite the imposition of harsh sanctions, Iran was producing centrifuges and fissile material. Without a nuclear accord going forward, Iran would be free to resume unfettered nuclear activities.

Of note was the fact that President Obama and Prime Minister Netanyahu have viewed the Iranian nuclear problem differently. For President Obama, the imperative has always been the same: To prevent Iran from producing a nuclear bomb. But for Prime Minister Netanyahu, the objective has been to prevent Iran from having nuclear capability. While the two respective goals overlap, they must be understood distinctly.

A good deal for President Obama would be one in which Iran's nuclear program is curtailed, regulated, and monitored to the extent that its breakout time for creating a bomb would be lengthy and difficult. No deal would likely be acceptable to Prime Minister Netanyahu, who was determined to see Iran's nuclear capability ended in totality, and all of its nuclearfacilities dismantled. Short of military action, it was difficult to see how Netanyahu's goals would be accomplished. But even military strikes would be risky since multiple sites -- from the uranium

enrichment plants at Natanz and Fordo, to the heavy-water plutonium reactor at Arak, not to mention an array of laboratories and mines at stake.

Of significance was the fact that the very case by Israel (at least, as conveyed by Netanyahu) was being tarred by questions of credibility. At issue was the release of a cache of confidential intelligence documents that appeared to contradict Netanyahu's claims about Iran being imminently positioned to manufacture a nuclear bomb. Leaked cables -- reportedly from South African intelligence. but which were shared with certain news outlets -- indicated that in an address before the United Nations in 2012, the Israeli leader misrepresented Iran's progress on nuclear development, and even contradicted Israel's own Mossad secret service to make that claim.

Going back to 2012, Netanyahu famously stood before the United Nations General Assembly with a cartoon depiction of a bomb with a red line and declared that Iran would be positioned to build a nuclear weapons the following year. As such, he demanded global action to prevent Iran from achieving that end. Now, however, in 2015, the leaked documents, which were shared with Al-Jazeera and published by The Guardian newspaper, included conclusions from Israel's own Mossad intelligence agency that Iran was "not performing the activity necessary to produce weapons." The Mossad briefing did note that Iran appeared to be moving in a direction "which will reduce the time required to produce weapons." However, the Mossad briefing also asserted that Iran "does not appear to be ready" to enrich uranium to the higher levels necessary for nuclear weapons. (The manufacture of a nuclear bomb would require enrichment of 90 percent.)

It should be noted that in response to the revelations ensconced in these leaked documents, the Israeli government said there was little difference in Netanyahu's claims as compared with Mossad's findings. Both agreed that Iran was indeedseeking to manufacture a nuclear bomb.

Regardless of Iran's actual intent or the actual timeline at stake, the difficult diplomatic work of trying to forge an agreement that would prevent Iran from producing a nuclear weapon was ongoing.

It should be noted that in the aftermath of the Netanyahu speech, United States Secretary of State John Kerry warned that simply demanding Iran's capitulation was unlikely to compel that country to voluntarily halt its nuclear development program. Kerry's remarks intimated criticism for the muscular language emitted by the Israeli leader, which were heavy on rhetoric but unlikely to achieve actual results. Instead, Secretary of State Kerry noted that the diplomatic path presented a serious path forward. He said, "No one has presented a more viable, lasting alternative for how you actually prevent Iran from getting a nuclear weapon. So folks, simply demanding that Iran capitulate is not a plan. And nor would any of our P5+1 partners support us in that position." At the same time, Secretary of State Kerry made clear that the while the hard work of diplomacy was yielding results, there remained "significant gaps and important choices that need to be made" by Iran.

In Iran, President Hassan Rouhani emphasized his country's position. Rouhani indicated that Iran was prepared to subject itself to greater scrutiny, in order to satisfy the international community's concerns about nuclear weapons production. But at the same time, he reiterated Iran's long-standing stance that it was entitled to nuclear development. Rouhani said, "If the basis of these negotiations is for increased transparency, we will accept greater transparency. But if the negotiations are trying to prevent the people of Iran from their inalienable right, in other words advancement in science and technology, it is very natural that Iran will not accept such an understanding or agreement."

Of course, concerns about Iranian nuclear development, and a potential nuclear deal, extended not only to Israel but also to the Sunni Arab world. Of note was the ever-increasing sectarian divide between Shi'ites and Sunnis in the Middle East since the invasion of Iraq in 2003, and the Arab Spring in 2011. With this schism only deepening, Sunni countries, such as Saudi Arabia, were increasingly concerned about an ascendant Shi'ite Iran. Indeed, Iran already had its imprint in the Syria-Lebanon area due to tacit support of Hezbollah, and had tightened its alliance with Iraq in the post-Saddam Hussein era, and was now believed to be clandestinely backing the Shi'ite Zaidi

rebellion (known as the Houthi rebellion) in Yemen. The notion of a nuclearized Iran, already with its tentacles stretching across the region, was not regarded positively by several Arab countries. Accordingly, Secretary of State Kerry traveled to Saudi Arabia to calm the anxieties of several Sunni Arab countries, including Bahrain, Kuwait, Oman, Qatar, the United Arab Emirates, and Saudi Arabia itself, regarding a potential Iranian nuclear deal.

Speaking to this issue, Secretary of State Kerry said, "For all the objections that any country has to Iranian activities in the region, and believe me, we have objections and others in the world have objections, the first step is to prevent Iran from acquiring a nuclear weapon." At stake was the goal of reaching the "right deal," which Kerry said would "close off any paths that Iran could have towards fissile material for a weapon."

To that end, the diplomatic track was continuing and the latest round of multilateral talks -- involving the United States, the United Kingdom, France, Germany, Russia, and China -- appeared to be making progress, with all eyes on late March 2015 as a possible timeline for a deal, with the details ironed out and solidified by a mid-2015 deadline.

United States Secretary of State John Kerry indicated that the negotiations were productive, saying to the media: "We made progress." His Iranian counterpart, Foreign Minister Mohammad Javad Zarif, said they were forging "a better understanding" at the negotiating table.

The comprehensive pact appeared to be geared towards constraining Iran's nuclear breakout capability, and restricting Iran's nuclear activities for a 10-year period, with an easing of restrictions on nuclear development after that time. Under consideration was a plan to deal with most of Iran's enriched uranium externally, or to convert it to a form that would not be easily used in weapons development. Overall, there would be strict curbs on Iranian nuclear development for a decade, particularly with regard to the handling of enriched uranium and the number of centrifuges at stake. But there would also be "rewards" of sorts for Iranian compliance and cooperation in the form of gradually eased restrictions and the lifting of sanctions. The United Nations' nuclear watchdog agency, the International Atomic Energy Agency, would play a central role in any proposed deal, and would have the primary responsibility of monitoring Iran's compliance and cooperation.

In the second week of March 2015, in the wake of the controversial Netanyahu address to Congress, 47 Republican senators published an open letter to Iran. The signatories to that document sought to instruct the Iranian government about United States constitutional law, which they suggested the Iranians might not "fully understand." The letter, which was spearheaded by freshman Republican Senator Tom Cotton of Arkansas, made the claim that any nuclear deal that might emerge from the negotiations in Switzerland would be "nothing more than an executive agreement between President Obama and Ayatollah Khamenei," and thus require congressional approval while being subject to revocation by a future president. To this end, the letter included the following sentence: "The next president could revoke such an executive agreement with the stroke of a pen, and future Congresses could modify the terms of the agreement at any time."

It was difficult to interpret the missive as anything other than a transparent attempt to undermine President Barack Obama's leadership in the realm of foreign *policy*. Indeed, editorials from more than 22 cities across the country excoriated the 47 Republican senators for their action, which they characterized as a reckless and partisan stunt. Some newspaper boards even argued that by dispatching that missive, te 47 Republican senators were marching the country down the road of war. Almost all the editorials vociferously criticized the 47 Republican senators for betraying the national interests of the United States, whose constitution, accords broad authority to the president to conduct foreign *policy*.

From the Senate, Minority Leader Harry Reid -- the top Democrat in the upper chamber -- minced no words as he declared: "Let's be clear: Republicans are undermining our commander in chief while empowering the ayatollahs." Former Secretary of State Hillary Clinton, who was expected to seek the Democratic nomination for president in

2016, entered the fray, saying that the letter's signatories could only be motivated by one of the following two rationales. She said, "There appear to be two logical answers. Either these senators were trying to be helpful to the Iranians or harmful to the commander-in-chief in the midst of high-stakes international diplomacy. Either answer does discredit to the letter's signatories." White House spokesperson, Josh Earnest, said the letter was intended to undermine diplomacy and could spur a "rush to war, or at least the rush to the military option."

For his part, President Barack Obama responded to the infamous letter by accusing the 47 Republican senators of "interfering" in nuclear negotiations -- an arena typically reserved for the executive branch of government. He also sardonically noted that the 47 signatories constituted an "unusual coalition" with Iran's hard-line religious leaders, who have also opposed the nuclear negotiations. As noted by President Obama: "I think it's somewhat ironic to see some members of Congress wanting to make common cause with the hardliners in Iran. It's an unusual coalition." Vice President Joe Biden -- a former Senator himself and the official president of the upper chamber -- was more vituperative in his condemnation. Vice President Biden said that the letter from the 47 Republicans was "beneath the dignity of an institution I revere." He added, "In 36 years in the United States Senate, I cannot recall another instance in which Senators wrote directly to advise another country -- much less a longtime foreign adversary -- that the president does not have the constitutional authority to reach a meaningful understanding with them,"

Of significance was the reaction by the Iranian Foreign Minister, Dr. Javad Zarif, who dismissed the letter as a "propaganda ploy." Zarif said, "In our view, this letter has no legal value and is mostly a propaganda ploy. It is very interesting that while negotiations are still in progress and while no agreement has been reached, some political pressure groups are so afraid even of the prospect of an agreement that they resort to unconventional methods, unprecedented in diplomatic history. This indicates that like Netanyahu, who considers peace as an existential threat, some are opposed to any agreement, regardless of its content."

Educated in the United States himself, the Iranian foreign minister did not shy away from showing his own constitutional chops, intimating that the Republican Senators who signed onto the letter may not been fully conversant with the United States Constitution. To this end, Zarif said, "A change of administration does not in any way relieve the next administration from international obligations undertaken by its predecessor in a possible agreement about Iran's peaceful nuclear program." Zarif also noted that a move by a future president to dismantle a yet-to-be-achieved nuclear agreement would be in contravention to international jurisprudence, saying, "I wish to enlighten the authors that if the next administration revokes any agreement with the stroke of a pen, as they boast, it will have simply committed a blatant violation of international law."

To be sure, the letter from the 47 Republican senators emphasized the view that any deal would have to be ratified by the upper house of the Congress. However, both Iranian Foreign Minister Zarif and United States Secretary of State John Kerry pointed out that the vast majority of international agreements forged in recent decades have been executive measures and not treaties requiring ratification by the Senate.

Moreover, any deal emerging from the nuclear talk would be neither a bilateral agreement nor a conventional treaty between nation state. Instead, it would be a multilateral accord, forged by the P5+1 countries, including all permanent members of the United Nations Security Council. The accord would likely activated as a Joint Comprehensive Plan of Action, then sealed under the aegis of the United Nations Security Council, and thus would in fact not be subject to modification by Congress. In this regard, it would be follow on the heels of United Nations Security Council Resolutions 1696, 1737, 1747, 1803, 1835, and 1929 that have also dealt with Iran's nuclear program. Neither a Republican-controlled Senate nor a future president would be positioned to unilaterally reverse the terms of a potential accord of this sort.

Congress, with its power of the purse, could certainly place certain limits on President Obama or any future president as regards sanctions to be levied upon Iran (or any other country). However, Congress cannot summarily override international obligations forged in a multilateral frame, and which would be structured as an international measure, without being in flagrant breach of international law.

Beyond the legal perils at stake, there were political perils to consider. The fact of the matter was that any post-Obama president would be placed in a precarious position within the world community for violating an agreement reached and understood as a matter of international consensus.

Meanwhile, there were rumblings in regards to violations of domestic law when some observers noted that the letter to Iran could be regarded as a violation of the 18th century Logan Act.

To be precise, the Logan Act prohibits any "Private correspondence with foreign governments" and reads; "Any citizen of the United States, wherever he may be, who, without authority of the United States, directly or indirectly commences or carries on any correspondence or intercourse with any foreign government or any officer or agent thereof, with intent to influence the measures or conduct of any foreign government or of any officer or agent thereof, in relation to any disputes or controversies with the United States, or to defeat the measures of the United States, shall be fined under this title or imprisoned not more than three years, or both." In truth, it was unlikely that a law dating back to 1799 would be used to prosecute the 47 senators; however, its discussion has only added to the level of scandal and drama surrounding a potential landmark multilateral agreement on Iran's nuclear program.

Returning to the issue of the prevailing nuclear negotiations -- the fact of the matter was that nuclear talks continued in Switzerland in the third week of March 2015. The principal parties acknowledged that progress was being made, particularly with regard to technical provisions. All Akbar Salehi, the head of Iran's Atomic Energy Organization, expressed delight over his productive meetings with United States Energy Secretary Earnest Moniz, saying, "We have made progress on technical issues. One or two issues remain and need to be discussed." For his part, Secretary of State Kerry said, "We're pushing some tough issues but we made progress."

However, other Western representatives had a different view. A State Department official told Reuters News, "We are pretty far away. There are a lot of issues that still need to be resolved. The Iranians must make substantial concessions." Moreover, as reported by Reuters News, an anonymous European negotiator said: "Contrary to what the Iranians are saying with regard to 90 percent of an accord being done, that's not correct. We are not close to an agreement."

Clearly, another round of talks was anticipated to resolve a slate of remaining issues. Of note was the West's insistence that Iran's nuclear activities be curtailed and its nuclear breakout time be circumscribed to one year. Stated differently, an arrangement had to be made whereby Iran would need a full year to garner enough fissile material (either high enriched uranium or plutonium before it could produce a nuclear weapon. On the agenda for discussion was a plan to limit the number of enrichment centrifuges Iran would be allowed to keep; other considerations included limits of the size of uranium stockpiles.

Note that on March 21, 2015, Iranian President Hassan Rouhani indicated that progress was being made in nuclear talks, setting the stage for a final deal. He was quoted by Iranian state media as saying. "There is nothing that cannot be resolved." Iran's Ayatollah Ali Khamenei, however, emitted a very different tone from that of Iran's more moderate president, Rouhani. In reference to President Obama's Persian Nowruz message to the Iranian people, in which the United State leader said a deal on Iran's nuclear program presented "an historic opportunity to resolve this issue peacefully," Ayatollah Khamenei said that his country should not submit to the demands of the global powers. Khamenei noted, "Basically, what he [Obama] says in his message is that you must accept the terms we dictate in the nuclear talks so that jobs, investment, and economic activities will blossom in your country... this view will never lead to any conclusions for us." In many senses, Obama and Rouhani were in similar positions -- both were pragmatic presidents, both were eager to improve bilateral relations between their countries, while meeting global security goals, yet both men were also politically at odds with the conservative and hardline elements in their own countries.

Days later, the landscape for negotiations could only be understood as uncertain. The various sides appeared to be deadlocked over certain sticking points. France was looking for more stringent restrictions on the Iranians -- a position by France that was at odds with the other P5+1 countries. Also at issue was the fact that France was not keen on the notion of a quick suspension to United Nations sanctions against Iran -- a demand being made by the Iranians. Meanwhile, the United States was advocating that restrictions on Iranian nuclear work should be in place for at least 10 years, while France was looking for a 15 year timeline, along with 10 years of rigorous IAEA monitoring. Other contentions centered on Iran's demand that it be allowed unfettered research and development of advanced centrifuges, which are used to enrich uranium for use in nuclear reactors, and ultimately are linked with weapons production.

The fact of the matter was that significant issues remained unresolved with Iran and the P5+1 countries far apart in some regards. Still, the consequences of not reaching a deal would likely destablize the world; as such, the impetus for forging an agreement was strong and all expectations were that the March 2015 deadline would be extended again.

The nuclear negotiations aside, relations between the United States and Israel continued to be poor in the aftermath of the Israeli election, which were decisively won by Netanyahu's Likud party. Netanyahu's victory was at least partially attributed to his controversial remarks warning Jewish voters that Arab Israelis would be "turning out in droves" at the polls, and asserting that there would be no Palestinian state under his watch. In the wake of that latter statement, the Obama administration in the United States warned Israel that it would be "reassessing" its relationship and its stance on Middle East diplomacy.

For his part, Netanyahu attempted to reverse the clear political damage made by these two statements. First, he apologized publicly to Arab Israelis for the divisive rhetoric. Then, he insisted to the United States that he still supported a "two-state solution" (i.e. an independent Palestinian state living side by side the Jewish state of Israel in peace and security), but claimed that he intended to simply point out that the conditions for the peace process were not optimal. As stated by Netanyahu in an interview with MSNBC News: "I haven't changed my *policy*. I never retracted my speech in Bar-Ilan University six years ago calling for a demilitarized Palestinian state that recognizes the Jewish state. What has changed is the reality."

For its part, the Obama administration in the United States made clear it was not prepared to accept Netanahu's prevarication. JOsh Earnest, the White House spokesperson, warned of "consequences" for Israel. In his conference with the White House press corps, Earnest said, "He [Netanyahu] walked back from commitments that Israel had previously made to a two-state solution. It is ... cause for the United States to evaluate what our path is forward."

On the radar could be the United States' stance at the United Nations. To date, it has only been the United States' veto at the Security Council that has prevented Palestinians from successfully garnering official recognition as a nation state. The United States has insisted that Palestinian statehood should be arrived at diplomatically, and via the established peace process, predicated on a two state solution. But with Netanyahu making the bold claim that there would be no Palestinian state so long as he remained prime minister, the entire foundation of the two state solution was now damanged. Thus, the door was now open for the United States to change its calculus -- and accordingly, its behavior at the Security Council. White House spokesperson Earnest addressed this very issue, saying, "Steps that the United States has taken at the United Nations had been predicated on this idea that the two-state solution is the best outcome. Now our ally in these talks has said that they are no longer committed to that solution."

Note: On April 2, 2015, after marathon talks in Switzerland, the P5+1 countries and Iran issued a joint statement announcing that the hard work of negotiations and diplomacy had yielded results, and that a historic framework agreement on Iran's nuclear program had been reached. As stated by the European Union foreign *policy* chief,

Federica Mogherini, "We have reached solutions on key parameters of a joint comprehensive plan of action." A rigorous program of verification would remain in place to corroborate Iran's adherence to the terms of the agreement and to ensure that Iran meets its obligations. Israeli Prime Minister Benjamin Netanyahu

concluded that the deal needed additional measures included, such as a "clear and unambiguous Iranian recognition of Israel's right to exist."

However, United States President Obama himself entered the equation, insisted that the framework agreement would be good for global security, as it would "cut off every pathway that Iran could take to develop a nuclear weapon."

Note: It was yet to be determined if the nuclear negotiations would actually end in a viable and enduring deal.

Special Entry

Primer on snap parliamentary elections in 2015 --

Parliamentary elections were set to be held in Israel on March 17, 2015. At stake would be the composition of the unicameral "Knesset" (Parliament), where the 120 members are popularly elected by one district proportional representation to serve four-year terms.

The main political parties contesting the elections were expected to be Netanyahu's right-wing Likud, Avignor Lieberman's nationalist Yisrael Beiteinu, Naphtali Bennett's hard-right Habayit Hayehudi, two ultra-Orthodox parties -- United Torah Judaism and Shas, Moshe Kahlon's newly-formed center-right Kulanu party, Yair Lapid's centrist Yesh Atid Party, Issac Herzog's left-leaning Labor Party -- joined in an alliance called "Zionist Union" by centrist Tzipi Livni's

Hatnuah, Zehava Gal-on's lefist Meretz party, United Arab List, among others.

It would be seen if Prime Minister Benjamin Nentanyahu, the head of the right-wing Likud party, would see reelection or if the center-left Herzog-Livni alliance would see success at the polls. Netanyahu was certainly looking for a clear mandate for the right-wing, freeing him to no longer be reliant on partners from other parties to lead the government.

Details of the election landscape leading up to voting were as follow:

On Dec. 2, 2014, Israeli Prime Minister Benjamim Netanyahu fired two of his cabinet ministers, blasting them for daring to criticize him. He also said he would dissolve parliament and schedule snap elections.

The two cabinet ministers who were sacked were actually the leaders of rival parties who joined his coalition government following the last elections. In the crosshairs were Finance Minister Yair Lapid and Justice Minister Tzipi Livni with whom Netanyahu has frequently sparred over both political and economic disagreements.

Such acrimony and dissonance should have been anticipated given the fact that Lapid and Livni both come from more centrist parties whose *policies* do not always easily coincide with the hardline conservative agenda of Netanyahu's Likud party. Indeed, Lapid's Yesh Atid Party has held a more secular orientation and has focused on the economic needs of the middle class, while Livni leads the liberal Hatnuah party, which was formed by progressive dissidents of the centrist Kadima party seeking serious peace negotiations with the Palestinians.

Rather than address the organic breakdown of these ideological alliances, Netanyahu condemned Lapid and Livni for "harshly" criticizing the coalition government, as he declared: "I will not tolerate an opposition within the government anymore." He added, "I will not tolerate ministers attacking government <u>policy</u> from within the government, attacking its leader, motivated by political interests, and being irresponsible at a national level."

Instead, Netanyahu was looking to dispense with unreliable governing coalitions and gain a clear majority of hardline conservatives in parliament. Rhetorically, however, rather than argue for an outright governing majority to advance his agenda, Netanyahu indicated that his call for the dissolution of parliament and fresh elections were aimed winning "a clear mandate to lead Israel" and "regaining the people's trust."

Lapid's party, Yesh Atid, characterized Netanyahu's decision to fire its leader and Livni as "an act of cowardice and loss of control" and added, "We are sad to see that the prime minister has chosen to act without consideration for the national interest and to drag Israel to unnecessary elections." Meanwhile, Livni said that Netanyahu was mired by "extremism, provocativeness, and paranoia."

For the leaders of other parties now exiting the government -- Lapid and Livni -- the elections likely augured a relief as they were now released from continued participation in a coalition that was never a comfortable fit for them in the first place.

Regardless of these reactions from Netanyahu's former centrist partners, Israeli voters were headed to the polls on March 17, 2015 -- two years ahead of schedule. For Netanyahu, he was seeking unfettered leeway to move forward with his party's expansionist settlement *policies* and hardline crackdown on Palestinian extremists. Also on the agenda would be controversial legislation aimed at officially making Israel a Jewish nation state -- a stance opposed even by Israel's right-leaning President Reuven Rivlin, who warned that the bill was contrary to the notion of equality for Arab citizens envisioned by Israel's founders.

Polling Data and Political Landscape

Polling data indicated that Likud could very well expand its plurality in parliament in 2015, thus ensuring that Netanyahu would continue on as prime minister in a new coalition government. The new coalition was likely to be reliant on support from the far-right, nationalist and religious parties, thus paving the way for the most conservative Israeli government in years. Palestinians warned that such an election outcome would put a period to peace negotiations.

Note that at the start of 2015, Netanyahu was confirmed as the head of Likud, paving the way for him to continue on as prime minister, should his party win the most votes -- as expected -- in the elections set for March 2015.

A powerful address before the United States Congress on the subject of a possible Iranian nuclear deal could boost the chances for Netanyahu and Likud to hold onto power, by consolidating the hard-line conservative and nationalist voting constituencies. However, the concomitant negative impact on relations with the White House in the United States over the irregular speech, which did not comport with proper rules of protocol, could hurt Netanyahu with undecided voters wary of damaging ties with Israel's closest ally.

Nevertheless, there remained some unpredictability about those forthcoming elections, with some polls indicating a closer-than expected race and with the center-left Labor alliance, known as Zionist Union, led by Isaac Herzog and former Justice Minister Tzipi Livni, posing a serious challenge. It should be noted that under the terms of the Herzog-Livni alliance, should Zionist Union win the 2015 elections, the two leaders would rotate in the role of prime minister.

Meanwhile, in a bid to ensure that they did not split their anti-Likud/right-wing vote, four Arab minority parties -- Raam (United Arab List), Taal (Arab Movement for Renewal), Balad (National Democratic Assembly) and Arab-Jewish party Hadash (Democratic Front for Peace and Equality) -- decided to close ranks and contest the elections on a joint ticket.

In a close election, some of the other "alternative" parties could play "kingmaker." Of these, the parties to watch were as follows: Naphtali Bennett's hard-right Habayit Hayehudi, Avigdor Lieberman's nationalist Yisrael Beiteinu, the two ultra-Orthodox parties -- United Torah Judaism and Shas, Yair Lapid's centrist Yesh Atid, Moshe Kahlon's newly-formed center-right Kulanu party, and Zehava Gal-on's lefist Meretz party.

Since no one party was expected to capture an outright majority, the contest was for the plurality of the vote share, and thus, the right to form a government in partnership with other parties. Because there were more right and right-leaning parties in Israel, the conventional wisdom was that Netanyahu's hardline stances would yield results for Likud, and with the support of other right-wing and hardline parties, he would be positioned to carry on as prime minister after the election. In fact, even if Likud did not win a clear plurality of seats, Netanyahu could argue that with a conservative coalition of parties, he was best positioned form a stable right-wing government.

In the first week of March 2015, the political landscape appeared to be emering as Netanyahu-favorable terrain. Several days after Netanyahu's controversial speech in the United States, polling data showed Likud opening up a lead over Zionist Union. It seemed that the scenario outlined above could conceivably become a reality and Netanyahu would be able to hold onto power.

By the second week of March 2015, that boost in the polls for Netanyahu and Likud had dissipated and, instead, the momentum had shifted significantly towards Herzog/Livni's Zionist Union. Various polls showed that if the elections were immediately held, Zionist Union would win 24-25 seats, while Likud would secure 21 seats. Of the other parties, the Joint Arab List was on track to win 14 seats, Lapid's Yesh Atid was set to acquire 13 seats, Jewish Home party would get 12 seats, Kulanu would win nine seats, Shas party would take seven seats, United Torah Judaism would secure six seats, Yisrael Beiteinu and Meretz parties would carry five seats respectively, with the rest of the seats going elsewhere.

In mid-March 2015, the final pre-election polls were released and showed that Zionist Union was maintaining its lead and set to capture between 24 and 26 seats, with Likud poised to take 20-22 seats. The rest of the parties were roughly in line with the polling projections delineated just above. It was to be seen if, on election day, Zionist Union would be able to transpose polling data in to actual results, and post an impressive performance.

Of course, winning the most seats would not necessarily position the Herzog-Livni alliance to form the next government. To do so, they would have to form a coalition and partners to that end were more limited. Even if Zionist Union could persuade key parties from the center and the left to join a coalition, it still might not be enough to command control over a parliamentary majority.

In fact, analysts calculating plausible coalitions to be formed have concluded that the parties of the right flank and the parties of the center-left bloc could respectively end up in something of a tie. Should such an outcome ensue, the president would have to choose the leader with the best chance of forming a stable government to become the new prime minister.

With only days to go until Israelis cast their ballots, the incumbent prime minister was clearly rattled by the new polling data. Netanyahu warned Israelis that there was a "huge, worldwide effort" to topple him from the helm of government in Israel. He said, "It is a very tight race. Nothing is guaranteed because there is a huge, worldwide effort to topple the Likud government." Netanyahu warned of the "read danger" posed by a prospective Herzog-Livni government, which he said would "completely prostrate themselves to any pressure," be persuaded to trade

land for peace with the Palestinians, ultimately accept an Iranian nuclear deal. As such, Netanyahu rallied right-wing voters to cast their ballots for Likud.

On the other side of the equation, opposition leader and national scion, Herzog, argued that Israelis were in the mood for change. At a market in Tel Avivi, flanked by his alliance partner, Livni, Herzog said, "Israelis want change... There are many, many issues (that have shaped the campaign). That's why this is a great democracy."

Those "many" issues were on display in a pre-election debate featuring all the leaders of the main parties. While international media has tended to focus on security issues and the Palestinian conflict in their coverage of Israel, the main topics discussed in this televised national debate included the economy and social issues. Indeed, concerns such as the high cost of living, including the price of housting, factored highly in the debate. The peace process with the Palestinians emerged only occasionally.

Election Alert:

Going into the election, Netanyahu accelerated his push for hard-right votes, declaring that he was no longer supportive of a Palestinian state.

Indeed, the prime minister reversed course on his long-standing stance in support of a two-state solution to the Middle East peace process, suddenly announcing that so long as he remained the Israeli head of government, a Palestinian state would not be established. His ultra-hawkish shift in stance was being regarded as a transparent attempt to secure votes that would normally go to the smaller hard-right parties. Nevertheless, for Netanyahu the goal was clear -- to secure as many right-wing and hard-right votes as possible.

Apparently willing to make clear his hard-right credentials, Netanyahu also warned Jewish Israeli voters that Arab Israeli voters were poised to come out to the polls "in droves." Via the social media outlet, Facebook, he wrote, "The right-wing government is in danger. Arab voters are coming out in droves to the polls. Left-wing organizations are busing them out." Critics blasted Netanyahu for what could only be interpreted as a divisive and racist approach. However, he was backed by foreign minister and the head of the allied Yisrael Beitenu party, Avignor Lieberman, who issued the following warning: "Netanyahu also knows that if the Arabs are voting in droves, only a strong Lieberman can stop them." Lieberman, known for his virulently anti-Arab rhetoric, suggested that "disloyal" Israeli Arabs should be beheaded.

On the other side of the equation, Livni suggested she would reliquish her role as a rotating leader if it would help Herzog form a coalition government. Livni made clear that the objective should be to form a government that breaks from Netanyahu leadership.

On March 17, 2015, Israeli voters went to the polls to cast their ballots in early elections. Voter turnout was said to be strong. After the polls closed in Israel, early exit poll data showed the parliamentary race "too close to call." It was apparent that Netanyahu's hawkish rhetoric had resulted in a surge in the last days before the election, effectively closing the gap with Herzog's Zionist Union.

Israeli President Rivlin was intimating that he would favor a national unity government, given the closeness of the election and the fact that no outright winner had been produced. Rivlin, the Israeli head of state (to be distinguished from the prime minister who is head of government), said: "I am convinced that only a unity government can prevent the rapid disintegration of Israel's democracy and new elections in the near future."

However, Prime Minister Netanyahu was not about to wait for the official results to be declared and quickly declared victory. At a Likud victory party, he said: "Against all odds, a great victory for Likud, a great victory for the nationalist camp headed by Likud!" Netanyau was also reported to have immediately commenced negotations with

Naftali Bennet of Habayit Hayehudi (Jewish Home) and Avignor Lieberman of Yisrael Beitunu to form a hard-right coalition government.

As regards the formation of a potential Zionist Union-led coalition, Herzog issued a more measured message, saying, "No decision will be made tonight. We have formed a negotiating team." Herzog, however, did take credit for rehabilitating the Labor Party (one of the two parties in Zionist Union) and leading it to its strongest election performance in decades. He said, ""This is a big victory for the Labor Party, which hasn't done this well since Yitzhak Rabin won in 1992." He added, "These results will bring Labor back into power." To that end, Herzog called for the "social parties" to unite under him to form "a real reconciliation government."

But in the early hours of March 18, 2015, it was apparent that Likud was actually augmenting its advantage. With close to all the votes counted, Likud had won 30 seats -- significantly out-performing the last pre-election polls, and making it clear that Netanyahu's nationalist platform had yielded electoral dividends. Zionist Union secured precisely the predicted number of seats -- 24. Meanwhile, the Joint Arab List -- the joint ticket of minor Arab parties -- had made history; it was on track to become the third largest party in parliament with 13 seats. Lapid's centrist Yesh Atid party was set to secure 11 seats. The newly-formed Kulanu partybroke into the Israeli political scene winning 10 seats. Habayit Hayehudi (Jewish Home) seemed to have paid the price for the Likud surge and won only eight seats. Both Shas and United Torah Judaism respectively won seven seats. Lieberman's Yisrael Beitenu party also saw a weak showing with six seats. Meretz garnered five seats. It was to be determined if Yahad has not crossed the electoral threshold.

Government Formation:

With his clear lead, Netanyahu was likely positioned to form a government. However, even with the right wing parties Jewish Home, Shas, United Torah Judaism and Yisrael Beteniu, he would be short a few seats of a parliamentary majority (61 seats). As such, Netanyahu would have a difficult task of forming a right-wing coalition. In reality, he would either have to convince one or both of the two centrist parties -- Yesh Atid and Kulanu - to join his fold. It was possible that Kulanu would consider that option since it was a breakaway party from Likud, thus sharing some political philosophies. Yesh Atid's secularist stance, as well as its leader Lapid's interest in the Middle East peace process, would likely foreclose a partnership with Likud. That being said, with the right-wing parties and Kulanu, there would be enough seats for Netanyahu to form a right-wing government.

There remained the possibility of a broad coalition that included Zionist Union in the national unity government favored by President Rivlin. However, neither the right wing parties nor the left wing parties were enthused about that prospect. There remained a small possibility that Moshe Kahlon, the head of Kulanu, could opt out of a coalition with Netanyahu. As such, it was not beyond the realm of possibility that Herzog could put together a coalition of his own. But that coalition would require Zionist Union to secure support from Arab List, Tesh Atid, Kulanu and Meretz.

While the possibilities for coalition building were being analyzed, Yair Lapid, the leader of Yesh Atid, expressed satisfaction over his party's performance and its impending vital role in coalition negotiations as he said, "We are the biggest centrist party, and will remain a political force for many years to come." As expected, Moshe Kahlon's newly-formed Kulanu party saw an impressive first-time showing and would likely play a kingmaker role in any future government led by either Netanyahu or Herzog. Kahlon expressed delight over his party's strong performance but noted that he would not entertain supporting any future coalition until the official elections were known.

For its part, Arab List would have a choice of either backing a potential Zionist Union-led government, or in the case of a national unity government including both the right and the left, Arab List could conceivably become Israel's official oposition party with all the perks associated with that role -- including security briefings. Of course, the most likely outcome was a right-wing Netanyahu government, which would relegate Arab List to one more political opposition force on the sidelines, albeit with somewhat greater influence in parliament.

Days after the election it was apparent that Netanyahu would be asked to form the new government. That new government, at the time, was expected to be a hard-right entity, with Likud as the major partner, while including the far-right parties, Jewish Home and Yisrael Beitenu, as well as the religious parties, Shas and United Torah Judaism. But even with this far-right coalition, Netayahu would be short a parliamentary majority. As such, he was expected to prevail upon Kulanu. It was possible that Kulanu's leader, Moshe Kahlon, would sign onto an alliance deal if he were given the highly desirous post of finance minister in Netanyahu's government.

Meanwhile, Herzog, the leader of Labor and the Zionist Union, conceded defeat and made clear that his job would be to offer an alternative view. In an interview with Army *Radio*, he said, "The reality is clear, the reality dictates that we will be in opposition and will be an alternative on each issue."

Geopolitical Consequences

The process of government formation aside, the Israeli election also yielded geopolitical consequences. Likud's decisive victory was at least partially attributed to Netanyahu's controversial remarks warning Jewish voters that Arab Israelis would be "turning out in droves" at the polls, and asserting that there would be no Palestinian state under his watch. In the wake of that latter statement particularly, the Obama administration in the United States warned Israel that it would be "reassessing" its relationship and its stance on Middle East diplomacy.

For his part, Netanyahu attempted to reverse the clear political damage made by these two statements. First, he apologized publicly to Arab Israelis for the divisive rhetoric. Then, he insisted to the United States that he still supported a "two state solution" to the peace process, but claimed that he intended to simply point out that the conditions for the peace process were not optimal. As stated by Netanyahu in an interview with MSNBC News: "I haven't changed my *policy*. I never retracted my speech in Bar-Ilan University six years ago calling for a demilitarized Palestinian state that recognizes the Jewish state. What has changed is the reality."

For its part, the Obama administration in the United States made clear it was not prepared to accept Netanahu's prevarication. JOsh Earnest, the White House spokesperson, warned of "consequences" for Israel. In his conference with the White House press corps, Earnest said, "He [Netanyahu] walked back from commitments that Israel had previously made to a two-state solution. It is ... cause for the United States to evaluate what our path is forward."

On the radar could be the United States' stance at the United Nations. To date, it has only been the United States' veto at the Security Council that has prevented Palestinians from successfully garnering official recognition as a nation state. The United States has insisted that Palestinian statehood should be arrived at diplomatically, and via the established peace process, predicated on a two state solution. But with Netanyahu making the bold claim that there would be no Palestinian state so long as he remained prime minister, the entire foundation of the two state solution was now damanged, thus opening the door for the United States to change its calculus -- and thus, its protective behavior at the Security Council.

White House spokesperson, Earnest, addressed this very issue, saying, "Steps that the United States has taken at the United Nations had been predicated on this idea that the two-state solution is the best outcome. Now our ally in these talks has said that they are no longer committed to that solution."

Update on Government Formation

Given the geopolitical fallout discussed above, in April 2015, there were suggestions that rather than forming a hard-line government, Israeli Prime Minister Benjamin Netanyahu might instead form a national unity government

with center-left rivals, particularly Zionist Union. For example, a national unity government, might include Zionist Union leader Isaac Herzog in a future Israeli government, quite possibly as foreign minister. Herzog in that post that could help heal the breach between Israel and the Obama administration in the United States. By contrast, it was highly unlikely that someone in a hard-right coalition could hold the post of foreign minister and successfully ease the bilateral animosity.

That all being said, a national unity government remained in the sphere of theory and not actuality in April 2015. In fact, in the third week of April 2015, government formation negotiations involved only Likud, the hard-right parties, and the centrist Kulanu party. Meanwhile, Herzog repeated his stance that he was eager to embrace his role as opposition leader.

Israeli President Reuven Rivlin granted Prime Minister Netanyahu a two-week extension to form a government. Netanyahu said, "We made progress and we are on the way to forming a government, but I need additional time for it to be stable and to reach agreements on important issues that will help us meet all the challenges facing Israel."

Note that as that extension deadline loomed, Netanyahu was being challenged to form his right-wing coalition. At issue was the decision by his former ally, Avigdor Lieberman, to have his Yisrael Beitenu party remain outside of government. Lieberman's complaint was the emerging government was insufficiently "nationalist" in nature.

Netayahu was able to gain the support of the two ultra-Orthodox parties, United Torah Judaism and Shas, as well as the centrist Kulanu party. With his own Likud party, that would give him support over 53 seats in the 120 seat Knesset; however, he would need 61 seats to command a majority and form a government. With Yisrael Beitenu out of the equation, Netanyahu was reportedly looking to the right-wing Habayit Hayehudi (Jewish Home) party led by his nemesis of the right, Naftali Bennett, to reach that 61-seat threshold. Reports from Israel suggested that Bennett was seeking the coveted role of Justice Minister in a future government.

Finally, late on May 6, 2015, before the expiration of the deadline, Netanyahu appeared with Bennett to announce that a majority coalition had been formed. As expected, that coalition government would include Netanyahu's Likud party, the two ultra-Orthodox parties, United Torah Judaism and Shas, the centrist Kulanu party, and the rightwing Habayit Hayehudi (Jewish Home) party led by Bennett, who would oversee the justice arena. Indeed, in addition to holding the deputy defense minister position, Bennett's party would hold both the justice portfolio and the chairmanship of the Knesset's Constitution, Law and Justice Committee. It was fair to say that the forthcoming government of Israel would be of the hard-right variety.

Tensions escalate between Israel and Palestinians and spark fears of another Intifada

October 2015 was marked by a significant escalation of tensions between Israel and Palestinians.

The already-dismal relations between to two sides turned grim due to a series of violent incidences. Of note was the fact that an Israeli couple was shot to death in the West Bank at the start of October 2015; but on the other side of the divide, Palestinians were frustrated by the failure of Israeli authorities to secure justice for a Palestinian family who were attacks by Jewish assailants two months prior. Since that time, there has been no shortage of violent altercations as Palestinians carried out a flurry of stabbing attacks on Israeli victims, prompting Israeli mayors to urge Israeli residents to protect themselves with guns and other weapons. Along a similar vein, Israeli Prime Minister Benjamin Netanyahu told security forces that they were empowered to shoot any Palestinian hurling stones or rocks, if they believed an Israeli life was threatened. Given these directives, the cycle of violence was sure to go on.

In the background of these escalating hostilities are Palestinians' fears that the current protocol for the Temple Mount (known as the al-Aqsa mosque to Muslims) might change. For some time, Israel's Jewish population has

been calling for prayer rights at the holy Dome of the Rock located on the Temple Mount in the Old City of Jerusalem. The venue is of religious, cultural, and historic significance to Jews, but also stands as the location of the al-Aqsa mosque, which is of religious import to Muslims.

Despite the Israeli government's insistence that there would be no change to the security regulations allowing Jews to visit but not worship at the Temple Mount, Palestinian leaders have suggested otherwise, fueling tensions ever further.

Palestinian President Mahmoud Abbas' incendiary claim that Israel was starting a "religious war" and his call for Palestinians to "protect" the Temple Mount in 2014, was now yielding unfortunate consequences a year later.

Meanwhile, with extremists firing rockets from Gaza into southern Israel, the Israeli authorities retaliated by carrying out air strikes on Hamas weapon manufacturing facilities in Gaza. Those strikes resulted in civilian casualties and were sure to further fuel the sense of rage boiling on the Palestinian side of the equation.

The situation in Israel and the Palestinian territories has spurred concerns internationally that the region might be slipping into a third Palestinian Intifada (i.e. "uprising" in colloquial English), although conditions -- such as they were in October 2015 -- still were not at the level seen in the two previous Intifadas of 1987 to 1993, and 2000 to 2005 respectively.

Since 2014 when the tensions revolving around the Temple Mount were <u>sparked</u>, and as the violence and bloodshed has increased, there have been references to a "Silent Intifada." That being said, in 2015, the attention was on the prospect of a third full-blown Intifada.

For Israeli Prime Minister Benjamin Netanyahu who staked his political legacy on the basis of his hardline positions, and by eschewing the United States' call to return to the peace process, his path forward was clear. Netanyahu was urging Israelis to protect themselves from angry knife-wielding Palestinian youth, while promising retribution against Hamas and other Palestinian extremists for any attacks they might attempt to carry out. His accusations also extended to Palestinian President Mahmoud Abbas, whom he accused of complicity.

For Palestinian President Mahmoud Abbas, who was less popular among Palestinians than the terror group, Hamas, which was calling for a fresh Intifada, the choices were more complicated. Indeed, to openly

oppose the violence was to alienate wide swaths of Palestinians, while for Abbas to openly endorse the violence was to align himself expressly with terrorists.

Either path would result in weakened political power for the already-politically imperiled Abbas.

In fact, the only viable option for Abbas could theoretically come in the form of international engagement and the revitalization of the peace process. However, as intimated above, this was -- for now -- a pathway that Israeli Prime Minister Netanyahu had closed off.

Israeli PM Netanyahu signs coalition deal and names ultra-right Lieberman defense chief

On May 23, 2016, Prime Minister Benjamin Netanyahu of the Likud party signed a coalition deal with the far-right nationalist Yisrael Beitenu party, prompting a leading member of Likud, Moshe Yaalon, to resign from his post as defense minister in protest. On May 25, 2016, Netanyahu then named that party's leader,

ultra-right Avigdor Lieberman, as Israel's new defense minister -- the very portfolio held by Yaalon who resigned days before.

The addition of Yisrael Beitenu to the prime minister's ruling coalition meant that he would have control over 66 seats in the 120-member parliament. It also evoked declarations that the Israeli government was moving in a hard right direction with peace with the Palestinians ever more elusive, given Lieberman's known antipathy towards the peace process.

Attempting to tamp down criticism of his selection, Netanyahu said, "My government remains committed to pursuing peace with the Palestinians, pursuing peace with all our neighbors. My *policy* has not changed. We will continue to pursue every avenue for peace, while ensuring the safety and security of our citizens."

Meanwhile, Lieberman said that at the helm of defense, he would hold to a "responsible and reasonable" policy.

Meanwhile, the exit of Yaalon spurred speculation that the former defense minister could emerge as a significant political rival to Netanyahu moving forward .

Attack on Israeli embassy in Jordan leaves fatalities; installation of metal detectors at Temple Mount spurs bloodshed

In July 2017, an attack at the Israeli embassy in Jordan left at least two fatalities. The shooting incident took place outside the embassy, located in the affluent residential Rabiyeh neighborhood of Jordan's capital of Amman. According to reports from Amman, two Jordanians working for a furniture business entered the building housing the embassy and were shot inside; one Israeli was wounded. Few details were made available with the Israeli authorities evacuating staff, sealing off the premises, and imposting reporting restrictions on the matter.

The incident at the Israeli embassy occurred around the same period when thousands of Jordanians in Amman were protesting the installation of metal detectors at an East Jerusalem site sacred to both Muslims and Jews in East Jerusalem. Indeed, the installation of metal detectors at the entrance of the Old City's holy site, which is known to Jews as the Temple Mount and to Muslims as Haram al-Sharif, was **sparking** the worst bloodshed in years.

In one case, three members of an Israeli family were stabbed to death by a Palestinian man. In another case, three Palestinians were shot and killed by Israeli forces during clashes. But the actual decision to install metal detectors occurred in response to a terror attack whereby Israeli-Arabs with concealed weapons killed two Israeli policemen.

Israel's decision to take additional security measures appeared to have ignited an angry and violent backlash -- despite the fact that non-Muslim tourists have had to enter the compound through metal detector gates for years.

Israelis, for their part, have pointed out that they have to go through metal detectors to access the Western Wall, and so they view the Palestinians' complaint as unreasonable.

Palestinians argued that they were not informed about the decision to install metal detectors; however, Israel said that Jordan, which is the custodian of the holy compound, was, indeed, told of the plan. For some Palestinians, this explanation was not acceptable because they simply do no accept Israeli jurisdiction over East Jerusalem in the first place, perhaps because it dates back to the 1967 war. Palestinians have been particularly enraged by attempts of nationalist Jews who visit the Temple Mount and attempt to pray there -- a move only permitted to Muslim devotees visiting the Noble <u>Sanctuary</u>. Although Israeli police remove such individuals, the increased number of incidences in recent times has heightened tensions.

Regardless of the fact that the matter has now become a flashpoint of sorts, Israeli Prime Minister Benjamin Netanyahu has insisted that security is key and made clear that the metal detectors will remain in place. On the other side of the equation, Palestinian President Mahmoud Abbas, who recently broke off security coordination with Israel, declared: "Sovereignty over the blessed mosque is for us. We are the ones who should be monitoring and standing at its gates."

Trump recognizes Jerusalem as capital of Israel; Netanyahu says Palestinians must face reality

In December 2017, there were suggestions that United States President Donald Trump would break with his predecessors and recognize Jerusalem as the capital of Israel. The move would likely be a flashpoint since the status of Jerusalem has long been regarded as one of the toughest "final status" issues to be resolved in Middle East peace negotiations across multiple administrations.

While Israel claims Jerusalem unequivocally as its capital, Palestinians have claimed East Jerusalem as their capital in a future state. As such, United States presidents in modern times have generally sidestepped the sensitive issue, and indeed, the United States embassy has been located in Tel Aviv and not Jerusalem.

By completely sidelining the status of Jerusalem and, effectively, rewarding it in uncontested fashion via recognition, Trump was likely to set off a diplomatic firestorm in the Middle East.

Perhaps with this in mind, Jordan's foreign minister, Ayman Safadi, warned of "dangerous consequences" if the United States went down this road and recognized Jerusalem as the capital of Israel.

Via the social media outlet, Twitter, Safadi said: "Spoke with #US Secretary of State Tillerson on dangerous consequences of recognizing Jerusalem as capital of Israel. Such a decision would trigger anger across #Arab #Muslim worlds, fuel tension & jeopardize peace efforts."

For Trump, however, the move would function as the fulfillment of a campaign promise. As such, he conceivably could be more concerned about his domestic political support base and less about the geopolitical consequences.

Trump's son-in-law, Jared Kushner, tried to calm the brewing dissonance over the matter by saying that no decision had yet been made. Kushner said, "The president is going to make his decision and he's still looking at a lot of different facts. When he makes his decision he'll be the one to want to tell you, not me."

It should be noted that the Palestinian leader, President Mahmoud Abbas, was attempting to foreclose an announcement by Trump. To this end, he was lobbying the international community to amplify the risks involved in the United States' open recognition of Jerusalem as the capital of Israel. Among the most obvious would be a threat to the two-state solution, which remained the only viable pathway to Middle East peace in the long term.

On Dec. 6, 2017, President Trump officially recognized Jerusalem as the capital of Israel. "I have determined that it is time to officially recognize Jerusalem as the capital of Israel," Trump said from the White House. He added, "While previous presidents have made this a major campaign promise, they failed to deliver. Today, I am delivering."

The move reversed decades of United State **policy** on what had long been regarded as the most contentious "final status" issue in the effort to forge lasting Middle East peace.

The move also effectively ended any suggestion of the United States being an impartial arbiter of the Middle East conflict. As noted by Palestinian President Mahmoud Abbas, Trump's decision made clear that the United States was abdicating from its role as balanced peace mediator. United States Ambassador to Israel Daniel Kurtzer,

struck a similar note, saying, "He cannot expect to side entirely with Israel on the most sensitive and complex issues in the process, and yet expect the Palestinians to see the United States as an honest broker."

Moreover, the move was so controversial that United States allies, such as the United Kingdom and France. United Kingdom Prime Minister Theresa May said: "We disagree with the U.S. decision to move its embassy to Jerusalem and recognize Jerusalem as the Israeli capital before a final status agreement. We believe it is unhelpful in terms of prospects for peace in the region. The British Embassy to Israel is based in Tel Aviv and we have no plans to move it." French President Emmanuel Macron cast Trump's announcement as "regrettable."

At the United Nations, the Secretary General warned that there was no alternative to lasting peace in the Middle East other than a two-state solution involving both Israel and the Palestinians. He warned, "There is no Plan B."

Trump dismissed criticisms of his decision, saying, "There will of course be disagreement and dissent regarding this announcement but we are confident that ultimately, as we work through these disagreements, we will arrive at a place of greater understanding and cooperation."

But despite this blithe assertion by the United States president, there were intense fears that the recognition of Jerusalem as Israel's capital would serve only to light a flame on Israeli-Palestinian tensions. There were fears that this recognition by the United States could even flare a third Intifada. To that end, Ismail Haniyeh, the leader of the militant Palestinian group. Hamas, declared that very result. He said that Trump's decision was a "declaration of war," and added, "Jerusalem is being kidnapped and ripped from us."

Indeed, violence was already breaking out in Palestinian territories of West Bank and Gaza. Protests were also erupting in Jordan's capital of Amman, which was home to Palestinian refugees. United States embassies in various countries, such as Turkey, were also being subject to protests.

For his part, Israeli Prime Minister Benjamin Netanyahu was triumphant, as he lauded Trump's announcement as a "historic landmark." The Israeli prime minister said Palestinians must "get to grips with" the reality that Jerusalem is Israel's capital. Netanyahu declared that Jerusalem had been the capital of Israel for 3,000 years and had "never been the capital of any other people." The factual veracity of the statement aside, it was likely to be viewed as incendiary by many critics.

It should be noted that there would not be any immediate move of the United States embassy from Tel Aviv to Jerusalem. As with his predecessors, Bill Clinton, George W. Bush and Barack Obama, Trump also ordered a delay. However, it was unclear that decision would calm tensions.

Of concern was the fact that 128 countries voted in favor of a non-binding United Nations General Assembly resolution calling for the United States to withdraw its recognition of Jerusalem as Israel's capital. Seven countries - Guatemala, Honduras, Marshall Islands, Micronesia, Palau, Nauru, and Togo along with the United States and Israel voted against the resolution; 35 countries abstained from voting; 21 did not cast a vote. It was a clear and embarrassing rebuke from the international community to Trump's decision.

Trump retaliated by threatening to cut off financial aid to all countries that voted in favor of that resolution. Meanwhile, United States Ambassador to the United Nations, Nikki Haley, warned the international community that consequences would be in the offing as she declared, "The United States will remember this day in which it was singled out for attack in the General Assembly for the very act of exercising our right as a sovereign nation." She continued, "We will remember it when we are called upon to once again make the world's largest contribution to the United Nations, and so many countries come calling on us, as they so often do, to pay even more and to use our influence for their benefit."

In mid-January 2018, during a meeting of Palestinian leaders, Palestinian President Mahmoud Abbas condemned United States President Donald Trump's Middle East peace efforts. Abbas made clear that he would not be a party

to any peace proposal from the United States, given Trump's decision to expressly recognize Jerusalem as Israel's capital. The Palestinian leader characterized the move as the "slap of the century."

Abbas noted that Trump's moves made clear that the United States was no longer a trustworthy and fair peace broker. Speaking from Ramallah in the West Bank, he said, "The deal of the century is the slap of the century and we will not accept it." The Palestinian leader also made clear that the development made clear that the Oslo Accord -- the foundation for Middle East peace -- was now defunct. Abbas declared, "I am saying that Oslo, there is no Oslo," he added. "Israel ended Oslo."

In the background of these developments was an impending move by the Trump administration to withhold tens of millions of funds from the United Nations Relief and Works Agency -- the entity responsible for providing health care, education, and social services to Palestinian refugees. Because the United State has provided up to 30 percent of the funding for the agency, this decision to significantly reduce contributions was expected to have a deleterious effect.

The Trump administration has indicated that further funding from the United States for the agency would be dependent on the Palestinians returning to peace talks with Israel. This idea has been championed by United States Ambassador to the United Nations, Nikki Hayley, as a means to pressure the Palestinians back into negotiations that have been frozen for years. But this type of pressure could also be regarded as a sign that the United States was not really functioning as an honest and impartial arbiter of peace. Moreover, there were fears that the withholding of finds could spur further instability in the Middle East region, particularly in an allied country like Jordan that has born the brunt of hosting Palestinian refugees for decades. Warnings were additionally coming from Israel, which noted reducing the United States contribution would curtail the work of the United Nations Relief and Works Agency, and could hit Gaza particularly hard. Such a scenario could thus **spark** further extremism from that Palestinian territory.

President Trump appeared to be undeterred by that characterization or such warnings. Via Twitter, he said: "We pay the Palestinians HUNDREDS OF MILLIONS OF DOLLARS a year and get no appreciation or respect. But with the Palestinians no longer willing to talk peace, why should we make any of these massive future payments to them?" In the third week of January 2018, during a visit to the Middle East, Jordan's King Abdullah admonished the vice president of the United States, Mike Pence, for Trump's decision to recognize Jerusalem as the capital of Israel. King Abdullah told Vice President Pence that Trump had damaged the chances of a resumption of Arab-Israeli peace talks, and said that the United States would have to rebuild "trust and confidence." The Jordanian monarch made the comment in the larger context of a two-state solution for the Israeli-Palestinian conflict, which he saw as a "potential major source of instability." He warned against the Jerusalem decision, given that there was no comprehensive settlement for the Middle East or provision for a future Palestinian state. King Abdullah also warned that Trump's decision could spur violence in the Palestinian territories, which could very well affect Jordan — a key ally of the United States in the Middle East and Arab world. For his part, Pence said he "agreed to disagree" with King Abdullah on the effects of Trump's Jerusalem decision.

Israel and Hamas agree to truce after weeks of conflict

According to Palestinian officials, Israel and Hamas agreed to a truce on Aug. 9, 2018, in an agreement meant to de-escalate fighting between both factions. An Israeli official who spoke anonymously to Reuters denied that a ceasefire had been reached, although Israel rarely acknowledges ceasefires reached with Hamas given Israel's designation of the group as terrorist organization. According to Palestinian officials, the ceasefire agreement was facilitated by international efforts and the involvement of the Egyptian government.

This purported agreement followed weeks of increased Israeli air strikes and rocket attacks on Israeli soil, and more imminently followed the Israeli military conducting 150 air strikes on alleged Hamas targets while 180 Palestinian mortars and rockets hit southern Israeli soil. Gaza officials said that a pregnant Palestinian woman and her 18-

month old child were killed in the air strikes, and Israeli military officials stated that seven people were wounded by the Palestinian rockets and mortars.

Israeli Prime Minister Benjamin Netanyahu conferred with his security cabinet late into the night, and prior to reports of a ceasefire being reached, he urged via a statement for the military to "keep acting with force against the terrorists." The United States State Department denounced the rocket and mortar attacks on Israeli soil and reasserted its unequivocal support for Israel's "right to defend itself."

Senior Hamas militant killed due to clash between Hamas and Israeli forces

A senior Hamas militant named Sheikh Nur Barakeh was killed in clashes in the southern part of the Gaza strip between Israeli special forces and Hamas militants in early November 2018.

Subsequently, Hamas fired 17 rockets into Israel with three of those being shot down according to the Israeli military. Palestinian officials said that six additional Palestinians were killed in the clash. After initially stating that all special forces returned, the Israeli Defense Forces (IDF) released a revised statement which indicated that one IDF soldier was killed and another wounded.

Israeli President Benjamin Netanyahu was in Paris where a gathering of world leaders were marking the 100th anniversary of the end of World War I at the time of incident. Citing the security situation in the southern parts of the Gaza Strip, he cut his trip short and returned to Israel.

More than 200 Palestinian civilians have been killed since March 2018, most during protests at the border between the Gaza Strip and Israel. Over the same period, one Israeli soldier was killed by a Palestinian sniper. Rocket attacks on Israel and Israeli airstrikes against Hamas militants have been a repeated occurrence.

2019 parliamentary elections in Israel

Parliamentary elections were set to take place in Israel on April 9, 2019.

Traditional parties expected to contest the election included: Likud, Shas, Yisrael Beytenu and Bayit Yehudi on the right, and a number of center to left parties, including the left leaning Labor Party and a newly-formed center-left party, Hosen L'Yisrael (resilience for Israel), led by Israeli army chief Benny Gantz.

While Prime Minister Benjamin Netanyahu of Likud was looking to extend his tenure as head of government, his prospects of leading a right-wing coalition could be hurt by a fracture in the right leaning faction of parties. Of significance was the entry of the new Hayemin Hehadash party onto the scene. The party was founded by Justice Minister Ayelet Shaked and Education Minister Naftali Bennett, who broke away from Habayit Yehudi to form the new Hayemin Hehadash. The fracture could offer the left -- not lately a force in Israeli politics - to make a play for victory.

-- December 2018

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