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Israel: Background and U.S. Relations in Brief

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U.S.-Israel Relations

Key Concerns

Strong relations between the United States and Israel have reinforced bilateral cooperation in many areas. Nevertheless, leaders from the two countries periodically differ on key issues. Matters of particular significance for bilateral relations include the following:

- Concerns about Iran and Iranian allies, including the 2015 international nuclear agreement and growing tension and conflict involving Iran and its allies (including Hezbollah) at Israel's northern border with Syria and Lebanon.
- Israeli-Palestinian issues, including President Trump's recognition of Jerusalem as Israel's capital and relocation of the U.S. embassy in Israel there.
- Israeli domestic political issues, including criminal cases pending against Prime Minister Netanyahu.

For background information and analysis on these and other topics, including aid, arms sales, and missile defense cooperation, see CRS Report RL33476, *Israel: Background and U.S. Relations*, by (name redacted); CRS Report RL33222, *U.S. Foreign Aid to Israel*, by (name redacted) ; and CRS Report R44281, *Israel and the Boycott, Divestment, and Sanctions (BDS) Movement*, coordinated by (name redacted)

Addressing Threats

Israel relies on the following strengths to manage potential threats to its security and existence:

- overwhelming regional conventional military superiority;
- undeclared but universally presumed nuclear weapons capability;[1] and
- de jure or de facto arrangements with the authoritarian leaders of its Arab state neighbors aimed at preventing regional conflict.

Another Israeli strength is the support it receives from the United States. Israeli officials closely consult with U.S. counterparts in an effort to influence U.S. decisionmaking on key regional issues. Israel's leaders and supporters routinely make the case to U.S. officials that Israel's security and the broader stability of the region remain critically important for U.S. interests. They also argue that Israel has multifaceted worth as a U.S. ally and that the Israeli and American peoples share core values.[2]

In May 2018, Israel's Knesset passed an amendment to a quasiconstitutional basic law formally allowing a smaller group of the country's ministers—the Ministerial Committee on Defense, or

[1] Israel is not a party to the Nuclear Nonproliferation Treaty (NPT) and maintains a policy of "nuclear opacity" or *amimut*. A 2014 report examining data from a number of sources through the years estimated that Israel possesses an arsenal of around 80 nuclear weapons. Hans M. Kristensen and Robert S. Norris, "Israeli nuclear weapons, 2014," *Bulletin of the Atomic Scientists*, vol. 70(6), 2014, pp. 97-115. The United States has countenanced Israel's nuclear ambiguity since 1969, when Israeli Prime Minister Golda Meir and U.S. President Richard Nixon reportedly reached an accord whereby both sides agreed never to acknowledge Israel's nuclear arsenal in public. Eli Lake, "Secret U.S.-Israel Nuclear Accord in Jeopardy," *Washington Times*, May 6, 2009. No other Middle Eastern country is generally thought to possess nuclear weapons.

[2] Marty Oliner, "US-Israel relationship: More critical than ever," *The Hill*, May 3, 2017.

"security cabinet"[3]—to take the country to war. The amendment also has a provision that allows the prime minister and defense minister to authorize military action in "extreme circumstances." This provision has fueled some controversy given the law's ambiguity and Israel's intensifying tensions with Iran.[4]

Iran and the Region

Iran remains of primary concern to Israeli officials largely because of (1) Iran's antipathy toward Israel, (2) Iran's broad regional influence, and (3) the possibility that Iran will be free of nuclear program constraints in the future. In recent years, Israel and Arab Gulf states have discreetly cultivated closer relations with one another in efforts to counter Iran.[5]

Iranian Nuclear Agreement and the U.S. Withdrawal

Prime Minister Netanyahu has vigorously sought to influence U.S. decisions on the international agreement on Iran's nuclear program (known as the Joint Comprehensive Plan of Action, or JCPOA). He argued strenuously against the JCPOA when it was negotiated in 2015. Netanyahu welcomed President Trump's May 2018 withdrawal of the United States from the JCPOA and accompanying reimposition of U.S. sanctions on Iran's oil and central bank transactions. In a September 2017 speech before the U.N. General Assembly, Netanyahu had called on the signatories of the JCPOA to "fix it or nix it."[6] Then, a few days before President Trump's May announcement, Netanyahu publicly presented information that Israeli intelligence operatives apparently seized in early 2018 from an Iranian archive. Netanyahu used the information, which purportedly describes past work by Iran on a nuclear weapons program, to express concerns about Iran's credibility and its potential to parlay existing know-how into nuclear weapons breakthroughs after the JCPOA expires.[7] President Trump said the following, on May 8:

> At the heart of the Iran deal was a giant fiction that a murderous regime desired only a peaceful nuclear energy program.
>
> Today, we have definitive proof that this Iranian promise was a lie. Last week, Israel published intelligence documents long concealed by Iran, conclusively showing the Iranian regime and its history of pursuing nuclear weapons.[8]

Although concern about Iran and its nuclear program is widespread among Israelis, their views on the JCPOA vary. Netanyahu and his supporters in government have routinely complained that the JCPOA fails to address matters not directly connected to Iran's nuclear program, such as Iran's development of ballistic missiles and its sponsorship of terrorist groups.[9] Media reports suggest that a number of current and former Israeli officials have favored preserving the JCPOA because

[3] For more information on the security cabinet, see CRS Report RL33476, *Israel: Background and U.S. Relations*, by (name redacted)

[4] See, e.g., Isabel Kershner, "Israeli Law Vesting War Power in 2 Top Leaders Faces Criticism," *New York Times*, May 3, 2018.

[5] Neri Zilber, "Israel's secret Arab allies," *New York Times*, July 15, 2017.

[6] Israeli Prime Minister's Office, PM Netanyahu's Speech at the United Nations General Assembly, September 19, 2017.

[7] Israeli Prime Minister's Office, PM Netanyahu reveals the Iranian secret nuclear program, April 30, 2018.

[8] White House, Remarks by President Trump on the Joint Comprehensive Plan of Action, May 8, 2018.

[9] See, e.g., Israeli Prime Minister's Office, Statement by PM Netanyahu, May 8, 2018; Jonathan Ferziger and Udi Segal, "Netanyahu's Challenge: Help Trump Fix or Scrap the Iran Deal," Bloomberg, October 18, 2017.

of the limits it placed on Iranian nuclear activities for some time and/or these officials' doubts about achieving international consensus for anything stricter.[10] One Israeli journalist said that Netanyahu, in aligning himself with President Trump's decision on the JCPOA, did not provide Israelis "any logical scenario for what will happen after the American decision. How the Iranians will be less nuclear after it. How confident he is that this action by the U.S. will deter Iran and not speed up its nuclear process."[11]

Commentators speculate on the possibility that Israel might act militarily against Iranian nuclear facilities if Iran resumes certain activities currently stopped under the JCPOA.[12] According to one analyst, one group of Israeli officials would prefer to keep the nuclear deal in place while focusing on pressing challenges in Syria, while another group (including Netanyahu) favors seizing the opportunity to make common cause with the Trump Administration to pressure Iran economically and militarily.[13] However, in an interview shortly after Netanyahu publicly presented the Iranian nuclear archive, he said that he was not seeking a military confrontation with Iran.[14]

Iran in Syria: Cross-Border Attacks with Israel[15]

Recent Developments

An intensifying "shadow war" between Israel and Iran over Iran's presence in Syria produced a major incident on May 10 (described below), shortly after President Trump's withdrawal from the JCPOA. The focus of Israeli military operations in Syria has expanded in line with an increasing number of Iran-related concerns there. In the early years of the Syria conflict, Israel primarily employed airstrikes to prevent Iranian weapons shipments destined for Hezbollah in Lebanon. Since last year, as the government of Bashar al Asad regained control of large portions of Syria's territory, Israeli leaders have expressed intentions to prevent Iran from constructing and operating bases or advanced weapons manufacturing facilities in Syria. Further exacerbating Israeli sensitivities, Iran-backed forces (particularly Hezbollah) have moved closer to the Israeli-occupied Golan Heights since late 2017 via actions against Syrian opposition groups. On February 10, 2018, Iranian personnel based at Tiyas air base in central Syria apparently sent an armed drone into Israeli airspace. A senior Israeli military source was quoted as saying, "This is the first time we saw Iran do something against Israel—not by proxy. This opened a new period."[16]

[10] David E. Sanger and David D. Kirkpatrick, "A Risky Bet on Breaking Tehran's Will," *New York Times*, May 9, 2018; Amos Harel and Yaniv Kubovich, "Despite Faults, Iran Nuclear Deal Works, Israeli Military Chief Tells Haaretz," *Ha'aretz*, March 30, 2018; Bernard Avishai, "Why Israeli Nuclear Experts Disagree with Netanyahu about the Iran Deal," newyorker.com, October 24, 2017.

[11] Nahum Barnea, quoted in David M. Halbfinger, "Israel Advances Agenda Against Iran in 3 Strokes," *New York Times*, May 3, 2018.

[12] See, e.g., Halbfinger, op. cit., citing former Israeli military intelligence chief Amos Yadlin.

[13] Ofer Zalzberg of the International Crisis Group, cited in David M. Halbfinger, "For Israel's Prime Minister, Vindication and New Threats to Confront," *New York Times*, May 9, 2018.

[14] James Masters, "Israeli PM Benjamin Netanyahu defends Iran nuclear claims in face of criticism," CNN, May 1, 2018.

[15] For more information on this issue, see CRS In Focus IF10858, *Iran and Israel: Growing Tensions Over Syria*, by (name redacted), (name redacted), and (name redacted)

[16] Thomas L. Friedman, "The Real Next War in Syria: Iran vs. Israel," *New York Times*, April 15, 2018.

On May 6, 2018, Prime Minister Netanyahu said the following:

> In recent months, the Iranian Revolutionary Guards organization has transferred to Syria advanced weaponry in order to attack us both on the battlefield and on the home front, including weaponized UAVs, ground-to-ground missiles and Iranian anti-aircraft batteries that would threaten air force jets.
>
> We are determined to block Iran's aggression against us even if this means a struggle. Better now than later. Nations that were unprepared to take timely action to counter murderous aggression against them paid much heavier prices afterwards. We do not want escalation, but we are prepared for any scenario.[17]

Since the February 10 incident, Israel has reportedly struck Iranian targets on multiple occasions. The resulting exchanges of fire (including the downing of an Israeli F-16 during the February incident) and subsequent official statements from Israel, Iran, Syria, and Russia have highlighted the possibility that limited Israeli strikes to enforce "redlines" against Iran-backed forces could expand into wider conflict, particularly in cases of miscalculation by one or both sides. After the February incident, Israel allegedly carried out the following strikes, which reportedly killed a number of Iranian and Syrian personnel:

- On April 9, Israeli F-15s supposedly launched another strike at Tiyas air base on a newly arrived Iranian Tor anti-aircraft battery and a drone hangar.[18]
- On April 29, another Israeli attack reportedly took place against military targets (including a major weapons cache) in northern Syria.[19]
- On May 8, an alleged Israeli airstrike targeted Iranian military facilities south of Damascus, possibly to prevent a missile attack against Israel.[20]

On May 10, according to the Israeli military, Iran's Islamic Revolutionary Guard Corps (IRGC)-Quds Force fired rockets at Israeli military positions in the Golan Heights, as retaliation against earlier Israeli strikes (possibly including one on the evening of May 9) against Iranian targets in Syria.[21] This triggered Israeli strikes in Syria on a larger scale than any Israeli operations there since the 1973 Yom Kippur War.[22] Israeli Defense Minister Avigdor Lieberman claimed that the Israeli action hit "almost all of the Iranian infrastructure in Syria,"[23] with Israeli military officials claiming that the strikes set Iran back months in its alleged efforts to establish operating bases there.[24] Lieberman also said that he hoped to avoid further escalation.[25]

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[17] Israeli Prime Minister's Office, PM Netanyahu's Remarks at the Start of the Cabinet Meeting, May 6, 2018.

[18] Dion Nissenbaum and Rory Jones, "Israel Signaled Strike on Iran Site in Syria," *Wall Street Journal*, April 18, 2018; Anshel Pfeffer, "Everyone's Talking About Russia's S-300. Why Now, and Why Should Israel Be Worried?" *Ha'aretz*, April 25, 2018.

[19] Amos Harel, "Syria Strike: Winds of War in Jerusalem – With Backing from Washington," *Ha'aretz*, April 30, 2018.

[20] Angus McDowell and Jeffrey Heller, "Syrian Observatory: Israeli Raid in Syria Killed Iranians," Reuters, May 9, 2018; Ron Ben-Yishai, "Israel's message to Tehran: An unusual IDF order and a 'preventive strike,'" Ynetnews, May 9, 2018.

[21] "Israel strikes Iranian targets in Syria in response to rocket fire," BBC, May 10, 2018. Iran denied firing at Israeli positions in the Golan. "Iran denies attacking Israeli positions," Deutsche Welle, May 11, 2018. Syrian media claimed that Syria was involved in the attacks on the Golan. Josef Federman, "Israel accuses Iranian forces of rocket attack on Golan," Associated Press, May 9, 2018.

[22] "IDF: Overnight raids set back Iranian military in Syria by 'many months,'" *Times of Israel*, May 10, 2018.

[23] Yaniv Kubovich, "Israel Struck 'Almost All of the Iranian Infrastructure in Syria,' Defense Chief Says," *Ha'aretz*, May 10, 2018.

[24] "IDF: Overnight raids set back Iranian military in Syria by 'many months,'" op. cit.

Israel apparently anticipated the Iranian attack on May 10. A top advisor to Iran's supreme leader had publicly threatened a response to the April 9 alleged Israeli strike,[26] and Israel's military had announced cautionary measures in the days leading up to the attack.[27] Based on the information provided to media outlets by Israeli officials, the IRGC-Quds Force launched around 20 Grad and Fajr rockets toward the Golan Heights,[28] with Israel's Iron Dome defense system apparently intercepting four of the rockets, and the rest failing to hit their targets.[29] Israel claimed that its response—reportedly featuring artillery fire, surface-to-surface missiles, and missiles fired from F-15s and F-16s—hit "Quds Force intelligence centers, Quds Force logistical command centers, a Quds Force military center and a Quds Force logistical center in Al-Kiswah, as well as an Iranian military base north of Damascus.... Additional targets included Quds Force ammunition depots in the Damascus International Airport, intelligence systems and outposts associated with the Quds Force, watchtowers, military posts and munitions in the buffer zone [between areas of Israeli and Syrian control in the Golan Heights]."[30] Israel also reportedly destroyed five Syrian anti-aircraft batteries of Russian origin.[31] Russian officials claimed that Syrian air defenses intercepted more than half of the Israeli missiles.[32]

In April, Israeli officials had threatened to target the Asad regime in the event of Iranian attacks from Syria,[33] and Defense Minister Lieberman said that "if Iran attacks Tel Aviv, we will hit Tehran."[34] This echoed remarks from Prime Minister Netanyahu in February at the Munich Security Conference, where he said that "we will act, if necessary, not just against Iran's proxies that are attacking us, but against Iran itself."[35] In the wake of the May 10 incident, Lieberman reiterated that Israel would not allow Iran to turn Syria into a forward base, while stating that Israel does not want the situation to escalate.[36]

(...continued)

[25] "Israeli defense chief hopes fighting with Iran in Syria over for now," Reuters, May 10, 2018.

[26] "Iran's Velayati says Israel to meet 'response' over air base: Mayadeen," Reuters, April 10, 2018.

[27] "IDF: Overnight raids set back Iranian military in Syria by 'many months,'" op. cit.

[28] Isabel Kershner, "Israel Strikes Iranian Targets in Syria as Tensions Escalate," *New York Times*, May 10, 2018.

[29] Amos Harel, "Iran's Entrenchment in Syria Set Back Months After Most Extensive Israeli Strike in Decades," *Ha'aretz*, May 10, 2018. A pro-Syrian Lebanese media outlet (Al Mayadeen) claimed that closer to 50 rockets were fired at the Golan, and that Iron Dome failed to intercept them. "Syria Intercepts 70% of Israeli Missiles, Targets 3 Fighter Jets," Fars News Agency, May 10, 2018.

[30] Israeli Air Force, Widescale Attack of Iranian Targets, May 10, 2018.

[31] Amos Harel, "A Blow to Assad: Israeli Strike Destroyed Five Syrian Anti-aircraft Batteries," *Ha'aretz*, May 10, 2018.

[32] "Syria shot down more than half of missiles fired by Israel, says Russian Defense Ministry," Tass, May 10, 2018.

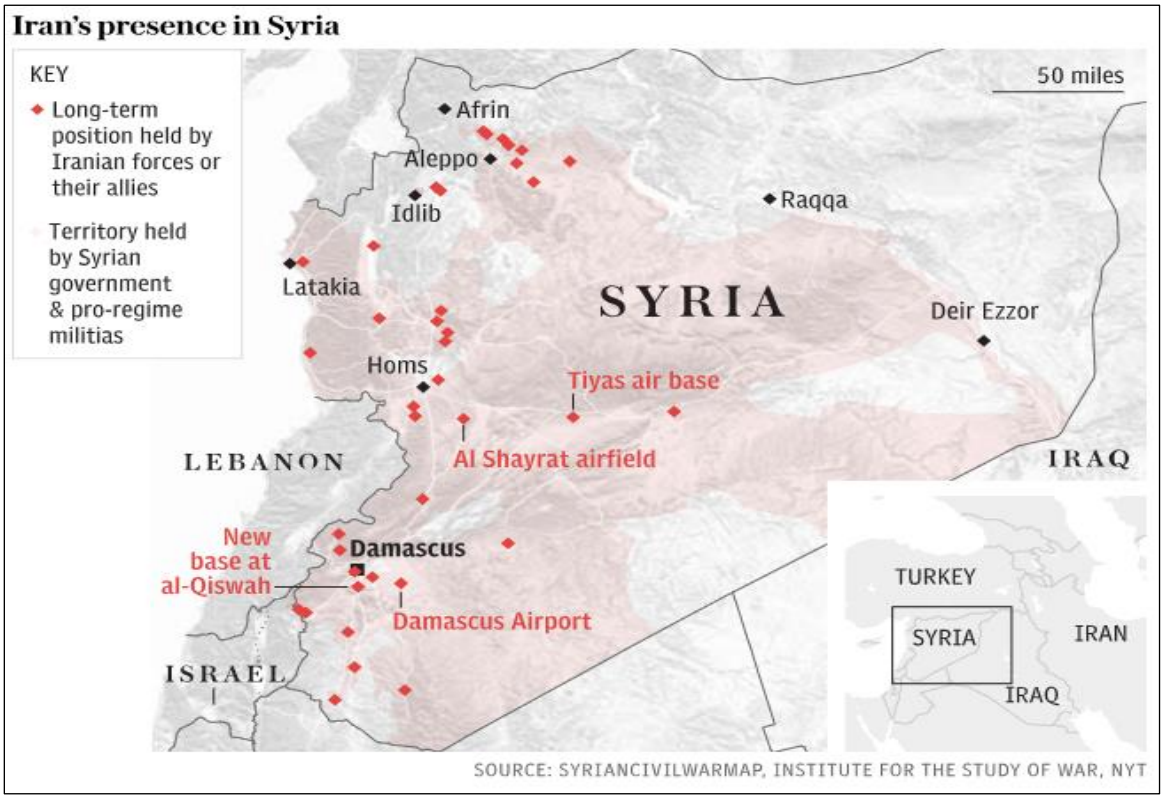
[33] Ben Caspit, "Senior Security Officials: If Iran Acts Against Israel, We'll Topple Assad," *Maariv*, April 11, 2018.

[34] "Israel will hit Tehran if Iran attacks Tel Aviv: minister," Reuters, April 26, 2018.

[35] Israel Ministry of Foreign Affairs, PM Netanyahu addresses Munich Security Conference, February 18, 2018.

[36] Kubovich, op. cit.

Figure 1. Iran Forces in Syria



Source: *Telegraph* (UK), May 10, 2018.

Notes: Locations and boundaries are approximate. CRS cannot independently verify reports about the parties that are present at or have control over specific facilities inside Syria.

Other Actors' Roles

Russia[37]

Russia's advanced air defense systems in Syria could affect Israeli operations.[38] To date, Russia does not appear to have acted militarily to thwart Israeli airstrikes against Iranian or Syrian targets. However, Russian officials' statements in response to Israeli actions in Syria since February have fueled speculation about Russia's position vis-à-vis Israel and Iran,[39] given that Russia's military presence in Syria is protected by Iran-backed ground forces. Reports surfaced in April 2018 that Russia might consider transferring S-300 systems directly to the Syrian government,[40] but Russian officials have indicated that serious discussions about a transfer have yet to take place.[41] In April, Russia's ambassador to Israel said the following:

[37] CRS In Focus IF10858, *Iran and Israel: Growing Tensions Over Syria*, by (name redacted), (name redacted), and (name redacted)

[38] Yaroslav Trofimov, "Can Israel's Clash with Iran Be Contained in Syria?" *Wall Street Journal*, May 4, 2018.

[39] See, e.g., Ben Hubbard and David M. Halbfinger, "Iran-Israel Conflict Escalates in Shadow of Syrian Civil War," *New York Times*, April 9, 2018; Jonathan Schanzer, "How Putin's Folly Could Lead to a Middle East War," *Politico Magazine*, April 9, 2018.

[40] "We May Hit Russian Systems in Syria, Israel Says After Threats of 'Catastrophic Consequences,'" *Ha'aretz*, April

(continued...)

> Russia constantly takes into account Israel's concerns and interests vis-à-vis preserving its national security. We are, of course, concerned with the state [which] the bilateral relations between Israel and Iran are in, in light of mutual threats and rejection by both countries. We must also be concerned with Iran's presence in Syria now. It may lead to a worsening of the situation and a conflagration in the entire Middle East.[42]

Israel claims to have forewarned Russia of its May 10 operations in Syria, which came a day after Netanyahu met with Russian President Vladimir Putin in Moscow.[43] Russia called for "restraint from all parties" after the incident.[44] According to one former Israeli official, Israel is telling Russia that "we are not going to go after Assad unless [Putin] allows the Iranians to go after us."[45]

United States

The level of U.S. regional military and political involvement could influence strategic Israeli decisions regarding Iran in Syria. Israeli officials reportedly voiced concern to U.S. counterparts in April[46] after President Trump publicly stated that he wanted to pull U.S. troops out of Syria "very soon."[47] Some developments later in April may have reduced Israeli worries, including the U.S. response to an alleged Syrian regime chemical weapons attack,[48] and reported instances of closer consultation with U.S. officials about regional matters.[49] However, it is unclear whether these developments have significantly turned the U.S. focus in Syria toward Iran in a way that Israel might prefer. U.S. officials consistently state that the U.S. mission in Syria remains confined to defeating ISIS,[50] and one May media source said that U.S. military leaders "worry that confronting Iran in Syria could risk dangerous blowback to thousands of U.S. forces working in Iraq and Syria."[51]

Hezbollah in Lebanon

Speculation persists about potential conflict between Israel and Hezbollah and potential consequences for the region.[52] Hezbollah has challenged Israel's security near the Lebanese

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26, 2018. Some sources suggest that Israel's operations in Syria would not be significantly constrained by S-300 systems. See, e.g., Anshel Pfeffer, "Everyone's Talking About Russia's S-300. Why Now, and Why Should Israel Be Worried?" *Ha'aretz*, April 25, 2018.

[41] Itamar Eichner, et al., "Russian SC chief meets Israeli, Iranian counterparts," Ynetnews, April 25, 2018.

[42] Eichner, et al., op. cit.

[43] "Israel Says Informed Russia Ahead Large-scale Strike on Iranian Targets in Syria," *Ha'aretz*, May 10, 2018.

[44] Kershner, "Israel Strikes Iranian Targets in Syria as Tensions Escalate," op. cit.

[45] Yaroslav Trofimov, "Seeking an Understanding on Tehran at Putin's Parade," *Wall Street Journal*, May 10, 2018.

[46] "US officials: Trump-Netanyahu call grew tense over plans to leave Syria," *Times of Israel*, April 5, 2018.

[47] White House, Remarks by President Trump on the Infrastructure Initiative, Richfield, Ohio, March 30, 2018.

[48] "Netanyahu: Israel 'fully supports' US-led strikes in Syria after chemical attack," *Times of Israel*, April 14, 2018.

[49] Avi Issacharoff, "Resonant Syria strike suggests coordinated US-Israel message to Russia and Iran," *Times of Israel*, April 30, 2018.

[50] See, e.g., Department of Defense Press Briefing by Pentagon Chief Spokesperson Dana W. White and Joint Staff Director Lt. Gen. Kenneth F. McKenzie Jr. in the Pentagon Briefing Room, April 14, 2018.

[51] Dov Lieber and Dion Nissenbaum, "Israel Strikes at Iranian Targets in Syria," *Wall Street Journal*, May 10, 2018.

[52] For possible conflict scenarios, see Mara Karlin, "Israel's Coming War with Hezbollah," *Foreign Affairs*, February 21, 2018; Andrew Exum, "The Hubris of Hezbollah," *The Atlantic*, September 18, 2017; Michael Eisenstadt and Jeffrey White, "A War Without Precedent: The Next Hizballah-Israel Conflict," *American Interest*, September 19, 2017.

border for decades.[53] In recent years, Israeli officials have sought to draw attention to Hezbollah's weapons buildup—including reported upgrades to the range, precision, and power of its projectiles—and its alleged use of Lebanese civilian areas as strongholds.[54] During Syria's civil war, Israel reportedly has provided various means of support to rebel groups in the vicinity of the Syria-Israel border in order to prevent Hezbollah or other Iran-linked groups from controlling the area.[55]

It is unclear whether increased conflict between Israel and Iran over Iran's presence in Syria would lead Hezbollah's Lebanon-based forces to open another front against Israel. In April, Hezbollah leader Hassan Nasrallah said that Israel's direct strike on Iranian targets at Tiyas air base was a "pivotal incident in the history of the region that can't be ignored" and a "historic mistake." Earlier that same day, Hezbollah's deputy leader Naim Qassem said that Hezbollah would not open a front against Israel from Lebanon, but that it was ready for "surprises."[56] One May analysis expressed doubt that either Israel or Iran would seek to expand the scope of their emerging conflict in Syria to Lebanon.[57] However, the same analysis and some others speculated that if Israel-Iran conflict in Syria worsens and Iran feels cornered, it could look to gain leverage over Israel by having Hezbollah launch attacks from Lebanon.[58]

Israeli-Palestinian Issues

Overview

Prospects for an Israeli-Palestinian peace process are complicated by deep impasses on core issues of conflict, including security, borders, Israeli settlements, and the status of Jerusalem and Palestinian refugees. Contentious domestic politics on both sides make it difficult for them to contemplate diplomatic concessions, particularly in a climate where questions surround the continued leadership of Israeli Prime Minister Netanyahu (see "Police Recommend Indictment of Netanyahu") and Palestine Liberation Organization (PLO) Chairman and Palestinian Authority (PA) President Mahmoud Abbas.[59]

Since President Trump took office, he and officials from his Administration have expressed interest in brokering a final-status Israeli-Palestinian agreement. Many of their statements and policies, however, have raised questions about the timing and viability of any new U.S.-backed diplomatic initiative.[60] In December 2017, President Trump recognized Jerusalem as Israel's

[53] CRS Report R44759, *Lebanon*, by (name redacted).

[54] See, e.g., Jonathan Spyer and Nicholas Blanford, "UPDATE: Israel raises alarm over advances by Hizbullah and Iran," *Jane's Intelligence Review*, January 11, 2018; Exum, op. cit.

[55] Rory Jones, et al., "Israel Gives Cash, Aid to Rebels in Syria," *Wall Street Journal*, June 19, 2017.

[56] "Nasrallah: Israel Targeting Syria Air Base Was 'a Historic Mistake,'" jpost.com, April 13, 2018.

[57] John Duchak, "With Iran and Israel at the Brink, Where Does Hezbollah Stand?" Atlantic Council, May 8, 2018.

[58] Ibid.; Martin Indyk and Natan Sachs of the Brookings Institution, cited in Sewell Chan, "The Bigger Conflict Behind the Cross-Border Clashes in Syria," *New York Times*, May 11, 2018.

[59] CRS In Focus IF10644, *The Palestinians: Overview and Key Issues for U.S. Policy*, by (name redacted)

[60] For example, statements by President Trump fueled public speculation about the level of his commitment to a negotiated "two-state solution," a conflict-ending outcome that U.S. policy has largely advocated since the Israeli-Palestinian peace process began in the 1990s.

Additionally, some media reports suggested that Israel was coordinating its West Bank settlement construction plans with U.S. officials. Danny Zaken, "Israel, US coordinated on settlement construction," *Al-Monitor Israel Pulse*, October 23, 2017.

capital and announced his intention to relocate the U.S. embassy there from Tel Aviv. Israeli leaders generally celebrated the change in U.S. policy, but PLO Chairman Abbas strongly objected.[61] Many other countries opposed President Trump's statements on Jerusalem. This opposition was reflected in December action at the United Nations.[62] Citing alleged U.S. bias favoring Israel, Palestinian leaders have been seeking to counteract U.S. influence on the peace process by increasing the involvement of other actors like the European Union and Russia.[63] However, the PA continues security coordination with Israel.[64]

Tensions over Jerusalem appear to have influenced Administration decisions to reduce or delay aid to the Palestinians,[65] and have made prospects for restarting Israeli-Palestinian talks in 2018 less certain. In a February interview, the President expressed some skepticism about both sides' interest in making peace.[66] Reports suggest that the Administration is preparing a detailed document on the peace process that it may share in an attempt to overcome obstacles to progress.[67] However, one former U.S. official has written that "the current atmosphere will need to change before the administration can present it."[68]

The Administration still seeks support from some Arab states, including Saudi Arabia, Jordan, and Egypt, for a U.S.-aided peace process. While these states have criticized the new U.S. stance on Jerusalem, there are also signs that the shared goal of countering Iranian influence in the region is leading some of them to interact more overtly with Israeli counterparts and to dissuade the Palestinians from abandoning U.S.-backed diplomacy.[69] One media source indicates that the Palestinians are open to potential confidence-building measures from U.S. officials that could be communicated through Arab states.[70] However, in May PLO Chairman Abbas characterized the

[61] Adam Rasgon, "Abbas Slams Trump Jerusalem Move as 'Condemned, Unacceptable,'" jpost.com, December 6, 2017.

[62] On December 18, the United States vetoed a draft Security Council resolution that was backed by all other 14 members of the Council. The resolution would have reaffirmed past Security Council resolutions on Jerusalem, nullified actions purporting to alter "the character, status or demographic composition of the Holy City of Jerusalem," and called upon all states to refrain from establishing diplomatic missions in Jerusalem. U.N. document S/2017/1060, "Egypt: Draft Resolution." On December 21, the U.N. General Assembly adopted a nonbinding resolution (by a vote of 128 for, nine against, and 35 abstaining) that contained language similar to the draft Security Council resolution. However, to date, a few countries—the Czech Republic, Guatemala, and Paraguay—have signaled their intent to move their embassies to Jerusalem as well. Guatemala opened its Jerusalem embassy on May 16, two days after the United States opened its embassy on May 14.

[63] Ahmad Melham, "Abbas reaches out to Europeans to help rebuild negotiations framework," *Al-Monitor Palestine Pulse*, January 31, 2018; Khaled Abu Toameh and Stuart Winer, "Palestinians court Russia as new broker in peace process," *Times of Israel*, February 2, 2018.

[64] See Neri Zilber and Ghaith al-Omari, *State with No Army, Army with No State: Evolution of the Palestinian Authority Security Forces: 1994-2018*, Washington Institute for Near East Policy, March 2018.

[65] CRS Report RS22967, *U.S. Foreign Aid to the Palestinians*, by (name redacted)

[66] Boaz Bismuth, "Trump to Israel Hayom: The Palestinians are not looking to make peace," *Israel Hayom*, February 11, 2018.

[67] "Kushner: Peace Deal to Benefit Both Sides in Mideast Conflict," Reuters, May 14, 2018; Mark Landler, "The Mideast Plan Is Nearly Ready. Will Either Side Read It?" *New York Times*, March 12, 2018.

[68] Dennis Ross, "The Next Mideast Explosion," *New York Daily News*, May 20, 2018.

[69] Aiden Pink, "Palestinians Should 'Shut Up' Or Make Peace, Saudi Prince Told Jewish Groups," *Jewish Daily Forward*, April 29, 2018; Dexter Filkins, "The Ascent," *New Yorker*, April 9, 2018; James S. Robbins, "An Emerging Arab Israeli Thaw," nationalinterest.org, April 3, 2018; Jeffrey Goldberg, "Saudi Crown Prince: Iran's Supreme Leader 'Makes Hitler Look Good,'" theatlantic.com, April 2, 2018.

[70] See, e.g., Uri Savir, "US advances confidence-building measures toward Palestinians," *Al-Monitor Israel Pulse*, April 29, 2018.

possible removal of core issues of the Israeli-Palestinian conflict—namely, Jerusalem's status and Palestinian refugees' rights—from the negotiating table as "an American slap."[71]

Gaza-Israel Frontier: Protests and Violence

Starting in March 2018, tens of thousands of Palestinians have gathered alongside Gaza's frontier with Israel on a weekly basis to protest past instances of Israeli land expropriation. While the protests may have had some grassroots beginnings, leaders from Hamas and other militant groups have apparently taken more of a leadership role in later weeks.[72] Israeli military personnel have used a number of means, including live ammunition, that they say are intended to prevent Palestinians from attempting to breach the security fence around Gaza and from using various methods of violence—including flaming kites, Molotov cocktails, and more sophisticated explosive devices.[73]

Clashes and casualties at this frontier intensified in mid-May at the time of the opening of the U.S. embassy in Jerusalem for Israel's 70th anniversary, along with the Palestinian commemoration of the *nakba* (Arabic for "catastrophe")—the displacement of hundreds of thousands of Arabs in connection with the 1948 Arab-Israeli war. Overall, more than 100 Palestinians have been killed, and thousands more injured, since March.[74] Additionally, on May 14, Israel fired upon Hamas military sites in Gaza in response to alleged efforts by Hamas fighters to breach the security fence.[75] Although Hamas has said that protests will continue, some signs suggest that they may have peaked on May 14.[76]

Many international parties have criticized Israel's actions in response to the protests, claiming that Israeli troops have used disproportionate force.[77] On May 14, PA President Abbas called upon the world (especially the Arab world) to "intervene immediately to end the massacre of our people."[78] In maintaining that Israel has the right to defend itself, a White House spokesperson said on May 14 that "the responsibility for these tragic deaths rests squarely with Hamas. Hamas is intentionally and cynically provoking this response."[79] That same day, the Administration reportedly blocked a U.N. Security Council statement that would have called for an independent probe of the violence at the frontier.[80]

Observers debate whether Hamas might be purposely using protestors to gain leverage with Israel by attracting international sympathy and/or infiltrating Israel via the security fence. Hamas appears less able to threaten Israelis with rockets or tunnels than in past conflicts,[81] and therefore may be trying to reprise some of the tactics used by Palestinians during the first *intifada* 30 years ago.[82] Some Hamas leaders have reportedly sent messages to Israel to find out whether it might be possible to negotiate a long-term truce and ease restrictions on access to and from Gaza.[83]

[71] "President Abbas calls for three days of mourning, describes US embassy in Jerusalem as settlement outpost," WAFA, May 14, 2018.

[72] See, e.g., Neri Zilber, "How Gaza Became Hell on Earth," *Daily Beast*, May 15, 2018.

[73] Felicia Schwartz and Rory Jones, "Chaos as U.S. Embassy Opens," *Wall Street Journal*, May 15, 2018.

[74] Ibid.

[75] David M. Halbfinger, et al., "Israel Kills Dozens at Gaza Border as U.S. Embassy Opens in Jerusalem," *New York Times*, May 14, 2018.

[76] Declan Walsh and Isabel Kershner, "What Was Gained in Gaza Protests? 'Zero. Less Than Zero.'" *New York Times*, May 19, 2018; "Hamas leader says group reached deal with Egypt to stop riots from escalating," *Times of Israel*, May 16, 2018.

[77] One organization's report described Israel as using "lethal force outside of life-threatening situations in violation of international norms." Human Rights Watch, "Israel: Gaza Killings Unlawful, Calculated," April 3, 2018.

[78] Halbfinger, et al., op. cit.

[79] White House, Press Briefing by Principal Deputy Press Secretary Raj Shah, May 14, 2018.

[80] "US blocks call for independent Gaza inquiry at UN: diplomats," Agence France Presse, May 14, 2018.

[81] David Horovitz, "As America endorses Israel in Jerusalem, Hamas shows it never will," *Times of Israel*, May 15, 2018.

[82] See, e.g., Hussein Ibish, "The Nonviolent Violence of Hamas," foreignpolicy.com, April 6, 2018.

[83] Amos Harel, "Hamas in Message to Israel: Willing to Negotiate Long-term Truce," *Ha'aretz*, May 7, 2018.

Jerusalem: U.S. Stance and Embassy Move

As mentioned above, in December 2017, President Trump proclaimed "that the United States recognizes Jerusalem as the capital of the State of Israel and that the United States Embassy to Israel will be relocated to Jerusalem as soon as practicable."[84] A deadline for presidential action under the Jerusalem Embassy Act of 1995 (P.L. 104-45) precipitated the timing of the President's decision.[85]

These steps represented a departure from the decades-long U.S. executive branch practice of not recognizing Israeli sovereignty over Jerusalem or any part of it.[86] The western part of Jerusalem that Israel has controlled since 1948 has served as the official seat of its government since shortly after its founding as a state. Israel officially considers Jerusalem (including the eastern part it unilaterally annexed after the 1967 Arab-Israeli war, while also expanding the city's municipal boundaries) to be its capital. The President called on all parties to maintain the "status quo" arrangement at holy sites, most of which are in East Jerusalem's Old City.[87]

In his December remarks, President Trump also stated that he was not taking a position on "specific boundaries of the Israeli sovereignty in Jerusalem," and would continue to consider the city's final status to be subject to Israeli-Palestinian negotiations.[88] However, he did not explicitly mention Palestinian aspirations regarding Jerusalem; Palestinians envisage East Jerusalem as the capital of their future state. In a February 2018 interview, the President said that he would support specific boundaries as agreed upon by both sides.[89]

On February 23, the State Department spokesperson issued the following press statement announcing that the embassy would open in May 2018, to coincide with Israel's 70th anniversary:

[84] White House, Office of the Press Secretary, Presidential Proclamation Recognizing Jerusalem as the Capital of the State of Israel and Relocating the United States Embassy to Israel to Jerusalem, December 6, 2017.

[85] Under P.L. 104-45, if a U.S. embassy has not officially opened in Jerusalem by the deadline, a 50% limitation on spending from the general "Acquisition and Maintenance of Buildings Abroad" budget would apply in the following fiscal year unless the President signs a waiver asserting a national security interest in preventing the spending limitation. Despite his proclamation on the planned embassy relocation, the President ultimately did sign a waiver in response to the December deadline. Presidential Determination No. 2018-02, December 6, 2017.

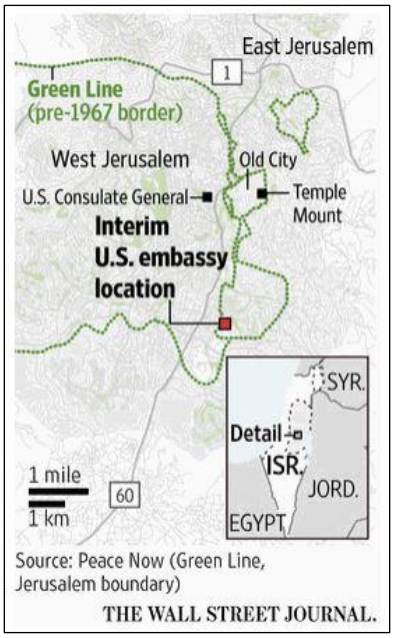
[86] See, e.g., Scott R. Anderson and Yishai Schwartz, "How to Move the U.S. Embassy to Jerusalem," November 30, 2017.

[87] Under the "status quo" arrangement (which is largely based on past practices dating from the 16th century until the 1948 Arab-Israeli war), Muslims can access the Temple Mount/Haram al Sharif and worship there, while Jews and other non-Muslims are permitted limited access but not permitted to worship. Jewish worship is permitted at the Western Wall at the base of the Temple Mount/Haram al Sharif. For more information, see CRS Report RL33476, *Israel: Background and U.S. Relations*, by (name redacted)

[88] White House, Office of the Press Secretary, Statement by President Trump on Jerusalem, December 6, 2017.

[89] Bismuth, op. cit. The President previously said that "we took Jerusalem off the table." White House, Remarks by President Trump and Prime Minister Netanyahu of Israel Before Bilateral Meeting, Davos, Switzerland, January 25, 2018. This fueled media speculation about whether the President was simply referring to what he had already done (i.e., recognize some unspecified portion of Jerusalem as Israel's capital), or whether his policy on Jerusalem might more broadly foreclose Palestinian claims to East Jerusalem and its holy sites.

The Embassy will initially be located in the Arnona neighborhood, in a modern building that now houses consular operations of U.S. Consulate General Jerusalem. Those consular operations, including American citizen and visa services, will continue at the Arnona facility without interruption, as part of the Embassy. Consulate General Jerusalem will continue to operate as an independent mission with an unchanged mandate, from its historic Agron Road location. Initially, the interim Embassy in Arnona will contain office space for the Ambassador and a small staff. By the end of next year, we intend to open a new Embassy Jerusalem annex on the Arnona compound that will provide the Ambassador and his team with expanded interim office space. In parallel, we have started the search for a site for our permanent Embassy to Israel, the planning and construction of which will be a longer-term undertaking.



The embassy opened on May 14 at the Arnona facility amid criticism from several international actors and the same day's violence at the Gaza-Israel frontier (see above). According to the State Department spokesperson, the site is located "partly in West Jerusalem and partly in what's considered no man's land," as it lies "between the 1949 armistice lines" in a zone that was demilitarized between 1949 and 1967.[90] The White House stated that it cost $400,000 to modify the facility to function as an embassy.[91] The ambassador's official residence will supposedly transition to Jerusalem at a later date.[92]

Congress could consider a number of legislative and oversight options with regard to the plans mentioned above to expand the embassy at the Arnona site, and later to plan and construct a permanent embassy. These options could focus on funding, timeframe and logistics, progress reports, and security for embassy facilities and staff. A State Department official said in February that a new embassy building would take 7 to 10 years to construct, and a former official estimated that building a new embassy in Jerusalem may cost about $500 million.[93]

Domestic Israeli Developments

Police Recommend Indictment of Netanyahu

The Israeli police recommended in February 2018 that Attorney General Avichai Mandelblit indict Prime Minister Netanyahu for bribery, fraud, and breach of trust.[94] Mandelblit's decision

[90] State Department Press Briefing, February 27, 2018. One article describing the various issues involved with the site's location said that a U.N. official "described the site as 'occupied territory' but not 'Occupied Palestinian Territory (OPT),'" as No Man's Land had not been under the formal control of either the Israeli or the Jordanian side after the 1948 Arab-Israeli war. The article also said, "The continuous Israeli use of the western part of the no man's land makes putting the U.S. embassy there uncontroversial for Israelis from both the right and left of the political spectrum." Michael Lipin, "Why New US Embassy Isn't Entirely in Israel," Voice of America, May 14, 2018.

[91] White House, President Donald J. Trump Keeps His Promise To Open U.S. Embassy In Jerusalem, Israel, May 14, 2018.

[92] State Department, Briefing on the Opening of the U.S. Embassy in Jerusalem, May 11, 2018.

[93] Gardiner Harris and Isabel Kershner, "Casino Mogul Offers to Fund Israel Embassy," *New York Times*, February 24, 2018.

[94] Rory Jones, "Israeli Police Recommend Charges Against Netanyahu," *Wall Street Journal*, February 14, 2018. Netanyahu appointed Mandelblit to his post in 2016. Mandelblit earlier served as a cabinet secretary. Isabel Kershner, (continued...)

about whether to press charges could take months. In response, Netanyahu—who has consistently denied the allegations—said that the police recommendations "will end with nothing" and that he would stay in office to pursue Israel's well-being.[95] However, they could potentially threaten Netanyahu's position as prime minister.

The recommendations cover two specific cases. One Israeli media source summarizes them as follows:

> In Case 1000, Netanyahu and his wife are alleged to have received illicit gifts from billionaire benefactors, most notably the Israeli-born Hollywood producer Arnon Milchan, totaling NIS 1 million ($282,000). In return, Netanyahu is alleged by police to have intervened on Milchan's behalf in matters relating to legislation, business dealings, and visa arrangements.
>
> Case 2000 involves a suspected illicit quid pro quo deal between Netanyahu and Yedioth Ahronoth publisher Arnon Mozes that would have seen the prime minister weaken a rival daily, the Sheldon Adelson-backed Israel Hayom, in return for more favorable coverage from Yedioth.[96]

Later in February, developments in ongoing investigations appeared to implicate Netanyahu or his close associates in additional instances of alleged corruption. One case deals with possible overtures made to a judge about quashing an investigation of Netanyahu's wife in exchange for the judge's appointment as attorney general, and another deals with possible actions to enrich a telecom magnate in expectation of favorable media coverage.[97]

Legally, Netanyahu could continue in office if indicted, but public opinion may affect his actions and those of his government coalition partners. A key coalition partner has pledged to wait for Mandelblit's decision,[98] and polls suggest that Netanyahu would remain a strong candidate if new elections took place.[99] Israel's previous prime minister, Ehud Olmert, announced his decision to resign in July 2008 amid corruption-related allegations, two months before the police recommended charges against him.[100]

Other Issues

A number of other contentious domestic developments are taking place in Israel. Several of the government's opponents and critics have voiced warnings about government initiatives depicted as targeting dissent or undermining the independence of key Israeli institutions such as the media,

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(...continued)

"Promoted by Netanyahu, Israel's Attorney General Must Now Scrutinize Him," *New York Times*, February 14, 2018. Separate investigations or reports implicate other figures from Netanyahu's Likud party or the government coalition, including former Knesset Coalition Chairman David Bitan, Welfare Minister Haim Katz, Interior Minister Aryeh Deri, and Israel's U.N. Ambassador Danny Danon. Mazal Mualem, "Israelis not ready to topple Netanyahu over corruption," *Al-Monitor Israel Pulse*, December 15, 2017.

[95] "The Latest: Israel PM: Recommendations to indict 'nothing,'" *Times of Israel*, February 13, 2018.

[96] "Poll: Netanyahu's Likud would remain biggest party despite corruption probes," *Times of Israel*, February 21, 2018.

[97] David M. Halbfinger and Isabel Kershner, "New Netanyahu Corruption Allegations: The Details," *New York Times*, February 21, 2018.

[98] Ibid.

[99] "2 polls indicate big surge for Netanyahu's Likud after Trump's Iran announcement," *Times of Israel*, May 9, 2018.

[100] Ian Deitch, "Israel's ex-PM Ehud Olmert released from prison," Associated Press, July 2, 2017. For information on previous allegations against Netanyahu and other Israeli prime ministers, see Irit Pazner Garshowitz and Jonah Engel Bromwich, "Prime Ministers' History of Run-Ins with the Law," *New York Times*, February 15, 2018.

the judiciary, and the military. Controversial Knesset legislation is pending to define Israel as the national homeland of the Jewish people in a basic law,[101] limit the Supreme Court's power of judicial review over legislation,[102] and apply Israeli law to settlements in the West Bank.[103] The Knesset is also considering a bill that would "deduct payouts to families of convicted Palestinian terrorists from the tax revenues transferred by Israel to the PA."[104] Early elections (legally, elections are required by 2019) may heighten contention surrounding these issues if the governing coalition splits over the cases against Prime Minister Netanyahu or some other issue.

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[101] "Controversial nation-state bill passes committee vote, heads to Knesset," israelhayom.com, March 14, 2018. Although the basic law's direct effect would be largely symbolic, some observers are concerned that the bill might further undermine the place of Arabs in Israeli society.

[102] See, e.g., Jeffrey Heller, "Israeli Legislation Reining in Supreme Court Wins Preliminary Approval," Reuters, May 6, 2018.

[103] Tovah Lazaroff, "Government Okays Bill That Advances West Bank Annexation," jpost.com, February 26, 2018.

[104] Shlomi Eldar, "Israel's Liberman advances 'Pay to Slay' bill," *Times of Israel*, May 10, 2018. Israel is obligated to transfer said tax revenues to the PA per the Paris Protocol of 1994. Congress has enacted legislation (Taylor Force Act, Title X of P.L. 115-141) that places restrictions on U.S. economic aid to the Palestinians because of Palestinian payments "for acts of terrorism." CRS Report RS22967, *U.S. Foreign Aid to the Palestinians*, by (name redacted)