



Proceedings of the 2008 Soref Symposium

America, Israel, and the Middle East: Confronting the Challenges of Tomorrow

MAY 29–30, 2008

THE WASHINGTON INSTITUTE FOR NEAR EAST POLICY
1828 L Street NW, Suite 1050, Washington, DC 20036 (202) 452-0650

All rights reserved. Printed in the United States of America. No part of this publication may be reproduced or transmitted in any form or by any means, electronic or mechanical, including photocopy, recording, or any information storage and retrieval system, without permission in writing from the publisher.

© 2008 by the Washington Institute for Near East Policy

Published in 2008 in the United States of America by the Washington Institute for Near East Policy,
1828 L Street NW, Suite 1050, Washington, DC 20036.

Design by Daniel Kohan, Sensical Design and Communication
Photography by Stan Barouh

EDITOR'S NOTE

The panel and presentation summaries included in these symposium proceedings should not be cited as actual transcripts of speaker remarks. Donald Kerr's presentation is included as an edited transcript and may be cited as such; for more information, please see the note accompanying that presentation.

Table of Contents

PREFACE	VII
THE SPEAKERS	IX
EMERGING THREATS, CHALLENGES, AND OPPORTUNITIES IN THE MIDDLE EAST	I
EDITED TRANSCRIPT	
Donald Kerr <i>Principal deputy director of national intelligence</i>	
AMERICA AND ISRAEL AT SIXTY: THE STRATEGIC PARTNERSHIP AT A CROSSROADS	17
RAPPORTEUR'S SUMMARY	
Itamar Rabinovich <i>Former Israeli ambassador to the United States</i>	
R. James Woolsey <i>Former director of central intelligence</i>	
Dennis Ross <i>Counselor and Ziegler distinguished fellow, The Washington Institute</i>	
Natan Sharansky <i>Former Israeli minister and human rights advocate</i>	
PROSPECTS FOR THE BUSH ADMINISTRATION'S UNFINISHED BUSINESS IN THE MIDDLE EAST	23
RAPPORTEUR'S SUMMARY	
Zvi Rafiah <i>Former congressional liaison, Israeli embassy, Washington, D.C.</i>	
Ghaith al-Omari <i>Former political advisor to Palestinian president Mahmoud Abbas</i>	

Theodore Kattouf

Former U.S. ambassador to Syria and the United Arab Emirates

David Makovsky

Director, Project on the Middle East Peace Process, The Washington Institute

ISRAEL: CHALLENGES AT HOME AND ABROAD

29

RAPPORTEUR'S SUMMARY

Haim Ramon

Deputy prime minister of Israel

Preface

SIXTY YEARS AGO, the United States was the first country to recognize the new state of Israel, lending important diplomatic support to the fledgling country. Today, the United States is Israel's leading ally, reflected not just in the two countries' close strategic ties, but in the depth and breadth of connections across the political, social, economic, and cultural arenas. Even the most ardent advocates of the decision to recognize Israel in 1948 would never have imagined that the relationship could blossom into the close friendship that characterizes U.S.-Israeli ties today.

The path from diplomatic recognition to strategic cooperation was neither smooth nor easy. From the showdown with Israel over the Sinai Campaign in 1956, to the "reassessment" of relations in 1975, to the face-off over loan guarantees in 1991, crisis and discord have been persistent subthemes of the relationship. Through it all, however, shared values, common interests, and deep people-to-people bonds have laid the foundation on which today's strategic partnership is built.

Yet the most profound test may lie ahead: the challenge of Iranian nuclear ambitions. Despite a history of both great achievements and bloody tragedies, the U.S.-Israeli relationship has rarely faced a threat as ominous and destabilizing as that posed by Iran. How the two governments work together—and with nations around the world—to meet this challenge may determine not just the direction of bilateral relations in the decades ahead, but the fate of the global nonproliferation regime and the survival of the Jewish state itself.

For its twentieth Soref Symposium, held May 29–30, 2008, The Washington Institute was pleased to convene an exceptional group of scholars, diplomats, experts, officials, and policy practitioners—along with the members of the Institute's Board of Trustees—for an in-depth look at the past, present, and future of the U.S.-Israeli relationship.

Robert Satloff
Executive Director



■ *Robert Satloff is executive director of The Washington Institute and author of The Battle of Ideas in the War on Terror: Essays on U.S. Public Diplomacy in the Middle East.*

The Speakers

THEODORE KATTOUF is president of AMIDEAST and former U.S. ambassador to Syria and the United Arab Emirates. He has also served as deputy chief of mission at the U.S. embassies in Baghdad, Sanaa, Riyadh, and Damascus, and as director of the State Department's Office of Lebanon, Jordan, and Syrian Affairs in Washington.

DONALD KERR is the principal deputy director of national intelligence, second-in-command at the Office of the Director of National Intelligence. Previously, he served as director of the National Reconnaissance Office, deputy director for science and technology at the CIA, and assistant director of the FBI.

DAVID MAKOVSKY is a senior fellow and director of the Project on the Middle East Peace Process at The Washington Institute. He is currently co-writing a book with Dennis Ross on the Middle East. He has written widely on topics related to Israel and its Arab neighbors and is an adjunct professor of Middle Eastern studies at Johns Hopkins University's Paul H. Nitze School of Advanced International Studies.

GHAITH AL-OMARI, a senior fellow with the New America Foundation and the American Task Force on Palestine, is a former political advisor to Palestinian president Mahmoud Abbas. A lawyer by training, he has extensive experience in the Israeli-Palestinian peace process, having served on the Palestinian negotiating team during the key summit years of 1999–2001.

ITAMAR RABINOVICH was Israel's chief negotiator with Syria under the late Prime Minister Yitzhak Rabin and ambassador in Washington from 1993 to 1996. He is currently the Bronfman distinguished visiting fellow at the Saban Center for Middle East Policy, Ettinger chair of contemporary Middle East history at Tel Aviv University, and distinguished global professor at New York University. He is the author of several books, including *Waging Peace: Israel and the Arabs at the End of the Century* (2004), *The*

Brink of Peace: The Israeli-Syrian Negotiations (1998), and *The Road Not Taken: Early Arab-Israeli Negotiations* (1991).

ZVI RAFIAH, a retired Israeli diplomat, is a business consultant and commentator on U.S. affairs and U.S.-Israeli relations. During his twenty-one-year diplomatic career, he served as minister-counselor and congressional liaison at the Israeli embassy in Washington, D.C., in addition to posts in Tehran and Ankara.

HAIM RAMON is deputy prime minister of Israel and a member of the Kadima Party. In previous governments, he served as minister of justice (2006); minister without portfolio (2005); minister of interior (2000); and minister in the Office of the Prime Minister, with responsibilities for Jerusalem, government reform, and coordination between the government and the Knesset (1999).

DENNIS ROSS, counselor and Ziegler distinguished fellow at The Washington Institute, is the author of *Statecraft, And How to Restore America's Standing in the World* (2007) and *The Missing Peace: The Inside Story of the Fight for Middle East Peace* (2004). Previously, he served as special Middle East coordinator in the Clinton administration, director of the State Department's Policy Planning Staff in the George H. W. Bush administration, and director for Near East and South Asian affairs on the National Security Council during the Reagan administration. He is currently co-writing a book with David Makovsky on the Middle East.

NATAN SHARANSKY is chairman of the Shalem Center's Adelson Institute for Strategic Studies. From 1996 to 2005, he served as a member of the Israeli Knesset and was, successively, minister of industry and trade, minister of interior, minister of housing and construction, and minister for Jerusalem and diaspora affairs. He is the author of *Defending Identity: Its Indispensable Role in Protecting Democracy* (2008), *The Case for Democracy: The Power of Freedom to Overcome Tyranny and Terror* (2004), and *Fear No Evil* (1988).

R. JAMES WOOLSEY served in national security posts in both Republican and Democratic administrations, most recently as director of central intelligence under President Bill Clinton. A member of The Washington Institute's Board of Advisors, he is currently a venture partner with VantagePoint of San Bruno, California, and a senior executive advisor to the consulting firm Booz Allen Hamilton.



Emerging Threats, Challenges, and Opportunities in the Middle East

Emerging Threats, Challenges, and Opportunities in the Middle East

Donald Kerr

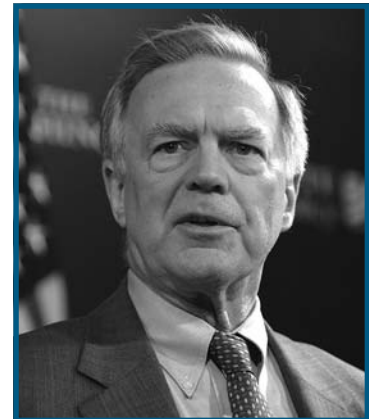
EDITED TRANSCRIPT

Note: The first portion of this presentation is an edited version of Dr. Kerr's prepared remarks. The second portion is an edited transcript of the question-and-answer session that followed his presentation. Both sections should be cited according to their respective designations, not as a verbatim record of speaker remarks.

AS MOST OF YOU ALREADY KNOW, there are many things that we in the intelligence community don't talk about. How's that for an understatement? Here's one thing you might not know about our work, however: our most privileged document, one of the things that, in a community of tens of thousands of people, is read by only a handful. It is called the President's Daily Brief, or PDB. It's the daily intelligence summary that the Office of the Director of National Intelligence prepares for the president. Whenever the president is in town, Director McConnell usually briefs him. About 20 percent of the time, I do it. Each morning, six days a week, one of us goes to the Oval Office with a few subject-matter expert briefers to lay out issues of concern around the world, as best we know them, from the top of the intelligence community. They are based on some of our best collection capabilities, coupled with our most exacting analysis.

This evening, I'm going to give you a notional view of some of the issues that will be raised in the Oval Office PDB on January 21, 2009. Let's imagine for tonight that you have just been sworn in—you're the forty-fourth president of the United States, or, as we call it in the intelligence community, our "first customer." For your first post-inaugural briefing, we'll give you a snapshot of where things stand now and some overarching thoughts as to potential future developments.

Not all of these issues will be neatly interwoven—geopolitics isn't that pretty or easy to understand. The issues I'm going to discuss will, for the foreseeable future, remain the threats and challenges emanating from the Middle East. First, let me give you our current perspective with regard to Iraq. Security conditions in Iraq have improved markedly since 2007. The downward trend in the overall level of violence has continued. There are



■ Donald Kerr is principal deputy director of national intelligence, second-in-command at the Office of the Director of National Intelligence.

Iran continues to provide weapons, funding, and training to certain Iraqi Shiite militants.

several factors contributing to this: expanded coalition and Iraqi Security Forces operations, changes in the coalition's operational strategy to emphasize population security, and contributions of tribal and former insurgent local citizens groups commonly referred to as the Sons of Iraq have weakened al-Qaeda in Iraq (AQI). Together, these changes have helped us gain critical support from the populace, disrupt insurgent networks, and displace militants from former strongholds.

Despite these gains, a number of internal factors continue to undermine Iraq's security. Sectarian distrust is still strong throughout Iraqi society, and AQI remains capable of conducting operations and occasional spectacular attacks despite disruptions of its networks. Intracomunal violence in southern Iraq continues as Shiite groups compete for advantage. The return of Iraqi refugees and internally displaced persons to their former homes and neighborhoods as security improves could rekindle ethnosectarian tensions in mixed communities and create an additional strain on the Iraqi government's ability to provide security and basic services.

Efforts by some of Iraq's neighbors to exert influence within the country also endanger Iraqi security. Iran, for example, continues to provide weapons, funding, and training support to certain Iraqi Shiite militants designed to increase Tehran's influence over Iraq and ensure the United States suffers setbacks. Bridging differences between competing factions and communities and providing effective governance is also critical for achieving a successful state, but progress on that road has been tough for Iraq.

Prime Minister al-Maliki's government has had limited success in delivering government services and improving the quality of life for Iraqis. Political accommodation will continue to be incremental and uneven. Iraq's political leaders have made progress on key legislation but remain at odds over many issues, including the powers of the central government and the division of oil resources. Further progress depends on the ability of political leaders to negotiate these potential flashpoints.

But, Mister or Madam President, Iraq is not the only nation struggling with sectarian tensions. I turn now to Lebanon and Syria. Events in Lebanon since May 7 demonstrate that Hizballah—with the full support of Syria and Iran—will in fact turn its weapons against the Lebanese people for political purposes. The group sought to justify its attacks against fellow Lebanese as an attempt to defend the resistance against attacks by the government. In a May 8 speech, Hizballah leader Hassan Nasrallah called the cabinet decisions to declare the group's private communications network illegal and remove the head of security at Beirut International Airport a "declaration of war" and an unacceptable first step toward disarmament.

The Hizballah-led opposition, backed by Syria and Iran, sought to parlay ground gained during the recent fighting into political advantage. Participants in the Doha negotiations were faced with the implicit threat of further violence if opposition demands were not met. Leaders of the

ruling “March 14” coalition cited their awareness of public fears about continued violence as a motivation for making the compromises necessary to reach an agreement at Doha. In doing so, they showed a maturity of national leadership not demonstrated by Hizballah. The Doha agreement notwithstanding, Hizballah’s early May actions inflamed the Sunni “street” in Lebanon and contributed to a dramatic increase in sectarian tensions. Lebanon has seen an upswing of rearmament among all factions during the past year or more, and the events of early May will no doubt increase this trend. The way ahead in Lebanon is uncertain. We hope that the agreement reached in Doha brings a measure of stability to Lebanon. But the sides remain deeply polarized and may be tempted to focus on undercutting each other in the run-up to the 2009 parliamentary elections, rather than on effective governance.

Let’s speak now about Syria, because the situation there is closely linked with the one we see in Lebanon. The regime in Damascus continues to undermine Lebanon’s sovereignty and security through its proxies, to harbor and support terrorists and terrorist organizations opposed to progress on peace talks, and to allow terrorists and criminals to cross its borders into Iraq and Lebanon.

The Syrian regime, Hizballah, and pro-Syrian opposition elements in Lebanon have attempted to stymie international efforts to disarm militia groups that threaten Lebanese security and sovereignty. In addition to Hizballah, Damascus continues to support Palestinian rejectionist groups, including Hamas and Palestinian Islamic Jihad. These organizations continue to base their external leadership in Syria, and despite repeated demands from the international community, Syria refuses to expel them or their leaders from their safe haven in Damascus.

Last week, the Israeli and Syrian governments announced that they have begun indirect peace talks through Turkey. However, Syria has not dropped its longstanding precondition for direct talks, namely that Israel essentially agree in advance to a complete withdrawal from the Golan Heights. While the resumption of dialogue could help reduce tensions between the two countries, Syria’s unwillingness to stop supporting terrorists and distance itself from Iran is a key obstacle to a peace agreement.

You cannot have a discussion about Israel, though, without some analysis of the Palestinian territories. Despite continuing high-level Israeli-Palestinian discussions on final-status issues since the Annapolis meeting in November 2007, concern persists over the Palestinian Authority’s ability to meet its security obligations and to win popular support for or implement an eventual deal.

President Abbas and other moderates remain vulnerable to actions by Hamas and other groups aimed at subverting an agreement, and tensions between Abbas and Hamas remain high. Hamas feels increased pressure over a weakening economic situation and an accelerating humanitarian crisis in the Gaza Strip. That said, its popular support has remained stable

**Hizballah—
with the full
support of
Syria and
Iran—turned
its weapons
against the
Lebanese
people for
political
purposes.**

Concern
persists over
the Palestinian
Authority's
ability to meet
its security
obligations and
win popular
support for an
eventual deal.

since its June 2007 takeover of Gaza, and the group remains fairly unified and has consolidated its security and administrative control there.

In the West Bank, we see signs of progress by Fatah, including improved security and law enforcement cooperation with Israeli forces in taking more effective action against Hamas. The Palestinian public has not seen tangible positive changes in key areas, however, such as improving freedom of movement and freezing Israeli settlement expansion. Recent polling data indicates that popular support for the Palestinian government has slipped significantly.

I turn now to Iran—a nation that has consumed much of our attention in Washington. Supreme Leader Khamenei remains Iran's dominant decisionmaker on both foreign and domestic issues, but the consolidation of power in the hands of Iran's conservative faction over the past several years has changed the country's domestic political environment. The regime has become more authoritarian—government opponents face a greater threat of repression, and Iran's reformers are largely marginalized. That said, the conservatives' consolidation of power has revealed deep factional differences between supporters of President Ahmadinezhad's hardline administration and less ideological forces opposing it. Khamenei publicly supports Ahmadinezhad for now, but the president has faced increasing criticism from conservative rivals over his economic policies and aggressive posturing on foreign policy issues.

Ahmadinezhad is perhaps most vulnerable on economic issues. Despite rising oil income, Iran's economy is plagued by high inflation and unemployment. Ahmadinezhad's populist policies have fueled inflation—providing his critics with ammunition to question his competence. Meanwhile, Iran's foreign activities constitute a direct and immediate threat to American interests. Public comments by Iranian leaders indicate that they believe regional developments—including the removal of Saddam and the Taliban, challenges facing the United States in Iraq and Afghanistan, and the increased influence of Hamas and Hizballah—have given Tehran more opportunities and freedom to achieve regional power. This perception—and the increasing political influence of conservatives, who distrust the West and favor an uncompromising approach to international and security issues—is driving a more assertive Iranian foreign policy.

At the same time, Iranian leaders remain concerned that Washington intends to isolate and militarily encircle the Islamic Republic. In response, Iran is pursuing a range of efforts to undermine U.S. influence. Tehran is especially focused on expanding ties in Iraq and the Levant to better position Iran to influence and exploit regional political, economic, and security developments.

In Iraq, Iran appears to want a Shiite-led central government that is receptive to Iranian economic and diplomatic influence but lacks the strength to challenge Iran's aspirations for regional leadership. Tehran has forged ties with Iraqi Shiite leaders through diplomatic, economic, and

security relationships. Tehran is also willing to tolerate near-term instability as it continues to support Shiite militants who attack coalition and Iraqi forces. These attacks are intended to raise the political and human costs to the United States to ensure that it does not maintain a permanent military presence in Iraq. The U.S. military continues to find caches of Iranian-made weapons in Iraq, including rockets, small arms, and explosively formed penetrator devices, including some manufactured in the past year.

Iran provides support to Hizballah and Hamas as part of its broader efforts to challenge Israeli and Western influence in the Middle East. Tehran continues to rearm and financially support Hizballah to strengthen the group's ability to control Lebanon and threaten Israel. Tehran's aid and backing made possible Hizballah's recent attacks on pro-government forces. Tehran also seeks to exploit developments in the Gaza Strip to demonstrate leadership over resistance to Israel and bolster Palestinian opposition to peace. Tehran is exploiting international efforts to isolate Hamas since its seizure of the Gaza Strip by providing financial aid and arms to the group.

In talking about Iran, we must also talk about the nuclear issue. Over the past year, we have gained important new insights into Iran's activities related to nuclear weapons, and in November 2007, the Intelligence Community published a National Intelligence Estimate (NIE) on Iranian intentions and capabilities in this area.

I want to be very clear in addressing the Iranian nuclear capability. There are three parts to an effective nuclear weapons capability: (1) production of fissile material; (2) design, fabrication, and testing of the nuclear warhead itself; and (3) effective means for weapons delivery. In our NIE, we judged that Iranian military entities were working under government direction to develop nuclear weapons until fall 2003. But we also judged that in fall 2003, Tehran halted its nuclear weapons design and weaponization activities—one of three essential requisites for an effective nuclear weapons capability—as well as its covert military uranium conversion and enrichment-related activities. We also assessed that Tehran had not restarted these activities as of mid-2007. But given that the halted activities were part of an unannounced secret program that Iran attempted to hide, we do not know whether it has been restarted since our last assessment.

Overt uranium enrichment efforts were suspended in 2003 but resumed in January 2006 and continue despite UN Security Council resolutions to the contrary and multiple rounds of UN sanctions. These efforts, which can be used to produce power reactor fuel, will also provide Iran with the technological capacity to produce fissile material—the first and most difficult component of an effective nuclear weapons capability. Iran made significant progress in 2007 installing centrifuges in the production-scale facility at Natanz, and continues doing so. It also is conducting research and development of more advanced centrifuges. However, we continue to judge that Iran still faces significant technical problems

Iran's foreign activities constitute a direct and immediate threat to American interests.

We are convinced that North Korea assisted with Syria's nuclear reactor, which was destroyed by Israel in early September 2007.

operating centrifuges, and that the earliest possible date it would be technically capable of producing enough highly enriched uranium (HEU) for a weapon is late 2009. Even that early date is very unlikely. We judge that Iran would probably be capable of producing enough HEU for a weapon sometime during the 2010–2015 timeframe.

Iran's efforts to deploy ballistic missiles capable of delivering nuclear weapons, and to develop longer-range missiles, were not interrupted in 2003, and its activities related to the third component of an effective nuclear weapons capability continue today unabated.

We assess with moderate-to-high confidence that Tehran, at a minimum, is keeping open the option to develop nuclear weapons. In addition to its overt enrichment efforts and ballistic missile activities, we assess with high confidence that since fall 2003, Iran has been conducting research and development projects with commercial and conventional military applications—some of which would also be of limited use for nuclear weapons.

We assess that convincing the Iranian leadership to forgo the eventual development of nuclear weapons will be difficult given the linkage that many within the leadership see between nuclear weapons development and Iran's key national security and foreign policy objectives, and given Iran's considerable effort from at least the late 1980s to 2003 to develop such weapons.

As you are now well aware, Iran is not the only country in the Middle East of nuclear concern. We recently announced that Syria was nearing operational capability of a nuclear reactor that would have been capable of producing plutonium for nuclear weapons, which was inconsistent with peaceful nuclear applications. We are convinced that North Korea assisted with this reactor, which was destroyed by Israel in early September 2007 before it was loaded with nuclear fuel. We remain watchful for signs that other countries in the Middle East will seek nuclear weapons or weapons capabilities, most likely in response to an Iranian nuclear weapons capability. A number of countries in the region have recently expressed renewed interest in nuclear power.

In discussing the Middle East, it is easy to adopt an “over there” mentality: the wrongheaded view that what happens an ocean and many time zones away doesn't affect us here in the United States. Let me tell you a little story I read recently. After the initial drafting of Franklin Roosevelt's “Four Freedoms,” one of his speechwriters, a gentleman named Harry Hopkins, challenged them:

“That covers an awful lot of territory, Mr. President. I don't know how interested Americans are going to be in the people of Java.”

“I'm afraid they'll have to be someday, Harry. The world is getting so small that even the people in Java are getting to be our neighbors now.”

That “someday” is upon us—those words were indeed prophetic. Events in one part of the world—in this case, the Middle East—can clearly have

an effect on us here in the United States. We need only remember September 11 to realize that.

Mister or Madam President, I can't conclude this briefing without a discussion of the terrorist threat. Let me begin simply: there has been no attack against our homeland since September 11. This was no accident. In concert with federal, state, and local law enforcement, the Intelligence Community helped disrupt cells plotting violent attacks. For example, last summer, we and our allies unraveled terrorist plots linked to al-Qaeda and its associates in Denmark and Germany, and earlier this year our allies disrupted a network plotting attacks in Turkey. We were successful because we were able to identify key personalities in the planning. We worked with our European partners to monitor the plotters and disrupt their activities. One of the intended targets was a U.S. facility.

Our partners throughout the Middle East and elsewhere continue to aggressively attack terrorist networks involved in recruiting, training, and planning to strike American interests. In Pakistan—which has helped us more than any other nation in counterterrorism operations—authorities are increasingly determined to strengthen their performance, even during a period of heightened domestic political tension exacerbated by the assassination of Benazir Bhutto and the formation of a new government after the February elections.

Al-Qaeda remains the preeminent terrorist threat to the United States at home and abroad. Despite our successes, the group has retained or regenerated key elements of its capability, including its top leadership, operational lieutenants, and a de facto safe haven in Pakistan's border area with Afghanistan known as the Federally Administered Tribal Areas (FATA), used to train and deploy operatives for attacks in the West. Al-Qaeda's plotting against the U.S. homeland is likely to continue to focus on prominent political, economic, and infrastructure targets designed to produce mass casualties, visually dramatic destruction, significant economic aftershocks, and fear among the population.

That, Mister or Madam President, was your first PDB. Now, in real life, there are many more details, it's much longer, and, well, you're actually the president, but you get the general idea.

The presidential election isn't that far off, and, for some people, the natural inclination is to just slow down and wait. The next administration, they figure, will have its own ideas, and there's no sense doing something that will only be undone by the next occupant of the Oval Office.

In the late 1950s, author Allen Drury wrote about Washington as a city "built on the shifting sands of politics." What was reality one day could be only a faint memory the next. For most of Washington, that's probably true. It's not the case, though, for the Intelligence Community. The Middle Eastern threats and challenges I've laid out today are nonpartisan in nature and will confront our nation regardless of who is in the Oval Office to receive this briefing on January 21. We in intelligence sit right

Despite our successes, al-Qaeda has retained or regenerated key elements of its capability.

Iran's investment in enriching nuclear materials is the key, and that's the process we're focused on.

in the middle of a unique Venn diagram where priorities aren't Republican, aren't Democrat—they're all, each and every one, American. In the Intelligence Community, we don't make policy. We tell the truth as best we know it. And I'm honored to have had the chance to share my views with you tonight.

Robert Satloff, *The Washington Institute*: Thank you very much, Dr. Kerr, for this tour d'horizon, and I think all of us take as a personal compliment merely the idea that we could be the next president of the United States of America. [Laughter.] I would like to open a question-and-answer session with you by asking whether there are any opportunities to advance American interests in this sea of challenge and threat you've just described.

Kerr: Well, in fact, I think the first thing to tell you is that a real president wouldn't let you get away with a simple recitation; there would be questions along the way. And what might have been wanting in terms of depth and accuracy would soon come to the fore.

The opportunities, of course, lie in a domain outside of intelligence. We can talk about the relative strength or weaknesses of parties or factions. We can talk about issues of resources, their availability and what that leads to. But the thing we do not do is try to lay out policy agendas. That is for others. We do talk about opportunity costs. That is probably as close as we get to that kind of interaction because, at some point, we have to recognize that our job is to be as honest a broker of information as we can and leave to the policymakers the part of the job that's theirs.

David Makovsky, *The Washington Institute*: Dr. Kerr, two questions. When you talk about Iran and its relationship with Syria, what are the odds, in your view, that Syria might peel off from Iran and rejoin an Arab coalition, which it has not been a part of lately? What would it take to get Syria at least out of the Iranian military orbit, if not economic orbit?

And on the Lebanon question, it's been said that the Lebanese Armed Forces didn't stand up to Hizballah, which in turn led Lebanon to capitulate in Doha. In your view, was the problem with the Lebanese army merely one of capability, or was there a motivational problem—namely, a high percentage of Shiites in the Lebanese Armed Forces that will never stand up to Hizballah, allowing the group to continue pressing its advantage?

Kerr: Well, those are two large and important questions. With regard to opportunities to cause a divergence between Syria and Iran, there may be some—and we certainly spend a lot of effort looking for those sorts of opportunities. I would think, for example, that the present mediated discussions between Israel and Syria over the Golan Heights, if they were pursued to a successful conclusion, might be a step along that path. Whether there are certain kinds of economic or other pressures that could

be brought to bear should also be explored. And, of course, one of the important things is how do we convince Syria to be less supportive of the Iranian-financed Hizballah presence. So I can't fully answer your question; I can only talk about the things that we have to be alert for and keep watching as we go forward.

With regard to the Lebanese Armed Forces, of course part of the problem there is that the army is itself made up of the different factions in Lebanon. And to some great degree, I think they elected to stay out of the conflict to avoid breaking into the factions themselves. As many of you know, the recently elected president of Lebanon is the former commander of the armed forces. And whether his ability to keep that coalition in the army together can translate into an ability to keep some of these factions together in governing, I don't know. His most difficult problem is that Hizballah used the Doha negotiations to achieve its objective of having a blocking minority in the government. And so a week after that summit, I would be hard pressed to give you any factual answer other than to tell you what the landscape looks like.

Michael Stein, *The Washington Institute*: Dr. Kerr, since you made me president, I'm going to respond to you as if I were. And as you will find out as you continue to work for me—[laughter]—I am interested in more details than the very beautiful but general panoramic picture you gave. You know, I realize I'm new on the job, but I really do want to know some more of the details. For example, you told me that the Iranians will have fissile material suitable for a bomb sometime between 2010 and 2015. How do you know that? And five years is too long of a range—can you be more precise about it? And do you know exactly where those production facilities are—[laughter]—and how we can target them or what kind of weaponry will produce the result we want? I would hope also that you have some boots on the ground and you've done some mapping for us and can give us precise directions of where to go and what to do. And, finally, at what point would you suggest to me that the Iranians have gone too far in this development and that I better do something about it before we pass the point of no return? [Laughter, applause.]

Kerr: Well, Mr. Stein, I think you'll make a fine president. [Laughter.] And, obviously, you've gained support right here. [Laughter.] Some of the details we would of course include in the real brief. We know through the presence of the International Atomic Energy Agency inspectors and other means, including public displays, some of what the Natanz enrichment facility is capable of doing. We also know from those inspections what I told you earlier about the fact that it may not operate as well as the owners would like. We know through the inspections that it's set up to produce material that's enriched to about 3.5 percent, which is suitable for power reactors.

Now, that said, what don't we know—which I think is what you really

We didn't do the job we should have in expressing the points we were trying to make in the National Intelligence Estimate.

President Ahmadinezhad is perhaps most vulnerable on economic issues.

asked—is whether there is a facility we have yet to discover doing things that would lead them closer to weapons-grade material. And that’s one of the major intelligence challenges that we and our partners in this endeavor continue to work very hard on.

At this point in time, we haven’t found anything that would change the 2010–2015 estimate. But if you have access to what I’ll call reactor-grade material, that which is enriched to about 3.5 percent, you’ve done an awful lot of the work to get you to what you would need to produce weapons grade. And so the key indicators for us really lie in the enrichment programs, the supply of materials, more than any concern with explosives and the engineering of a device—access to materials is, in fact, the critical thing.

Just as a historical point, I served as the fourth director of Los Alamos. And if you look back at the history of the Manhattan Project, the key issue turned out to be not how to assemble a supercritical mass, but how to get the enriched uranium or the plutonium for those first weapons. And you may recall that the plutonium device was first tested on July 16, 1945, and its mate was dropped on Nagasaki only weeks later, on August 9. So the weaponization part is an engineering job that many people know how to do, and relatively quickly. The investment of capital and everything else in enriching materials is the key, and that’s the process we’re focused on.

Dennis Ross, *The Washington Institute*: Dr. Kerr, I want to keep you on Iran if I could. But I’m going to do it based on what I heard you say. You conclude at this point that, given the nature of their regional objectives, the Iranians are determined to achieve a nuclear weapons capability. Now, the NIE said that the Iranians make decisions based on a cost-benefit analysis. Given that, what combination of costs and benefits might dissuade them from pursuing that nuclear weapons capability?

Kerr: I think there are two points to make in answer to your question. I pointed out—and others could parse it differently—that there were three important factors to think about as Iran approaches a nuclear weapons capability. And one way to look at it is that the absolute most important factor is producing the material. And so you could imagine that they might slow other parts of the program in order to achieve the right timing in what they’re trying to do.

The ballistic-missile delivery capability is dual use and could be aimed at delivering conventional explosives, for example, so you could imagine they’d work on that capability as part of a military program. In terms of costs and benefits, then, how do we and the international community put enough pressure on Iran—economically, politically, diplomatically—to make the cost high enough that they might look for another path?

On the reactor-fuel issue, the Russians, who are now completing the German-initiated civilian power reactor at Bushehr, have offered to both give fuel to Iran and remove the reactor’s waste. And so, what we need to

think about is, what pressures can we and our partners in this endeavor bring to bear on Iran to make that sort of deal more attractive than a path that will lead them to a weapons capability?

There's no single answer to that. I think it's a matter of putting pressure on all 360 degrees, all directions that we can think of. One of the things that our policymakers now and in the future have to think about is, what kinds of sanctions are most effective? What are the pressures that, brought together, would raise the cost enough so that Iran might take a step back?

R. James Woolsey, *VantagePoint|Booz Allen Hamilton*: As someone who knows something about PDBs as well, I want to talk about the National Intelligence Estimate. As you said, the key element in producing a nuclear weapon is the enrichment of the fissile material. And then, of course, the delivery systems are vitally important—ballistic missiles. The aspect that is the short pole in the tent, the relatively short-term undertaking, is the design of the weapon itself, as you gave in the Nagasaki example.

Yet, the NIE, when it came out, didn't really mention up front, except in a footnote, the enrichment of uranium to produce fissile material or Iran's delivery vehicles, ballistic missiles. It put up front as the lead, as the headline, Iran's probable suspension of nuclear weapons design. And that emphasis on the slowdown or halting of the design process was identified with the Iranian nuclear weapons program as a whole. And that was the headline all over the world when the NIE was released.

A couple days after this estimate was released, Tom Friedman of the *New York Times* satirized it, saying that it was as if you had a drug dealer who had a fine crop of poppies, the raw material for his drugs, and was continuing to add to this crop. And he had a substantial number of delivery vehicles, trucks, and he kept adding to the number of trucks. But the police came by and said, "We've decided you have temporarily paused work on your laboratory in your basement, so we're going to give you a certificate that says you are no longer a drug dealer." In what regard, if at all, was the NIE undeserving of Tom Friedman's satire? [Applause.]

Kerr: Your friends always hurt you the most. [Laughter.] I would say, first of all, that to some degree, it's a poorly drawn analogy, because the poppies are not the equivalent of the high-enriched material. The poppies, in this case, are the low-enriched material. The trucks I'll take as the equivalent of the missiles. But it's the poppies that are the important products. You were talking about the red ones. The ones they need are the blue ones, the high-enriched material, which they don't presently have the capability to get.

The second thing that Tom Friedman might have done is to read the second sentence, which said that we still believed Iran had the intention of moving forward on a nuclear weapons program. And it was repeated several times throughout the estimate. Nevertheless, we had this incredible

Syria's unwillingness to distance itself from Iran is a key obstacle to a peace agreement with Israel.

Tehran is exploiting international efforts to isolate Hamas by providing financial aid and arms to the group.

reaction. Maybe it's the press that's lazy; maybe it's the public that's lazy. But the first sentence isn't the whole story.

Now, retrospectively, maybe drafting it differently would have made more sense. We had another problem that most people haven't thought a great deal about: the real NIE, of course, is a thick document. It contains alternative analysis, all of the other scenarios we could think of to explain the information we had. We laid all of that out. We laid out all of the sourcing, well over 1,200 different sources. No piece of information was single-sourced. We felt pretty confident in what we had.

We also had not written the NIE for public release—we were asked to do so only later. But even then, we knew full well there would be people who would have both the classified and the unclassified version. And so, we were obligated to basically declassify by deletion. What that did was lead to some awkwardness in language and some opportunity to perhaps mistake what we'd said.

The reason we didn't change that approach was very simple: we did not want to spur a roar from Congress saying, "You guys are spinning the story. You gave it to us in the classified version and we see an unclassified publicly released version that seems different to us." And we were not willing to take that on.

We did in fact meet with the press. We tried to explain what I talked to you about tonight, the three elements of a nuclear weapons capability. We thought they understood that pretty well. But they, of course, write for different audiences. And so, in the end, we had what you might call a perfect storm. Across the entire political spectrum, we had made somebody mad.

Some would take refuge in that and say, "We must have gotten it right." More realistically, we didn't do the job we should have in expressing the points we were trying to make. And that's why, for example, here and in other places, I've tried to focus attention on the key role that production of fissile material plays in this whole question, the key role that missile developments play, and the fact that once you have the fissile material in sufficient quantity, we're not talking about a long period of time before an effective weapons capability might exist.

I think we're doing better at clarifying that. Until we have new data, new facts, we're not going to change the basic NIE, the classified version. And, of course, we are working every day to find more facts, and that's an ongoing effort.

Roger Hertog, *The Washington Institute*: Dr. Kerr, I'd like to talk about a country we haven't spent a lot of time on: Pakistan, which has a large supply of nuclear weapons and a political situation that many would consider unstable. How knowledgeable are we of where those nuclear weapons are, how secure they are? What do we know about the Pakistani military and where its loyalties lie? And how do we know that another nuclear proliferator on the order of Abdul Qadir Khan couldn't come into being, or that

a possible decomposition of Pakistani society could't occur and further open the door for such proliferation? In short, do we have enough knowledge about what is actually going on there? I apologize for all of these questions, but they're all really related to one central idea: what do we know, and do we have a lot of confidence in what we know?

Kerr: I think the easiest answer to give you is that we don't know enough, and that the set of questions you've posed is in fact the agenda we're pursuing every day in both collection and analysis relative to Pakistan. I think you're aware that the Pakistani weapons are under the control of the military. I suspect that's a good thing because that's an institution that has, in fact, withstood many of the country's political changes over the years. The stability of the military leadership has also withstood such changes in recent years.

With regard to Pakistan's future and where it's headed, this is something that concerns us greatly. For example, I spoke earlier about the safe haven afforded to al-Qaeda in Pakistan's Federally Administered Tribal Areas, partly because that is a region that's never been subject to central government law. It has basically been under a kind of self-governance by the tribes at the margins of the central government. One of the concerns we have is that as Pakistan looks inward and focuses on changes and political issues in Islamabad and the central parts of the country, its Wild West frontier, if you will—the northwest provinces and the FATA—will become more hospitable to those who would strike us and less hospitable to us as we try to root out that problem.

And so you've hit on a connected set of questions that are among the highest-priority issues we deal with every day. We do, as a matter of continuing high priority, try to keep track of the security of Pakistan's nuclear weapons in their various locations, and we're certainly sensitive to whether tripwires are crossed that would lead us to change our view about whether these weapons are secure or not.

Martin Gross, *The Washington Institute*: Dr. Kerr, I believe you said that in 2003, the weaponization component of the Iranian program was halted. But you didn't say why you think it was halted, and what inferences we might draw from the fact that, at a certain point in time, a particular part of their program was, in fact, halted.

Kerr: We don't fully know why. I'll hazard a personal guess—that the long pole in their program was the ability to produce fissile material, and they perhaps foresaw that it would be some years before they would be able to do so in sufficient quantity. And there may have been economic reasons at the time that compelled them to say, "We don't need to put resources against the engineering and development of a weapons design. We need to put our technical and financial resources into the material production problem."

As Pakistan focuses on changes in Islamabad, its northwest provinces could become more hospitable to those who would strike us.

That, perhaps, is too rational an answer. We're not inside their heads, so we don't know whether there were other things that might have affected their decision. As we and our partners in the intelligence business get more data and try to fit the picture together, we are certainly looking for improved answers on this issue, other than the sort I just gave you.

Satloff: Please join me in thanking Dr. Kerr for this fascinating discussion of a range of intelligence issues. [Applause.]



America and Israel at Sixty: The Strategic Partnership at a Crossroads

America and Israel at Sixty: The Strategic Partnership at a Crossroads

Itamar Rabinovich, R. James Woolsey, Dennis Ross, and Natan Sharansky

SUMMARY

ITAMAR RABINOVICH

RECENTLY, MANY HAVE QUESTIONED the U.S.-Israeli alliance. Books such as Stephen Walt and John Mearsheimer's *The Israel Lobby*, President Jimmy Carter's *Palestine: Peace Not Apartheid*, and Michael Scheuer's *Marching toward Hell: America and Islam after Iraq* all question Israel's moral and strategic value to the United States. Israel is losing the moral high ground in the eyes of many young Americans, and that trend must be reversed.

Strategically, the United States and Israel—along with other countries—must confront an increasingly dangerous Iran. A nuclear Tehran would pose a threat not only to Israel, but to the entire global community. Ideally, all parties opposed to Iranian nuclear weapons would unite on this issue. The Europeans, however, are unreliable, so the United States and Israel have little choice but to become co-strategists on preventing Iran from acquiring a nuclear capability.

Israel has recently engaged Iran's partner in crime, Syria, in indirect negotiations. Both Israel and Syria realize that the talks will probably lead to nothing, but they are important nonetheless. Syria is close to becoming universally regarded as a pariah state, and Damascus may have hoped that talks with Israel would improve its international reputation. And beleaguered and unpopular Israeli prime minister Ehud Olmert sought to finally bring some good news to his constituents. Whether these negotiations amount to anything will probably not be determined until early 2009, under a different Israeli leader.

On the wider regional front, U.S. attempts to establish democracy and peace in the Middle East have to date yielded minimal results. For democracy to take hold, a civil society must first be in place. Free elections in societies unprepared for democracy tend to occur once and only once. In those countries where democratic efforts are in fact making headway, such as Lebanon, the United States must offer its support; otherwise, democracy will succumb to external forces. The just-announced Doha agreement



■ *Itamar Rabinovich was Israel's chief negotiator with Syria under the late Prime Minister Yitzhak Rabin and ambassador in Washington from 1993 to 1996.*



■ R. James Woolsey served as director of central intelligence under the Clinton administration.



■ Dennis Ross, *The Washington Institute's* counselor and Ziegler distinguished fellow, served as special Middle East coordinator in the Clinton administration.

proved exactly this point; Hizballah won, and the free and democratic forces in Lebanon lost.

Just as democracy must retain some national authenticity to prove effective, so too peace between Israel and the Palestinians must originate from those two parties and not the United States. Instead, Washington must act as a mediator. U.S.-Israeli disagreement on certain peace-process issues is natural, since the United States is a global superpower and Israel is a relatively small country. Moreover, such disagreement is necessary to the success of any peace deal. If the United States and Israel agreed on every aspect of a peace proposal, the Arab world would view it as an example of U.S.-Israeli collusion. Therefore, some disagreement would be needed simply to legitimize the offer.

R. JAMES WOOLSEY

ISRAEL AND THE UNITED STATES face threats from two fundamentalist and totalitarian ideologies—extreme Wahhabism and Iranian president Mahmoud Ahmadinezhad’s apocalyptic brand of Shiism. Oil revenue has enabled the followers of these beliefs to become the dangerous, destructive forces they are today. Therefore, it is of paramount importance that the United States devote all available resources to cease its oil dependence.

Iran is a particularly lethal threat because of its pursuit of nuclear weapons and the influence it wields in the region through its pawns—Muqtada al-Sadr, Hizballah, Hamas, and Syria. Although military action against Iran might soon become necessary, war can still be averted. The United States should support dissension against the current regime in Tehran. Washington could also cease relations with any European bank that deals with Iran and block the country’s imports of gas and diesel fuel. These two economic steps would force a new reality on Iran and perhaps prevent its ascension to nuclear power status.

DENNIS ROSS

ISRAEL’S MORAL AND STRATEGIC value to the United States and the West are inextricably linked. A historical analysis of U.S. foreign policy reveals that values sustain policy, and that policies devoid of, or contradictory to, national morals are quickly abandoned. Furthermore, Israel faces the same enemies as the United States and the West, and in many ways is the “canary in a coal mine” with regard to these enemies’ intentions. Therefore, a militarily effective and capable Israel is in the best interests of those opposed to fundamentalism, including certain Arab states.

Iran’s nuclear efforts continue to endanger the United States, Israel, and Europe alike. There are several reasons why the prospect of a nuclear Iran is simply unacceptable. Besides the danger of nuclear weapons, the West would lose on two other accounts. First, nuclear capabilities would give Iran a shield under which it could strengthen and empower its proxy

groups, such as Hizballah. Second, Iranian nuclearization could lead to nuclear proliferation throughout the Middle East. Despite U.S. efforts to assure countries of their safety, a nuclear-armed Iran might lead to a situation in which a region known for its volatility is suddenly full of nuclear warheads.

Therefore, the global community must strengthen the inducements it is offering Iran to cease its nuclear program. The current sanctions have not really damaged the Iranian economy, so bolder moves must be taken, such as breaking all Iranian oil contracts or cutting off the country's banking system. Regardless of what moves the United States makes, Europe and China must be involved. To date, the Europeans have maintained a fairly weak policy toward Iran. If they or other parties fail to take a stronger stance, Israel could decide to take matters into its own hands via military threats.

NATAN SHARANSKY

IN ANY FIGHT against global evil, failure is inevitable whenever policies are permitted to compromise principles. In other words, there is no contradiction between moral values and strategic interests. Israel was founded on two principles—a strong national identity and democracy—and the United States shares both of these, in contrast to the many Europeans who currently frown upon nationalism. Therefore, the close relationship between the United States and Israel is natural.

Despite this inherent bond, however, several points of disagreement remain. The United States disapproved of Israeli talks with Syria, for example. Yet, Israel pursued these negotiations because some believed that Damascus was perhaps ready for a diplomatic breakthrough after its first military breakthrough against Israel (via Hizballah during the 2006 Lebanon war).

Another area of discord is the likelihood of an Israeli-Palestinian peace agreement in the near future. The prospects of such a deal appear bleak, at least with the current leaders. Each year, Palestinian hatred toward Israel increases. Olmert's approval ratings are historically low, and Palestinian president Mahmoud Abbas is not much better off. The Oslo Accords assumed that the Palestinians would have a strong dictator, Yasser Arafat, at their helm. Yet, the elections called for by the Quartet's 2003 Roadmap wound up empowering Hamas, a more radical and belligerent regime. In order for peace to be realized, support for democracy—and, more important, for a civil and moderate regime—must develop at the grassroots level.



■ *Natan Sharansky, chairman of the Shalem Center's Adelson Institute for Strategic Studies, is a former Israeli minister and human rights advocate.*



Prospects for the Bush Administration's Unfinished Business in the Middle East

Prospects for the Bush Administration's Unfinished Business in the Middle East

Zvi Rafiah, Ghaith al-Omari, Theodore Kattouf, and David Makovsky

SUMMARY

Note: Former congressman Charlie Wilson was originally scheduled to participate in this portion of the symposium, but he was unable to attend due to health reasons. His original co-panelist, Zvi Rafiah, opened the new panel with a few introductory remarks about the congressman's longstanding support for the U.S.-Israeli relationship.

ZVI RAFIAH

CHARLIE WILSON has been an avid supporter of Israel for the past thirty years. His relationship with Israel began during the 1973 Yom Kippur War, when he visited the country for the first time. After his visit, Charlie declared that the United States should support the Jewish state. He has been one of Israel's greatest friends on Capitol Hill by always being among the first congressmen to sign on to supportive legislation. Although Charlie developed close relations with Pakistan and Egypt as well, they never diminished his relations with Israel. In fact, he long advocated Pakistani-Israeli and Egyptian-Israeli negotiations. We applaud his support of Israel over the years and wish him a speedy recovery.



■ *Zvi Rafiah formerly served as minister-counselor and congressional liaison at the Israeli embassy in Washington, D.C.*

GHAITH AL-OMARI

THERE SHOULD BE a two-state solution to the Israeli-Palestinian conflict, and social change is not a necessary prerequisite. Recently, we have witnessed some positive developments on the ground. Last week's investment conference in Bethlehem, which promised \$1.4 billion to the Palestinian economy, and the presence of Palestinian forces in Jenin are good examples of cooperation between Israelis and Palestinians. Nevertheless, the prospects for peace by the end of the Bush administration are bleak. Hamas may be losing popularity in Gaza, but no force is capable of challenging it. And an Israeli military incursion into that territory would be a humanitarian and political disaster.

What can be done, then? The United States cannot impose peace, but it can help design and implement processes to help smooth the transition toward, and bolster, a peace deal. A strong U.S.-Israeli relationship is in



■ *Ghaith al-Omari, a senior fellow with the New America Foundation and the American Task Force on Palestine, is a former political advisor to Palestinian president Mahmoud Abbas.*



■ *Theodore Kattouf is president of AMIDEAST and former U.S. ambassador to Syria and the United Arab Emirates.*

the Palestinians' interests, since it will help Israel move toward peace. In general, the focus should shift from reaching a peace deal to stabilizing the Palestinian Authority, with the eventual goal of reintroducing it in Gaza. The idea of a binational state is harmful; all parties should instead look to revitalize the two-state paradigm. At the leadership level, Mahmoud Abbas's presidential term is supposed to run until 2010, but he has said he would quit if the peace process collapsed.

THEODORE KATTOUF

THE KEY FOR THE SYRIAN REGIME is survival. Damascus has learned the hard way about keeping the prospects of peace alive, and it appreciates how much it stands to lose without a peace deal. The Syrians want a new relationship with the United States much more than a peace deal with Israel, but they do not foresee the current U.S. administration doing anything on that front. Although the Turkish-mediated talks between Syria and Israel have improved the environment for the next U.S. administration, there has not been an American ambassador in Damascus since the February 2005 assassination of former Lebanese prime minister Rafiq Hariri.

The Syrian regime refuses to be isolated, however, and continues to play the spoiler game by clinging to Iran and Hizballah. Unlike his father Hafiz, Bashar al-Asad has ceded prestige to Hizballah, consequently giving the organization increased international stature. But Syria is very insecure about moving away from Iran, and convincing it to do so would require a great deal of time and effort.

In exchange for a peace deal with Israel, Damascus has a few demands: the return of the Golan Heights, Syria's removal from the U.S. state sponsors of terrorism list, the resumption of aid from U.S. allies, economic relations with the European Union, acceptance into the World Trade Organization, and assurances that Lebanon will not challenge Syrian interests.

The fact that Syria was building a nuclear reactor surprised many people, including me, because the country is poor and currently suffering from a significant "brain drain." The chances of a Syrian retaliation against Israel for last year's bombing of that reactor, or for the assassination of Imad Mughniyeh, are low. Given the substantial distrust between Syria and Israel, however, it is unlikely that Damascus will do anything to stop the arms flow from Iran to Hizballah.

DAVID MAKOVSKY

ONE YEAR AGO, we were sitting in this same room discussing the imminent demise of Prime Minister Ehud Olmert. The first installment of the Winograd Commission's report had just been released, and its negative findings targeted the conduct of Israeli leaders during the 2006 Lebanon war. In many ways, Olmert and President Lyndon Johnson are very similar—they both rose in government through mastery of

the political system. It is unclear, however, whether Olmert will survive the latest round of problems. Even Labor Party leader Ehud Barak—who is flat in the political polls but popular as defense minister—has turned against Olmert.

What do these problems mean for the peace process? There are two options: early elections or a transitional government that would see Foreign Minister Tzipi Livni replace Olmert. If early elections were to happen, Likud Party leader Binyamin Netanyahu would likely become prime minister.

There are two factors driving Israel's pursuit of peace with the Palestinians: first, the fear that the conflict will transform from a nationalist to a religious one, and second, the demographic reality that the combined population of Palestinians in Israel, the West Bank, and Gaza will soon outnumber that of the Jews. Therefore, the idea of a two-state solution is time sensitive; it has a shelf life. Israel does not want to reenter Gaza, but it needs to find a way to ensure its security. At the same time, however, the Palestinians need the dignity they deserve. The differences between the two sides are narrow, and both want peace. But putting forward half-solutions does not help.



■ *David Makovsky is director of The Washington Institute's Project on the Middle East Peace Process and an adjunct professor of Middle Eastern studies at Johns Hopkins University's Nitze School of Advanced International Studies.*

2008 SOREF SYMPOSIUM



Israel: Challenges at Home and Abroad

Israel: Challenges at Home and Abroad

Haim Ramon, Deputy Prime Minister of Israel

SUMMARY

FOR MANY YEARS, the conflict with the Palestinians was the main issue for Israelis. Over the past decade, however, the dynamics of Israel's relationship with the rest of the Middle East have shifted. As a result, the Israel-Palestinian conflict, while still an issue, is less important now.

Today, the principal dividing line in the Middle East is not religious—it does not matter if you are Jewish, Muslim (Sunni or Shiite), or Christian. Nor is it geographical. These once-important religious and national boundaries are taking a back seat to the spread of Islamic extremism. The main fault line now lies between extremists and moderates, with some governments—particularly Iran and Syria—supporting extremist groups such as Hamas and Hizballah. Syria has been a key supporter of such movements since it stood by Iran during the Iran-Iraq War. This is why it is important to judge what Syria does rather than what it says, because at the end of the day, it remains a crucial link in the radical chain—the same chain that claimed victory in Lebanon through the recent Doha agreement. The ultimate goal of radical Islam is to bring an end to democracy and freedom in the Middle East and the rest of the world.

Radicals have a vested interest in the continuation of the Israeli-Palestinian conflict because it prevents Israel and moderate Arabs from working together on the issue of extremism. Cooperation between Israel and moderate Arab countries such as Saudi Arabia, as well as between moderate Arab states themselves, is critical when addressing extremism and the rising threat from Iran—easily the region's greatest threat. But this cooperation continues to falter because of the unresolved Israeli-Palestinian conflict, making progress on that front more essential to the overall picture.

During the summer 2006 war in Lebanon, the moderate Arab world hoped for a comprehensive Israeli victory against Hizballah. When that did not occur, moderates felt as if they too had lost a key battle against extremists. It is on these grounds that Israel and moderate Arab countries should work together toward defeating the real enemies of stability, peace, prosperity, and progress in the Middle East.



■ *Haim Ramon is deputy prime minister of Israel and a member of the Kadima Party.*

Once-
important
religious
and national
boundaries
are taking a
back seat to
the spread
of Islamic
extremism.

Again, these factors make solving the Israeli-Palestinian conflict even more important, especially at a time when the gap between the two sides is quite narrow. Both parties understand and essentially accept the idea of a two-state solution. Yet, this understanding and acceptance is diluted and refuted the further it travels from the epicenter of the conflict. Everyone in Israel favors a two-state solution, but Israelis are increasingly worried that Palestinians might begin talking about a one-state solution. It is clear, however, that the two-state model will triumph, with an agreement on four major issues: borders, Jerusalem, refugees, and security.

First, on the issue of borders, the two sides are negotiating how much West Bank territory Israel would annex in order to retain its major settlement blocs. Currently, the consensus is around 2–8 percent; it is important to note that twenty years ago, there was talk of annexing 40–50 percent. Although this proposal will involve a land swap, the amount or location of that land has yet to be settled.

The issue of Jerusalem is extremely sensitive and deserves time and careful attention. Before the Six Day War in 1967, Israel's section of Jerusalem comprised 38 square kilometers, while Jordan's was six square kilometers. After the war, Israel's annexation encompassed twenty-eight Palestinian villages that were historically not part of Jerusalem. As a result, Jerusalem now includes many Palestinians. Today, a third of the population is Palestinian while another third is ultraorthodox Jews. In other words, two-thirds of its population is not Zionist; clearly, then, Jerusalem will ultimately become the capital of two states.

Concerning refugees, not one Palestinian leader in the past twenty years has seriously believed that Palestinian refugees will return to Israel. Similarly, the current two-state model calls for Palestinian refugees to return to a Palestinian state. That state would be responsible for the implementation of the right of return, and Israel would have no legal or moral responsibility to deal with such issues. Regarding security, the Palestinian state will, of course, be demilitarized.

Given this environment, what is possible between now and the November U.S. election? Until then, all sides must attempt to move forward on the Annapolis process and provide frequent updates. The arrangements I have outlined will be the basic framework supported by the Arab world, the Palestinians, and the new administrations in the United States and Israel. From the Israeli point of view, progress on the peace process and an end to the occupation are essential to the country's survival, since the present situation is a threat to Israel's identity as a Jewish and democratic state. In the coming months, real attempts must be made to find a solution to both the Israeli-Palestinian conflict and the larger battle between radicals and moderates. And we must bring an end to the victorious march of radical Islam by removing Hamas from Gaza and by halting Iran's progress toward nuclear weapons.

The Washington Institute

Executive Committee, Advisors, and Staff

EXECUTIVE COMMITTEE

President

Howard P. Berkowitz

Chairman

Fred S. Lafer

Chairman Emeritus

Michael Stein

Founding President and Chairman Emerita

Barbi Weinberg

Senior Vice Presidents

Bernard Leventhal

James Schreiber

Vice Presidents

Charles Adler

Benjamin Breslauer

Walter P. Stern

Secretary

Richard S. Abramson

Treasurer

Martin Gross

Committee Members

Richard Borow

Maurice Deane, *emeritus*

Gerald Friedman

Robert Fromer

Roger Hertog

Peter Lowy

Daniel Mintz

Fred Schwartz

Dimitri Sogoloff

Merryl Tisch

Gary Wexler

Next Generation Leadership

Council

Jeffrey Abrams

Anthony Beyer

David Eigen

Adam Herz

Zachary Schreiber

Jonathan Torop

BOARD OF ADVISORS

Warren Christopher

Lawrence S. Eagleburger

Alexander Haig

Max M. Kampelman

Samuel W. Lewis

Edward Luttwak

Michael Mandelbaum

Robert C. McFarlane

Martin Peretz

Richard Perle

James G. Roche

George P. Shultz

R. James Woolsey

Mortimer Zuckerman

STAFF

Executive Director

Robert Satloff

Consultant

Dennis Ross

Deputy Director for Research

Patrick Clawson

Senior Research Editor

Paul Morro

Senior Fellows

Soner Cagaptay

J. Scott Carpenter, *Keston Family*

Fellow

Michael Eisenstadt

Simon Henderson, *Baker Fellow*

Michael Jacobson

Matthew Levitt

David Makovsky

David Schenker

Lafer International Fellows

Hassan Barari

Michael Knights

Ehud Yaari

Mohammad Yaghi

Adjunct Scholars

Hirsh Goodman

Avi Jorisch

Joshua Muravchik

Daniel Pipes

Robert Rabil

Harvey Sicherman

Raymond Tanter

Military Fellows

Jeffrey White

Visiting Fellows

Ghassan Attiyah

Chuck Freilich, *Ira Weiner Fellow*

Nazar Janabi, *Next Generation*

Fellow

Mehdi Khalaji

Martin Kramer, *Wexler-Fromer*

Fellow

James Lindsay, *Aufzien Fellow*

David Pollock

Research Associate

Ben Fishman

Keston Scholar

Jasmine El-Gamal

Research Assistants

Ahmed Ali

Lauren Cohen

Audrey Flake, *Schusterman*

Young Scholar

Sana Mahmood

Albar Sheikh

Margaret Weiss, *Schusterman*

Young Scholar

Research Interns

Olga Bermant

Nathan Cohen

Nick Heras

Bardia Massoudkhan

Sybil Ottenstein

Stephanie Papa

ADMINISTRATION

Deputy Director for Administration

Stephen Borko

Events Coordinator and Research

Assistant/Intern Program

Coordinator

Maya Chertock

Data Services Coordinator

Beverly Sprewer

Administrative Assistant

Gina Vailes

COMMUNICATIONS

Director of Communications

Alicia Gansz

Managing Editor for Policy

Mary Kalbach Horan

Managing Editor for Development

Laura Boyle

Website Manager

Scott Rogers

Associate Editor

Paul Hidalgo

DEVELOPMENT

Director of Development

Laura Milstein

Regional Director, California

Judy Cole

Regional Director, Florida

Jeanne Epstein

Regional Director, New York

Lori Posin

Development Associate

Christal Shrader

Development Assistant

Alexandra Medlin

Development Intern

Aaron Karako

EXECUTIVE

Executive Assistant

Rebecca Saxton

FINANCE

Chief Financial Officer

Laura Hannah

Staff Accountant

Shaquan Ransom

Financial Assistant

Francois Nkuru