



Israel Analysis Group – Session III
Professor Uzi Arad, September 14, 2006

Meyrav Wurmser

Welcome to the Israel analysis group, I'm so thrilled to see all of you here today. We're here to speak about the war in Lebanon, not the usual subject for us, but after our last break a war broke out unexpectedly, and changed everything, so we're going to speak about the war, and its consequences. After the war in Lebanon, Israel is in crisis. The war has failed to achieve a decisive victory or answer the threat of missiles from the north and the Gaza Strip or create the wide security zone in Lebanon. In the aftermath of the war, Israelis are asking what went wrong and are calling for a commission of inquiry to investigate the performance of both the political and military establishments. The situation could bring about a political upheaval. Recent polls show that the vast majority of Israelis don't trust the prime minister or the defense minister and think that they should be replaced. But more than that, Israel is now a coalition of broken dreams. A lot of the various Israeli dreams of how to make peace, of how to live in peace with their neighborhood have failed. Israel today is in the situation in which I think it needs new philosophy, new ideas, and new horizons. I asked our guest today professor Uzi Arad to discuss the war and its implication for Israeli society. I also asked what is next for Israel and the Middle East. Professor Arad is the founding head of the Institute of Policy and Strategy at the Lauder School of Government and Diplomacy and Strategy at the Interdisciplinary Center at Herzliya. He established and chaired the annual Herzliya conference series on Israel's balance of national security. He's also advisor to the Knesset Foreign Affairs and Defense Committee. Formally, Arad served as director of intelligence in the Mossad, and as foreign policy advisor to Prime Minister Benjamin Netanyahu. Uzi also used to work at Hudson, so this is kind of like closing a circle for him. He worked here what "thirty four years ago"? Thirty four years ago. [LAUGHTER] If you can believe that. A long time ago, so it's nice for him to come back and visit with us. Before I open the floor for Uzi, just quickly please let me note a change of dates for our next speaker. Many of you have gotten a save the date note in the mail or in email, for our next speaker, Professor Ruth Gavison. It was scheduled for October 18th originally, but in the meantime Professor Gavison was asked to serve on the Commission of Inquiry to check what happened in this war. And so instead she has postponed. It's going to be very interesting to speak to her next time. She had changed her visit to October 25 to accommodate the discussions of that commission. So please note that our next meeting has been moved. Uzi if you would please.

Uzi Arad, Interdisciplinary Center Herzliya

Thank you very much Meyrav, and yes it is always a pleasure to return to the scene of a crime. I used to work at Hudson as early as the early 1970's and my president then was Max. I don't know if one can refer to these, I feel nostalgic about that time, let me put it this way, but thank you for inviting me, and I'm glad to be in this room. Also to see

around the table many people who are at least if not more knowledgeable on some of the subjects I'll be talking today as I am, but that's good because I would like not to have a kind of a systematic presentation, but a series of discreet observations about the situation, and then engage perhaps in conversation or in exchanges. Now being a disciplined person I noticed that the series itself refers to the crisis of Zionism, the crisis in which Israel finds itself, and some of my comments were organized around that concept. But then since the title of the talk was defined as "After Lebanon what next?", well then again being one who is used to receiving instructions, I will address that issue as well - about Lebanon and about what might be next. So I will touch on both subjects which might seem whether artificially or not to be intertwined. Because whereas in Lebanon what next seems to be a foreign policy issue, and the crisis of Zionism seems to be a domestic internal issue. But all domestic things end up in foreign and vice versa, and in Israel more than any other place. And one cannot separate the two. So I'll address and confine my comments to both kinds of clusters.

The first one is about the crisis. I think that the word crisis is very apt. I do know that some of my predecessors in this series have analyzed various aspects of the condition in which Israeli society finds itself in. I often reflect on it and I am searching for the words to describe the degree of it. It is not only in crisis, it is almost a tragic condition of complete disorientation and disarray in so many ways. If I were to put it in some sort of categorization, Israel is now in the middle of an intensive political crisis, a serious governance crisis, and when I say by the way political, I mean foreign policy as well as domestic policy, and also in the midst of a moral crisis. And all crises feed on one another. The political crisis I'm not referring to coalition politics and domestic politics and elections that were discussed in previous meetings. The political is simply the fact that the old agendas have been discarded one by one. Agendas that have dominated Israeli foreign policy and domestic policy for the last 15 years have become defunct one after the other. The last one, unilateralism, that is the latest say, and Lebanon might be the last nail in that coffin because Lebanon began with an act of unilateral withdrawal. But Gaza itself should have been an adequate lesson to suggest that that was not the root but remember, unilateralism and disengagement were the dominant agenda by the controlling party as late in the last two years. But that was only the latest in agendas entertained by Israelis over the last decade. And each one of them was also discarded. So Israel now finds itself in complete loss. And the best manifestation of absence of a compass or focus or agenda or vision, whichever word you want to call it, each of these four terms apply. Just look at the rapid secession of people searching for alternatives. Suddenly they discover Syria, suddenly. You know the Syrian option has been resuscitated. Why? Well maybe because it is somewhat connected to Lebanon, yes, but it has been there all along. But suddenly it became the favorite agenda of an entire class in Israel. Others discover Iran who, well for one you see even the prime minister who talks about national unity justified under the need to have an emergency to address the Iranian threat. But you ask yourself where you were only two months ago? You were talking about shaping the future borders of Israel unilaterally through the West Bank through a process of realignment. So what is this quick move from one focus to another from one agenda to another? And yet there are others, in fact there is a kind of minute in Israel going on now to try to define the new agenda, the new focus. And it is very confusing, it is done very

sloppily, it is not the result of an evolution, it is more a reflection of the disarray and disorientation that an entire public has found itself in light of what this war had revealed, being both a wake up call, and a reality check.

The moral crisis. Well you know we kind of like to joke about it, We can say that things like that happen. All countries, this great capital included. But there are certain things when quantity becomes too much they change the matter also qualitatively. And the fact of the matter is that we have a problem, of some call it corruption. But I tend to look at it at how it disrupts governance, and it is *that* which is the most disturbing. Because corruption when it does no harm to the management of daily affairs is one thing. But when it seriously undercuts the ability to perform as it has been doing, then we got a problem. And we have that. We have now a prime minister and a president both beleaguered by successive investigations either by the controller general, or by the prosecutor, I don't know... and they are not the only ones. Senior ministers, senior politicians, all who have duties to dispense. Israel I need not tell you is not going through a normal period. So on the one hand, we talk about emergency, and crisis and the need to mobilize all our resources, and on the other hand we have individuals who have to deal with serious allegations and that certainly reduces their capacity to perform politically and as leaders. And that is a serious matter. In fact it could go even worse. Under certain assumptions, we may have a Prime Minister who would have to answer all kinds of things. And that clearly could destabilize his government. Let's hope it doesn't reach that point because that's the last thing we need, but it might. This in turn is having moral spillovers. I know it's not politically correct in Israel to place blame, but I do place blame because it would show where things are and how they are related. The quantum jump has happened during the Sharon administration. Where corruption did take place and was allowed to take place under some sort of pretext that did not allow for action to be taken against it. On the contrary it was tolerated as permissible as long as other agendas in the field of foreign policy prevailed. Once you tolerate corruption you in fact perpetuate it. So we in fact are suffering from an accumulation and that in turn spills over into other domains.

The single most problematic aspect with this is that in Israel we have had even this problem affecting the corrective measures. In all societies there are ways in which when such pathologies present themselves they are corrected through either the performance of checks and balances are through the existence of bodies which are supposed to cure those things. In Israel our checks and balances have been disrupted. Parliament sometimes too closely follows what the executive in fact tells them. I'm sorry to tell my friends here from the press that the press does not always rise to the occasion of fighting it when it needs. It too has agendas, and becomes part of the political game. And even the law enforcement agencies are not beyond reproach. By and far they are good at doing their job. Be it the police or the attorney general and so forth. But they have been also affected by considerations that don't look at the issues on merit. As a result of all that, Israel is caught in a condition in which the system has been disrupted, and there is a sense of moral crisis. The public is disillusioned, and it is a very corrosive state of mind. Now as for the other problems, the political problems in terms of the stability of the government, that it seems is not the worst. I think this government could stabilize itself, could broaden

the coalition, so we do not face an impending case of a government which is inherently unstable. This used to be the problem that afflicted previous Israeli governments. There is a chance of a no confidence vote in Israel now is quite remote. So that is not the problem. But what may undermine this stability is what has been alluded to before. The creation of commissions of inquiry which are positioning themselves, as you know there is an entire game about their mandate, about their composition. By the way, Ruth Gavison, those of you who don't know her should come and talk to her because she is a formidable lady, and the thing that makes her even more formidable is that she is completely unpredictable. She speaks her mind. And I sat in a meeting where she gave our chief of staff a lashing openly in front of his entire *matkal*, the high command the staff, for stretching Israeli democratic processes to the limit when he allowed the use of the military to do the disengagement, which to her was simply going as far as we can in involving the military. Who should have, and here I touch on Lebanon, should have been training, and readying themselves for a defense, or for the necessary offense and instead wasted so many resources, man-hour and money over a function which is completely unrelated to the direct mission of the military. Now Ruth Gavison was extremely forceful when she spoke to the chief of staff about that, and I trust that she would be equally direct when she comes here, and she's a very interesting person to listen to. Well she's now a member, she might be a member of a commission of inquiry, and that is not the only commission of inquiry in operation. The deal is not final as to which will do what, but that that has been set in motion is clear, the findings will come and will become public in the next few months, and some of them will go beyond what is already widely known. Because what the public knows and are very upset about are the anecdotal things like the absence of sufficient munitions, or mismanagement at the ground level. But there has not been a real exposure of the decision making system. Who authorized whom on what grounds, at which way? Was it sufficiently well considered? I think the findings on all these key questions would be pretty damning. And when they become public they would have an effect on the political scene.

So if I would combine all of this together, I would say you were right Meyrav in defining Israel to be in state of crisis, which goes beyond the usual kind of elements that we talk crisis about, where Zionism is going or the tension between democracy and demography, or secular vs. religious. No, we have some acute new crisis which is creating a condition of very high fluidity, confusion. I can characterize, those of you who came from Israel, there is an air of sadness in the air. It can easily be reduced to the claim that there is a leadership crisis, but I don't like that concept, it's not the leadership. Of course, a good leader and good leadership could have helped, but it goes beyond. Among other reasons, and I'll conclude in that is that the Israeli public has no one else to blame but itself in this condition. After all, we just had a national election three or four months ago. After all, there have been not only two parties which have presented their platform, there were at least three. One party, Labor, which claimed that the main priority for Israel was domestic, social, that the most urgent thing to do was to fix minimum wage. That the kind of leadership Israel needs is a great labor union like Mr. Peretz. And that was what that party advocated. Dismissing, likely the threats that were coming from the outside. There is Kadima headed by Olmert, who said that we are the folks who gave you the great disengagement with Gaza, and we are ready to give you the second production on

the West Bank. Claiming that the greatest challenge to Israel where to be to shape its final borders on the west bank through a process of realignment or convergence. And then there was a third party under Netanyahu, the Likud, which said no, security is the issue. The threat from Gaza continues, those Kassams may even reach Ashkelon, he predicted. And then there was Iran, and Hezbollah and Islam. So it is security in all its forms which remains the dominant agenda, and it is to that that we have to give our highest priority. Now Olmert and Labor completely dismissed these claims, saying that these are scare tactics that they are exaggerated threats, and so forth and so on, and all this debate occurred in the open. This is not like 1973 when the Israeli public was completely unaware that Egypt and Syria were planning a surprise attack on Israel, This time the whole issue was being debated, and then the public heard and then it voted en masse, well not really en masse, but it did vote. And how did it vote? As number one came the party that said it is the Palestinian issue. Or the West Bank issue that should dominate. And that did not take the other threats as serious. As number two came Labor with its domestic wealthier policies. And these two parties have actually gone on to form the coalition. And they created a coalition which reflected exactly that expectation of the future. Namely placing at the foreign office [Tzipi] Livni, who believed that her main task would be to plan the convergence, she brought from the ministry of justice as director general for the ministry of foreign affairs the one who, in the midst of justice did involve himself in planning and executing the disengagement from Gaza. And the civilian, and Perez was made Minister of Defense, apparently in the belief that he would not have to handle very serious security issues during his term, otherwise he would have thought twice about that. Likud lost.... Well now the situation is completely different. By now the disengagement plan from the West Bank has been put aside, now people call for an emergency, now suddenly Hezbollah is recognized for what it is, a surrogate of Iran. Now the Iranian problems are being confronted more directly. But then the Israeli public cannot say that it was not forewarned. So this recognition that it was in fact the public itself contributing to the state of confusion and to the choice of individuals who are now leading Israel only a few months ago, is adding to the feeling of frustration. And that is why this is the mood in Israel. And I don't know how it will sort itself out. But one thing is clear: we are in the midst of a profound crisis, in so many of these aspects - moral, political, foreign policy, and the ability to govern effectively.

Now as for the question then what next? Well the answer is very simple; next is Iran. In fact it should have been there all along. Lebanon could be referred to as the incidental or the accidental war. Iran should have been Israel's agenda for the last five years, and as a result of reality forcing itself on everybody will be the next agenda. But what do I mean by that? Lip service to Iran being a primary concern has been given, but that's lip service. When you refer to something as number one in priority you have to act accordingly. Acting accordingly means that you have to assign all your resources. Diplomatic, political, military, all your resources, to address what you believe to be the number one issue. And you do not try and have two agendas. Once you have two agendas, or you have other things, you completely undermine the claim that the other one is treated seriously. The problem with Israel has been that it neglected Iran in practice in the last few years, precisely because it chose to have other agendas. And again here I blame Sharon. Sharon for whatever reasons gave the only thing which was given a deadline, as

if it was an imperative a strategic imperative is that Israel should be out of Gaza by the end of 2005. Why? Was the clock ticking? The only clock that was ticking was in Tehran, because in Iran the program was moving ahead, sometimes faster, sometimes slower. But there, time was of the essence. When it comes to the Israeli presence in Gaza, it depends on your position - you could have withdrawn two, five, six years ago, or do it two five, six years ahead. There was nothing that made it vital to do it now and then. Yet it was made to be the primary. It threw the entire nation into a crisis. It brought about the big bang of Israeli politics. It consumed an enormous amount of political capital. Most of the attention internationally was given to this, Israel was going to Washington, and most of the time dealing with the American administration was on that. Iran, came I think a far second, or other issues. It even occupied the time for the chief of staff and the military. Time, that by now, when the commissions of inquiry would reveal, time and effort that could have been spent elsewhere. Our ground troops did not have military exercises for years, and so forth and so on. So in other words, that should have been the main concern. That is the only issue which presents Israel with genuinely difficult dilemmas, including some possibilities of grave threats much more so than the Palestinians can pose to Israel, and that is a severe failure of prioritization. Let's hope that as a result of this war in Lebanon and what it revealed, that there would be a correction in this order of priorities, and I expect that correction to take place. And that from now on you would substitute, if one could say that until now the one set of agendas was the one that thought that the Palestinian issue, terrorism meaning Palestinian terrorism, and Palestinian nationalism were the issues that Israel had to address. Now it would be a different package. It would be Islam, Jihadism, Jihadi terrorism, and Iran. And the strategic threat that Iran or nuclear Iran would present. So you would see the replacement of one agenda with a completely different agenda, which calls for different kind of emphasis, means and instruments of action. Once the Iranian issue comes to the floor, of course it would have to focus all of Israel's attention on what is happening to stop Iran from becoming nuclear. Let me just try to explain in another way a perception, and I emphasize here a perception of what a nuclear Iran would mean in the Middle East. It is so perceived, and again I emphasize if you compare it to the present perception of other countries in the Middle East, a nuclear Iran would essentially terminate what it perceived as Israel's nuclear monopoly. Now, insofar as that perception is genuine, and if that really happens, the loss of that monopoly by itself, and leave aside all the other consequences of a nuclear Iran, by itself changes the entire political climate in the Middle East, of course adversely. And Israel has to reflect on that what it means, for its deterrence, for its policies, for many derivatives. Not that much thought has been given to these new policies that have to be developed in anticipation of such a possible event. But for the time being, what Israel is doing and should hopefully do more, is to observe and be part of that international coalition which is trying to bring Iran to stop its program. I believe that Iran can be stopped. I don't think it is a forgone conclusion that Iran should become nuclear. I think that it can be stopped by a variety of means. Some of which might include coming to a deal. A variation of what until now has been attempted. But my sense is that the Iranians would come to such a deal which would come short of crossing any threshold that resembles even possession of nuclear weapons, is if they think that the alternatives would be costlier to it than what they believe now. And that they will believe only if they believe that there is a credible military option that they would be facing should they fail to come to an agreement. At the

moment I think they give some probability to this taking place but it may not be enough. But then this is a dynamic condition. There is still some time. One should not be defeatists, quite the contrary, one should negotiate as always. People negotiate in the good times when the military and the diplomatic complement one another, and are not substitutes one to another. Only if you do have an integration of that military option into the negotiating position, then you have a chance of reaching an acceptable agreement in which Iran would verifiably freeze its program. So that is where we should channel all our efforts and interests with our allies, I think it is in the interest of so many in the Middle East and outside the Middle East to bring that process to a halt. But at the same time, all prudent people do take into account the possibility that this will not succeed. And Israel should ready itself for that era in which it may face a nuclear Iran- which in turn may result in nuclear spillovers in the Middle East. I can tell you that since lead times are long in this business, much thought has been given to that possibility already, and that responses are ready. And I think Hudson is one of the places where traditionally people have given a lot of thought to strategic implications of strategic conditions. That may become in so many ways the dominant aspect of Israeli military thinking as we look into what is next. In other words, it is no longer the conventional war, it's no longer the fashionable intensity kind of thing, we are now into a much riskier, costlier, and complicated type of a game. A game how does one stabilize, survive, and even prosper in a condition in which as a result of all kind of regressions Israel would face a much more dangerous condition in the region than its own crisis domestically present. So in conclusion of these observations of mine, you can see that I am probably very, very troubled. I think that I cannot recall any time in Israel's history in which we were plagued by such a confluence of problems. Precisely at the time when we have to be at the peak of our strength, we are torn from within, and tormented by all kinds of absences: absences of direction, absences of leadership, and absence of adequate policy. But, I also believe that such conditions lead to the emergence of this kind of ability. Certainly in our past, Israel has shown its resilience. And its ability when confronted squarely with such problems, to come up with more effective responses than we did in this war. If that will be the case, then this little incidental war in Lebanon will have served a useful purpose. Thank you.

Meyrav Wurmser

Thank you so much Uzi, for this honest discussion. I'm going to open the floor for questions, but first I would like to ask you a question myself. As you might know, the war in Lebanon and the fact that Israel all but lost it was perceived in Washington as having very serious consequences. Washington gave Israel unusual backing during this war, because Israel's war seemed so absolutely crucial in the context of America's confrontation in the Middle East, especially vis-a-vis Iraq. Israel had to fight Hezbollah, win against it since it was a proxy - a proxy of Iran a proxy of Syria. Israel did not win. It caused a great deal of disappointment here. The question is, what is Israel's strategic importance for the U.S. after the Lebanon war. How does Israel justify itself as important for American interests now?

Uzi Arad

Well to the extent that we have disappointed friends here, the only consolation here is that we have disappointed ourselves. It's not that we are very happy in our own performance, and many many things could and should have been done better. But what does this mean for the future? Practically in the first place Israel has to draw some serious lessons about some of the tactical, or logistical, or administrative indoctrinal mistakes that it committed this time around. And assuming that these would be rectified, then Israel's military capability would again be what it should be for Israel's own defense, but also in its alliance with others. Let me also draw the attention to the fact that our performance was not uniformly bad. Some aspects of the air war were quite impressive. Some aspects of the special operations were also good, as expected. Intelligence, you know myself being an old intelligence hand, we are used to being the scapegoats for practically everything. Sometimes rightly so. But in this case, the problem was not failure of intelligence. Far from it, with a few exceptions the failure has been the operational elements have not internalized and utilized to the fullest what they knew but they knew passively rather than actively. And that is another problem, a problem in the usage of intelligence rather than in the acquisition of intelligence. So intelligence was better than average on the whole. Let's assume that we learned lessons, let's assume that we would come to our real capabilities that after all is the purpose of those commissions of inquiry. It's not just to find who the culprits were.

But as to the question what is Israel's usefulness to our allies, principally to the United States, that will be a question that varies with the type of missions and the conditions in which the United States decides to find itself in. I think historically we have been extremely useful. I hear that someone at RAND, that's another institute you're familiar with, did try to calculate the monetary value of what Israel has provided the United States over the years. Did any of you hear about that project? I don't know how it could be done. I don't know who even did it. I don't know maybe Charlie Wolf or something? I don't know. But it came out into scores of trillions of dollars. So how can you quantify..... [LAUGHTER] I don't know billions - very impressive. How can you quantify things which are not measurable, but the fact of the matter is that in the course of past and present, this relationship has been beneficial to both sides. But as for the future, it depends to some extent what would be the future orientation of the United States. If the United States is in the process of retreating from the Middle East, if it is retreating from fighting in the Middle East where some of the big global fights are not taking place. If it is in the process... if neo-isolationist tendencies would gain force again here, that means that Israel as a member in that alliance would be less relevant to the United States. If on the other hand, as I think that U.S. leadership should suggest, if we would still find ourselves in the next years, decades perhaps, in this big war, in which we essentially know who is on the other side, and what are we fighting against, well in that big war Israel is a member in good standing as an ally whose resources matter. It is in the nature of all alliances that there is burden sharing. And I think that Israel has resources.

I was the other day in NATO headquarters, and was gratified to learn that the country that was most forthcoming in the sharing of its intelligence was Israel, although it wasn't a member. But the British lady who headed that intelligence section, she gave an honest

account. So there you have forms of contributions to coalitions and alliances that the United States happens to lead, in which Israel is contributing a great deal. Ill tell you, there is one type of contribution I would not like to see repeated. In the last decade or two, American diplomacy benefited a great deal from appearing to be the one who could deliver Israeli concessions. And American influence in Arab capitals was propelled by its ability to play the Dennis Ross type of role. We are the ones, we are envoys, and we would bring about what would be essentially territorial withdrawal from Israel. I don't expect much territorial withdrawals within the next years. I don't expect much that the United States will serve that kind of advantage as it did. And I'm not criticizing that. I think that what lies ahead, I believe is that either Israel would be standing almost alone at the forefront of a big battle in which it would have to fight, or it would fight alongside the United States and other allies, and in that capacity would be in a position to prove its usefulness.

Meyrav Wurmser

Thanks, I'm going to open the floor. Max?

Max Singer, Hudson Institute

I wanted to add one element of crisis to the magnificent presentation that you made Uzi. That doesn't detract at all, or disagree with anything that you said. But our previous speaker, at a previous lunch, Ari Shavit's response to the war was to say Israel has a crisis with its elites. The elite have been shown to have failed the country. That the superficial failures that we saw in the war in terms of leadership and other things are a result of the monolithic policies of the elites against patriotism, against concern about military affairs as again a concern about external threats, a whole orientation of pressure on the society of the elites has been shown to be wrongheaded, and very harmful, and that a whole additional dimension to the crisis that fits with the ones that you mentioned.

Uzi Arad

Yes I think you're very right. The crisis itself manifests itself among the elites. And one can enter into greater detail but you do notice of course the Israeli elites are diverse they do not fit the typical elites you find in other societies, but on the whole it is interesting that the Israeli business society, for example tends to be on a whole more left of center, and that is not the natural condition in any other capitalist society. The Israel press and media do not have a serious presence when it comes to the right of center. Most of it is either center or left of center, but that is an elite. I'm now an academia which should have been elite, and I would have loved to feel that I belong to an elite [LAUGHTER]. I did when I was in the Mossad. No longer. Israeli intellectuals, intellectuals in the entire world are accused of treason and betrayal. But believe me you're blessed here with a lively and creative intellectual life in America which I always envy when I come here. In Israel the intellectual world is almost dead. It is opinionated, it is stagnant, and there is not much in the production of ideas that comes from the intellectual world. We do not have great spiritual voices in Israel, I am afraid to say. And that also creates a problem, and that is

why, your absolutely right Max, the elites are not providing the kind of leadership that sometimes elites provide, in fact they are part of a problem.

Mevrav Wurmser

Yes, Yaron?

Yaron Deckel, Israel Broadcasting Authority

I'm not going to try to try to talk about the elite or the press in Israel, but I have a question listening to you carefully talking about shifting the agenda towards Iran and what you said about that. I would like to ask you to try to take it from the policy level to the ground level. Let's assume that you have a chance to be one of the closest advisors to the prime minister of Israel and you are asked to give advice because the political track in the U.N. doesn't really work and the clock is ticking. What should Israel do differently in terms of Iran? To put the pressure you were talking about?

Uzi Arad

Usually the problem with Iran primarily is the nuclear threat. It is not the hostility; it is not its assistance to Hezbollah, or the aid that it is providing other terrorists. It is nuclear that changes things seriously. When it comes to nuclear weapons, the advice I gave Netanyahu when he was in office 10 years ago was very simple; that you have three objectives which appear logically in sequence when it comes to nuclear weapons. Your first priority is that the other sides shouldn't have them. Your second priority, if you fail the first one is that they shouldn't use them. And the third priority should he use them, is to minimize the danger, or the risk, or the damage which is defense. So presumably, the priorities were prevention, deterrence, and defense. Trouble is that you do not wait to see what the outcome of each is before you work on the next. Sometimes you have to work on all three simultaneously. And sometimes the ones which pertain to defense, for example the arrow system take years to do, so you have to do it much before. The same applies to deterrence. So that is the only way you can organize your thoughts. But as long as you are in the preventive stage, namely they don't have it yet, and while you are working on preparing all that you need for deterrence and for defense, you should be maximizing all that you can to prevent. And here my critique is that we did not because we split our attention to other foreign policy, whereas we should have concentrated on that, we should have used because we had such a friendly administration with Washington in place. The relationship of Sharon and Bush was first class. I would have expected Sharon to use and to leverage all his credibility with the Bush administration into strategizing on prevention much more. And let me be more specific as you asked.

By late 2003, the IEA had issued a damning report of Iranian non-compliance which would have sufficed to do exactly what is being attempted now. To take Iran to the Security Council. All the gross violations of concealment and cheating were there. That was the time in which had there been action taking then, and only on that chances were that what the United States is doing now could have been done then. Remember that was

a few months after the successful U.S. military attack in Iraq, not yet at the point in which the U.S. got bogged down in Iraq. Ahmadinejad was not yet in power, and the Iranian program was still far behind. But this action was not taken. In 2004, the Russians were much more immutable to some kind of an international action. That could have been the ideal year, and by now we all knew to focus on this issue and only this issue. And when you ask what steps, the steps being considered now. Namely bringing Iran to the Security Council, finding it in material breach, putting on sanctions, and hinting that if sanctions do not work, you'll go one step higher. Everything that is been exercised now in a way is too little too late. And sometimes, as in chess, you lose a game over tempo and sequences. Not over the choice of moves. The gross mistake as not using the year 2004, and then concentrating all our international capital on the disengagement in 2004-2005 was as I used to refer to it, Yaron you help translate it is "*bechiya ladorot*" and you know why "*bechiya ladorot*" resonates historically in Israeli ears. That is what Ben Gurion used to blame Eshkol over, namely an act of negligence in the nuclear field. That would be something to lament for generations. So I believe that this is what we did. Well O.K. maybe that's spilt milk. Maybe even now it's much too late. Iran has advanced relative to what it did. Russia has become more difficult. Yes, Ahmadinejad is a godsend. What he says is not that much different then what Hashemi Rafsanjani has been saying. But he has been saying it in a vulgar form, so that galvanizes international attention. So that is useful. That's the only new thing. But then America reconditioning Iraq, and the domestic repercussions of that. So by now the thrust is gone of the international effort. The only way I would suggest is to still try to impinge on those who understand that the danger is real, that there is still time to take action, that if you consider the consequences of a nuclear Iran, not to Israel, but to so many other things. Then there is an ability to put that kind of combination of pressure on Iran, but for this you have to give greater visibility to the existence of a military option. I use the word option as an option. An option not to be used. The point being, that my feeling, and perhaps there are people here more knowledgeable about Iranian dynamics than I am. My feeling is that Iranians do make calculations. My experience with Iranians is that they can even outwit Israelis and Jews when it comes to being good traders and making calculations. So let's capitalize on that. Give them an offer that they could not refuse. If they will face the stark choice of moving on with enrichment and the like, or risking a possible attack, that would reduce them to what Iraq is now in, that will give them room for pause. That will give a chance to a deal which if tailored sufficiently, may stabilize what is now a completely unstable conditions, with political effects all over the gulf already. But for this you have to have international leadership, and you have to take certain measures. Not things that are dramatically different then what American official doctrines call for. After all, the doctrine of prevention has been announced in this capital, and I'm not aware of its having been discarded. Its logic remains. So that should have been the thrust of Israeli diplomacy. And it should be a party to this coalition assisting it. Modestly, humbly, with a low profile as it should as it behaves on us, as sometimes we are capable of. But there is much room for action. Now to do it effectively, you have to stop doing other things. Because I'm reminded of another person who once spoke at a Hudson meeting, Peter Trucker, when he said that to be effective, you do first things first, and second things not at all. [LAUGHTER] So that's what we should be doing.

Mevrav Wurmser

Peter?

Peter Rosenblatt, Heller and Rosenblatt

Uzi you referred to the commissions of inquiry. And you referred to the fact that their final compositions are not complete, their agendas and so forth. Can you give us some idea of where that process is going? How independent these commissions are likely to be, and the membership?

Uzi Arad

Well this is, you being in the legal profession, in Israel people are having a field day, because it involved political gossip, legal gossip, and legal expertise. I enjoy good gossip as anyone else, but I'm not good on the legal aspects. From what I gather, it goes as follows: Olmert probably for good reason could not resist forming some kind of commission of inquiry, but wanted to minimize the chance that it would have teeth. Such that would cost him his job. Now that's a perfectly legitimate position to hold. Now how did he go about it? The interesting thing is that he did it extremely cleverly but it is not clear whether it will hold. First he opted for the lesser type of commission, the one which is not headed by a supreme court justice, the one that does not have legal powers of calling on witnesses, providing immunity to witnesses. It is more limited in its ability and its mandate to use legal instruments to come to the truth. The Agranat Commission that we had after the 73' war, and the Kahan commission that we had in 82' after the Lebanon War were of this kind. And both did result in some interesting either systemic or personal conclusions. By the way, the Kahan commission of 82' ruled out then Sharon as a minister of defense I guess, and for years he had to go into the political wilderness. So that's a risky thing. So no wonder that Olmert has chosen the lesser type, the national type of commission, with people with stature and credibility, but not the same authority. But who did he choose? He chose, no I'll come to that later. Now he decided to do something else, to split it into two. You weaken if instead of having one powerful commission that can look at the whole thing, if you have two separate ones, that weakens their ability to draw conclusions from one to the other. So he did that too. And one would look after presumably the political, one after the military. One was to be headed by Admoni, the former head of the Mossad and my boss at one time. And the other by Amnomitkin Shachak, Chief of staff and so forth. But then the third thing that he did, which many of you may not know, is the choice of Admoni as the head of that commission. Because Admoni and I worked with him closely and admired him as the head of Mossad and my own superior, he has one wonderful quality. He is a gentleman. But in this business if you have a gentleman, he is the last person who will ever go after somebody. He is not a bulldog not a rottweiler. You know he'll come to his help. And probably Admoni was chosen because his balanced, quiet, temperament. So that was a nice choice. But it didn't work that way. The public outcry and all kind of developments have caused changes. So by now we have a retired justice called Vinograd who is at the head of that commission over Admoni. And Admoni had been relegated to being just a

member of that commission. Two people had to retire because of conflict of interest issues, although they were first rate people all of them. And who remains? Yechezkal Dror, I don't know those of you who know him, he is the only professor of policy sciences on the commission. He is the only one who will see through the flaws of the decision making process, and there were many. And then that Ruth Gavison. The unpredictable Ruth Gavison who remains on that commission. So if that commission will come to life, which is not certain, it could have some results, but certainly does not enjoy the full powers that a commission. Probably, the thing that Olmert wanted badly to avoid is the legal, national commission of inquiry, headed by no less than [Aharon] Barak, the outgoing Supreme Court justice. Now why is Barak such a problem? Maybe because he is perceived as a judicial activist, one who does not take a narrow view of his prerogatives. Now there is something else to Barak. Let me remind you Barak in his time was very active in foreign affairs. He was here in Washington. He was in Camp David during the negotiations with the Egyptians, he is not a man who looks from the outside into the world of policy making. He's been around and he can shape his own mind. Probably that's the reason why Olmert did not want to have him. Maybe the others here are more up to date than I, this is still an unfolding story. It's not over yet.

Meyrav Wurmser

Ori Nir?

Ori Nir, The Forward

I'd like to challenge you on two of your premises. One is on the issue of Iran. You're basically faulting the Israeli government on the inaction of other governments. In other words, the Americans not taking a more assertive leadership role and for the other international players not putting more pressure on Iran. I think you'd agree with me that there is very little Israel could have done beyond that. What you're saying, correct me if I'm wrong, is that Israel should have rung the bell louder. And the question is would Israel have rung the bell louder if the disengagement, which is the second premise, if the disengagement had not taken place. I'm asking you if you're really trying to argue that the IDF performed poorly in Lebanon because it was distracted by the disengagement. That does not sound like a real serious argument to me. I mean you told us about policing tasks that the IDF has been preoccupied with. Then it would be easier to look at 39 weeks of occupation, than policing for a week vis-a-vis the settlers in Gaza. So on those two if you could talk.

Uzi Arad

Well I must assume that you think that some of my comments are influenced by what may be presumed to be my political biases, could be, although I try as much as I can to divorce my political preference from my analytical observations, but in your case Ori I do notice that you too are speaking in a way, perhaps like me but you have your own premises there. So let me try to prove my point by not falling back on things which could be looked at subjectively. A very senior American, not Israeli has criticized the meetings

that Ariel Sharon had with the president as being too much concerning trivialities such as how many prisoners with blood and how much blood on their hands should be released so as to strengthen Abu Mazen. That was an agenda item in the quality time that constitute a meeting between an Israeli prime minister, and an American president. The issue of Iran came very late in the meeting, and sometimes not with the prime minister himself being involved in the details of it. Calling Yoav Gallon show the maps to the great ridicule as some of it was in the press about this. So while you cannot you say to the extent that a kind of a rapport between the Israeli head of state and the American head of state and we have our historical memories. We remember Rabin and Clinton, but I remember also Nixon and Golda and other meetings. These are meeting in which sometimes strategies are being made. Understandings are struck. You cannot assume for a moment that the fact that we devoted more time to a certain one did not exact a price on the second thing. But if you even assume that, according to you what a senior American had said at one point he said you are not serious you Israelis, you say something is important, but you give it a second role when it comes to some resources. Now that's one resource. Then I saw you smiling when you said, and possibly smiling when you said rightly you did not really mean it when you said the disengagement has undercut our ability to perform militarily. And of course your right. And yet, do not assume that something is cost free. You cannot say that we lacked money and did not have sufficient gear in Lebanon. When we spent 2 billion dollars over the disengagement. It came from somewhere. And let me tell you one thing talking about Iran. There is a body in Israel called the MAFAT. That is the body in the ministry of defense that is in charge of all research and development, all the national laboratories and the like. And then in the month of June, a senior member of MAFAT was about to retire, and they held a party of farewell from the government, for the guy. And the ministry of defense, those of you who know the place can imagine even what it looked like. Tables, wafers and some drinks, and people came to say hello to a man who did his job. And they invited about 200 senior people from MAFAT. Project leaders, engineers, people from the rank of captains, colonels, so I was invited too and the guy who was invited was a friend of mine, and instead of 200 about 80 show up. Of course that spoils the party. People asked "where were they?" The answer was they were all recruited to thee disengagement effort. They stopped the project for a few weeks, just as they took from all kinds of units, so this is a small example but think about what a stoppage of 2 full weeks of a major multi-million project does. Things like that were many. So again had I known that our military were doing all that they did have to do during those years, in terms of training, in terms of conducting their military exercises. In feeling that they were up to practically everything on their work plan. The military so that they could do some moonlighting in lending the government some help in enforcing. But then I knew what many possibly many of you knew: that we were lagging behind in military exercises. That units had not trained for years. That projects were behind. That we have daunting security challenges, suddenly to see 2 billion dollars, and officers and pilots and military going to do what the police should have done was a sheer misallocation of priorities. And that is not a crucial thing. But it came atop other instances of neglect, diplomatic neglect. Political neglect, conceptual neglect, analytical neglect, all together ended up to what I say and I've been saying that even then would amount to a "*bechiya laderot*." And I even used to provoke people saying get ready for the commission of inquiry that would have to be put in place

when it would be found out that Iran was much closer than we thought. Then we will start to search for those who were doing other things. But why not do it sufficiently in advance?

Meyrav Wurmser

Dan Diker?

Dan Diker, Jerusalem Center for Public Affairs

Uzi I want to go back to one of the headline points you made which you did not delve into which is that the fundamental conflict paradigm that Israel finds itself in today has changed. You talked about from the national liberation paradigm to the Jihadi paradigm. And then you left it. Yaron Deckel asked you what you would say with regards to Iran to the prime minister if you were in the prime minister's office today. I think that the point that you had made to me in a different audience but did not make here goes more to the point of that Meyrav had raised was that the United States interest in Israel winning this war was not because of the Iranian enrichment progress leading to some eminent nuclear weapon. But beginning in late 2005, the unprecedented upgrade of Iranian power in its direct proxy war against Israel from our northern border, and from our southern border via Hamas and Khaled Mishaal and its Syrian hosts' had created a fundamentally new paradigm on the ground already many months before Olmert and his current government. And during the Sharon administration, and this coalition had been created and yet the elites in Israel and the media had essentially ignored the fact that Israel was fighting a two front proxy war opposite Tehran and the revolutionary guards, with a much more direct control over Hamas in the south and over Hezbollah in the north than had ever been seen before. But in fact, the whole concept of the Israeli occupation story as the cause for the conflict, the need to contract to defensible borders was almost irrelevant.

And yet it only came to crystallize now, and you have mentioned this in your remarks, that we're in a new paradigm. It seems to me that the crystallization of this new paradigm was Lebanon. But the roots of the new paradigm were many months before. So it seems to be the responsibility of the media, those of us in media, in the NGO's and in the thinking professions need to point out to the public that in a situation in which you had Al Qaeda cells in Gaza in the West Bank, in Egyptian Sinai. Diskin told you just the other day that we had an unprecedented number of tunnels coming from Egyptian Sinai to Gaza, to Israel. We have an unprecedented Jihadi threat on at least two borders, which fundamentally changes the considerations that the Israeli party politic has to make, at least in terms of our future. Without regard to the Iranian nuclear threat. So the question is what responsibility does that government have to make today to make this argument that the classic model that Israel has been in which is to try to create some sort of border solution is really not relevant at all. But in fact Israel has to create as much strategic depth as possible on all of our borders, especially the west bank, because the one lesson that we learned in Lebanon is that if we had not gotten out of Lebanon unilaterally in May of 2000, 95% of those rockets would have landed in southern Lebanon, and not in northern Israel. So that translates into a fundamental shift in paradigm for thinking of the West

Bank going forward. It seems to me in response to Yaron Deckel's question that this type of thinking, and this type of declaration has to be made to the Israeli public, and to our friends in Washington, because it seems that that's why the Americans were very frustrated with us. Because they understood that there was a strategic terror lever which was a complement to the Iranian nuclear program.

Uzi Arad

Well you know when it comes to the Israeli government making that point, the trouble is that the Israeli government is itself confused. And incapable, you know there is no such thing in Israel as an explicit document which sets out in a coherent fashion what the major tenants of a current policy are. We do not have something in Israel like that. There are things that come close to it, like special statement in the Knesset by the prime minister, but we do not have white papers of a kind, all we have often is expo facto justifications. Now I sat in the foreign relations committee last week when Olmert gave a 3 hours appearance before the committee. I took notes of that, what he essentially did was to justify expos factor, his policy, not to present his strategic understanding of what the future landscape looks like. And there's no one else who does it in Israel Of course you have the military people and the planning, but these are documents that are buried inside the government. There is nothing which is being presented systematically to the public for debate. So much for the government. It's a flaw of the Israeli system, never had some things I wish we had. I try to create the venue for that by putting on the Herzliya conference, and suggesting to prime ministers that they concentrate in advance. And what did I get? I got the disengagement (LAUGHTER). Of course I blame myself all the time.

Meyrav Wurmser

Those of you who don't know, Sharon declared the disengagement plan at the Herzliya Conference.

Uzi Arad

You know I went to see Olmert when he returned from Washington. That same Friday, to invite him officially to give the Herzliya address, which he agreed - which is due on the 24 of January. But then I had to remind him that the Herzliya address become not just an occasion for the prime minister to spell out his policy,. But essentially to declare a policy reversal. So Olmert, always a good sport said "come on I just came back from the United States, and I was given "*neshika lametzach*", a kiss to my forehead to go ahead with my plan. So I told him listen, we still have 6 months to go. Well by now he got his reversal in place sure enough. Now when it comes, you said the press and the think tanks. The press in Israel fulfills whatever function it wants, the think tanks, we have to be candid, that some of the think tanks are not really coolheaded analytical think tanks, some are doing policy advocacy, from a political premise. And that undercuts the credibility of what they're saying. That is why I fall back on my other allegation, it is the failure of other academics, Middles East experts strategic experts who should have said it without belonging to any kind of a policy institute, some of which do had an axe to grind. And

that is sorely missing in Israel. Where are those voices by the way? I don't hear them. It is glaringly absent. Again, I told you I come here to the United States I see the richness of the magazines, the literature, the debate, some of it is of course better than others, but I wish we had a fraction of that in Israel and we do not. So this paradigm shift would happen before it will be announced.

Meyrav Wurmser

Michael?

Michael Makovsky, Bipartisan Policy Institute

I don't mean to solicit intelligence insights, not that it would do me any good if I did. But it seems to me I want to get a little greater specificity when you talk about a credible military threat that will move Iran. It seems to me that the question for that issue depends on whether it is credible to have targeted strikes on their nuclear facilities as with Dimona - whether that is still a credible possibility. Because if it isn't, if the Iranians believe that it isn't, they're not going to take any military threats seriously, because the notion that we will invade Iran with troops is so unlikely as to be thought of a reduced credibility, a form of bluster. So the root question is what is the military option that will credibly move Iran? Is there such an option in the real world?

Uzi Arad

Let me turn the question to you. Suppose the purpose of a military option as you were to define it would be twofold. One is to cripple as much as you can of their nuclear program by hitting as much of their nuclear facilities as they have. Some of them are there, are not hardened, you know where they are. So that is at least an essential component. But suppose the secondary purpose is what I said before. That you want to coerce them into believing that they would be paying too high a price if they were to continue towards nuclear, and you just want to exact such a price of them. Now do you have such targets that would be costly to them if they were to do that? And the answer is of course yes. So my template of targets, and that's a natural, all their naval bases, listen the Iranians love their naval bases believe me I've known them. All their air bases you cannot hide these. So they'd suddenly have to consider the fact that their military capabilities would be decimated. No one likes that. Secondly, they have other valuable strategic facilities and targets that could be hit, and if hit would be costly to them Thirdly, there are regime targets and we always love to talk about regime targets; they have dual value. First, they stand to lose headquarters and the like, but also they could create the kind of political dynamic if you want to create a political dynamic, they have to think that that could be damage. Remember that when you fired cruise missiles at Iraq, you fired them at the headquarters of the intelligence services, creating a nice flood, and so forth and so on. And finally, I don't know whether to call that the jewel, the crown or the converse of that, but there are those oil targets that by their very nature of oil production cannot be hidden in mountain caves. Now suppose for a moment that Iranian decision makers come to realize that they are risking I repeat just risking, that if they go just one more step towards

nuclear weapons, they might see all these targets hit. And then they have to think about the consequences. If I were a serious Iranian I would start to think whether it's worth a price or whether I should come to a North Korean type of a deal, in which if I am an Iranian I would say to myself; listen I don't want to see any of it, so I'll try to cheat as I always do. We'll go in agreement we'll tell them we don't. Actually we'll cheat we'll do something on the side. That is the frame of mind that we'll be in. but they would certainly consider it. That is the kind of option that they should be led to think that they would be risking. Now is it possible? Of course it is possible. As long as military options present themselves, these are the classic military options. I'm not saying anything new, I'm going back to basics. Its by framing the question can you hit the unhittable, those nuclear targets that are beyond reach, it is in someway reducing the military option or tagging it to basic standards no other country when contemplating military option has posed that kind of thing. You look into what you can generate, and if it does have the required political effect. And here if the United States with all its might can not do even that well...

Michael Makovsky

I was asking was whether the nuclear facilities, takeouts of those as with Dimona would get broad support without soliciting intelligence insight, whether they are in fact not hittable.

Uzi Arad

They are not unhittable as you know. Listen in the overt literature. You know about 15-20 such facilities some of which can be hit and can be degraded severely, some of them which are inside cities. So the question is now are you willing to risk attacking cities. I believe that you and others know more than I believe. That you can affect a serious crippling blow to the program to such an extent that it would damage it, and then when this is coupled with actually compelling the government not to do anything about it, on the threat that you would hit other things, would have the desired effect. But let me reiterate. That is the option that should be placed on the table this table where it still lies, as the president says. Mainly that Iran would be paying dearly if it persists with its policies. That is the only credible option because it includes targets which are within reach. And that if you do that, that more than anything else stands a chance of concentrating their minds into accepting a deal. And then it would be the task of those that would negotiate with them to outwit the Iranians. That's no less a challenge, but can be done.

Meyrav Wurmser

Laurent, last question.

Laurent Murawiec, Hudson Institute

Uzi about a year and a half ago, I had several discussions with a fairly senior Mossad officer, and he explained to me, we were discussing jihad, he explained to me that Nasrallah as well as the leadership of Hamas were patriots with constituencies. And that this was the basis upon which Israel could do business with them. And he said they don't like us, we don't like them, but we can handle the situation. I looked at him I thought the gentleman lived on another planet. But it left me rather skeptical as to the value of the intelligence, and I'm talking intelligence concerning the mind of the enemy, that was being given to the government, and to the military. Can you say a few words about that?

Uzi Arad

Well the first thing I can say is that the Mossad is not what it used to be [LAUGHTER] but you know that a facetious thing. We were capable of making out own blunders in our time, we don't need fresh new examples. Evidently, that statement I wouldn't accept, I wouldn't agree with, but I hope that there are others who perceive the conditions differently. I don't know who you refereed to, if it's a general, so he is not a homegrown product of the Mossad. The others I think have a better feel of things. So I don't think it reflects the current view. But let me tell you something else about Nasrallah which should interest us. You know all have this tendency to look at the world as a dichotomy, you know they are rational or they are irrational, can they be deterred, or can they not be deterred. Ahmadinejad is crazy, and therefore he is liable to do anything... I think these are false dichotomies. You can say that they are more prone to miscalculations, that they have a different set of motives, but once you know something which is very valuable to them, and they feel very strongly about it, that is also a hook and vulnerability, not necessarily a point of strength. But look at Nasrallah. Nasrallah of course is Nasrallah, but I even enjoyed the sophistication of his language. He used probabilistic terms. Remember he said had I given 1% to the probability that the Israelis would act in this disproportionate way, I would have not gone for this provocation. What a perfect adversary, risk averse. He miscalculated. Didn't we? But at least he understands the language, he talks the language of probabilities, and he is not willing to take high risks. Again I'm exaggerating things. But it shows you that even an ideologically motivated, clearly religious character who is not a duplication of the Ahmadinejad type, but also he like them are not beyond the ability to do a cost benefit calculations in their value system, and that in away is an encouraging thought for operational reasons.

Meyrav Wurmser

Thank you everybody for coming. Next time we'll see you with Ruth Gavison

Uzi Arad

Thank you
[Applause]