

ACTION NEA-00

RELEASED IN FULL

INFO	LOG-00	AF-00	AMAD-00	RPPR-00	CA-00	INL-00	PDI-00
	DS-00	EAP-00	DHSE-00	AVC-00	EUR-00	UTED-00	SIPD-00
	DIAS-00	TEDE-00	INR-00	IO-00	L-00	DCP-00	NSAE-00
	OIC-00	OMB-00	PA-00	MCC-00	PM-00	GIWI-00	P-00
	DOHS-00	IRM-00	FMP-00	BBG-00	R-00	SHEM-00	IIP-00
	SCRS-00	PMB-00	DSCC-00	DRL-00	CARC-00	NFAT-00	SAS-00
	FA-00	PESU-00	SRND-00	MEPP-00	SANA-00	/000W	

-----8F25E0 211033Z /38

R 211026Z JUN 11
 FM AMEMBASSY TEL AVIV
 TO DIA WASHINGTON DC
 WHITE HOUSE WASHINGTON DC
 WHITE HOUSE NATIONAL SECURITY COUNCIL WASHINGTON DC
 CDR USCENTCOM MACDILL AFB FL
 CNO WASHINGTON DC
 COMSIXTHFLT
 COMSOCEUR VAIHINGEN GE
 HQ USAFE RAMSTEIN AB GE
 JOINT STAFF WASHINGTON DC
 USMISSION USUN NEW YORK
 DA WASHINGTON DC
 CIA WASHINGTON DC
 AMEMBASSY ABU DHABI
 AMEMBASSY ANKARA
 AMEMBASSY AMMAN
 AMEMBASSY ALGIERS
 SECSTATE WASHDC 4321
 AMEMBASSY DAMASCUS
 AMEMBASSY CAIRO
 AMEMBASSY PARIS
 AMCONSUL JEDDAH
 AMCONSUL JERUSALEM
 AMEMBASSY BEIRUT
 AMEMBASSY LONDON
 AMEMBASSY RABAT
 AMEMBASSY RIYADH
 AMEMBASSY ROME
 AMEMBASSY TUNIS
 SECDEF WASHINGTON DC
 INFO AMEMBASSY TEL AVIV

UNCLAS TEL AVIV 002144

SIPDIS
 STATE FOR NEA, NEA/IPA, NEA/PPD
 WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
 NSC FOR NEA STAFF

UNITED STATES DEPARTMENT OF STATE
 REVIEW AUTHORITY: SHARON E AHMAD
 DATE/CASE ID: 31 JAN 2012 201004163

UNCLASSIFIED

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
HQ USAF FOR KOXX
DA WASHDC FOR SASA
JOINT STAFF WASHDC FOR PA
CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
COMSIXTHFLT FOR 019
JERUSALEM ALSO ICD
LONDON ALSO FOR HKANONA AND POL
PARIS ALSO FOR POL
ROME FOR MFO

UNCLASSIFIED

E.O. 13526: N/A
TAGS: OPRC, KMDR, IS
SUBJECT: ISRAEL MEDIA REACTION

PUBLIC AFFAIRS OFFICE TEL AVIV

MEDIA REACTION REPORT

Tuesday, June 21, 2011

SUBJECTS COVERED IN THIS REPORT:

1. Mideast
2. Jonathan Pollard

Key stories in the media:

The leading online news web site Ynet and Israel Radio reported that on Monday, President Obama spoke at a fundraiser for potential Jewish donors to his 2012 presidential campaign and assured them that Jerusalem and Washington's relations were unshakable. "One inviolable principle will be that the United States and Israel will always be stalwart allies and friends, that that bond isn't breakable and that Israel's security will always be at the top tier of considerations in terms of how America manages its foreign policy -- because it's the right thing to do, because Israel is our closest ally and friend, it is a robust democracy, it shares our values and it shares our principles," Obama said to roaring

UNCLASSIFIED

applause. Speaking of the regional changes sweeping the Middle East, Obama stressed that "both the United States and Israel are going to have to look at this new landscape with fresh eyes. It's not going to be sufficient for us just to keep on doing the same things we've been doing and expect somehow that things are going to work themselves out. We're going to have to be creative and we're going to have to be engaged. We're going to have to look for opportunities where the best impulses in the Middle East come to the fore and the worst impulses are weakened." Such achievements, he continued, would have to be carved from a position of strength: "This is why my administration has done more to promote Israel's security, its qualitative military edge, its defense capabilities than any administration over the last 25 years. And we have made that commitment consistently. But it also means that we've got to engage diplomatically... there are going to be moments over the course of the next six months or the next 12 months or the next 24 months in which there may be tactical disagreements in terms of how we approach these difficult problems. But the broader vision, is one in which Israel is a secure Jewish state," Obama stressed. "One where it is able to live in peace with its neighbors, where kids can get on the bus or go to bed at night and not have to worry about missiles landing on them, where commerce and interactions between peoples in the region is occurring in a normal fashion, where the hopes and dreams of the original travelers to Israel, the original settlers in Israel, that those hopes and dreams that date back a millennium, that those hopes are realized. That will remain our North Star. That will remain our goal." Obama told the crowd that he was "absolutely confident" the goal could be achieved, reiterating that it was "going to require some hard work." "It going to require that not only this administration employs all of its creative powers to try to bring about peace in the region, but it's also going to require all of you as engaged citizens of the United States who are friends of Israel making sure that you are giving us suggestions, you are in an honest dialogue with us, that you're helping to shape how both Americans and Israelis think about the opportunities and challenges." "My hope," he concluded, "is that through the kind of conversations that we're having here tonight, that we're going to be able to, together, craft the kind of strategy that not only leads to a strong America, but also leads to a strong Israel."

Ha'aretz reported that on Sunday PM Benjamin Netanyahu "surprised many of the participants in the weekly cabinet meeting" when he embarked on a monologue praising the idea of parting from the Palestinians and in relinquishing portions of the West Bank. Netanyahu said that the number of Palestinians and Jews between the Jordan River and the Mediterranean Sea "is irrelevant" and that it's more important to "preserve a solid Jewish majority inside the State of Israel." The PM made these statements during a discussion on a report by the Jewish People Policy Institute on demographic

UNCLASSIFIED

changes among Jews and Palestinians in Israel and the West Bank. Members of the institute presented the demographic data of Prof. Sergio DellaPergola, which show that, in a number of years, the demographic trends will result in a Palestinian majority between the Jordan River and the Mediterranean Sea. Ministers Limor Livnat (Likud) and Uzi Landau (Yisrael Beiteinu) were surprised by the data and asked that the data of other experts be presented -- for example, those of Yoram Ettinger, who is affiliated with the Right. The right argues that the demographic threat to the State of Israel is not so serious. Netanyahu cut short the discussion and surprised those present with previously unspoken sentiments about the future Israeli presence in the West Bank. "The debate over how many Jews and how many Palestinians will be between the Jordan and the sea is irrelevant," Netanyahu said. "It does not matter to me whether there are half a million more Palestinians or less because I have no wish to annex them into Israel. I want to separate from them so that they will not be Israeli citizens. I am interested that there be a solid Jewish majority inside the State of Israel. Inside its borders, as these will be defined," Netanyahu explained. Aides of the PM realized how politically explosive his statements were and asked all those present in the room to avoid disseminating the details. The Prime Minister's Office did not brief the media on the statements and refused to respond to questions on the issue or provide any quotes about the statements of the PM. Makor Rishon-Hatzofe quoted FM Avigdor Lieberman as saying on Monday that Abbas wants a unilateral declaration of Palestinian statehood out of ego-related reasons. The Jerusalem Post quoted Lieberman as saying that the U.N. vote on Palestinian statehood should not be overblown. He was talking at a convention of the World Jewish Congress in Jerusalem.

Israel Radio quoted Palestinian Authority President Mahmoud Abbas

as saying on Monday in an interview with the Lebanese Broadcasting Corporation (LBC) that the Palestinians will turn to the U.N. in the absence of an agreement with Israel. Abbas said that if Israel does not want this, the U.S., Europe, and Israel should present an alternative. Abbas further commented that he wants Salam Fayyad to be the P.A.'s next prime minister and that he wants the P.A. to move forward, not to be under a new siege. Ha'aretz cited a DPA (German press agency) report quoting the results of a Palestinian Center for Policy and Survey Research poll that 45 percent of Palestinians want Fayyad to head their government; Hamas' choice, Jamal Khoudari, received the backing of only 22 percent.

The media reported that on Monday, many Syrians took to the streets immediately after President Bashar Assad delivered a speech to his Parliament, promising reforms. Israel Hayom quoted DM Ehud Barak as saying in Paris on Monday, in an interview with AP, that Assad regime will come to an end in half a year's time.

UNCLASSIFIED

UNCLASSIFIED

Ha'aretz quoted a senior official in Jerusalem as saying that Israeli and Turkish officials have been holding secret direct talks to try to solve the diplomatic crisis between the two countries, . The negotiations are receiving the Americans' support. A source in the Turkish Foreign Ministry and a U.S. official confirmed that talks are being held, though in Israel the Prime Minister and Foreign Minister's aides declined to comment. The talks are being held between an Israeli official on behalf of PM Netanyahu and Turkish Foreign Ministry Undersecretary Feridun Sinirlioglu, who Ha'aretz says is a firm supporter of rehabilitating ties with Israel. Talks are also being held between the Israeli representative on the U.N. inquiry committee on last year's Gaza flotilla, Yosef Ciechanover, and Turkey's representative on the committee, Ozdem Sanberk. In addition, the U.S. administration has held talks with senior Turkish officials, mainly to foil the flotilla to Gaza due later this month, but also in a bid to improve relations with Israel. Ha'aretz quoted officials as saying that on Saturday, U.S. Secretary of State Hillary Clinton spoke to her Turkish counterpart Ahmet Davutoglu and expressed satisfaction with the IHH Humanitarian Relief Foundation's announcement that the ship Mavi Marmara would not take part in the flotilla this time around. Israel Hayom reported that Turkish journalists have arrived in Israel - officially to mark a year since Israel's change in policy

regarding the entry of goods into Gaza, but, informally, to try to prevent the upcoming flotilla. Israel Radio reported that France has expressed its opposition to the flotilla but that it wants Israel to loosen the siege on Gaza. The Jerusalem Post and other media note that a U.S.-flagged ship - "The Audacity of Hope" -- will participate in the flotilla.

Leading media reported that on Monday, the White House rejected requests that Jonathan Pollard, the former U.S. Navy intelligence officer convicted of spying for Israel, be allowed to attend his father's funeral in Indiana. Yediot and Israel Hayom print a photo of the ceremony. Yediot ironically notes that the burial took place on Father's Day in the States.

Media quoted DM Barak as saying at the Paris Air Show on Monday that the deployment of the Iron Dome anti-missile system will protect the entire country in two and a half years. Makor Rishon-Hatzofe quoted Barak as saying that Iran is fooling the world, as it seeks to achieve long-range ballistic capability to bolster its projected nuclear might.

The Jerusalem Post reported that on Monday in Croatia, the Parliamentary Assembly of the Mediterranean, which includes Egypt, Morocco, Tunisia, and Algeria, called for Hamas to accept the Quartet's conditions for recognizing the Islamist movement.

UNCLASSIFIED

UNCLASSIFIED

The Jerusalem Post and other media quoted Shaul Mofaz (Kadima), the Chairman of the Knesset's Foreign Affairs and Defense Committee, as saying that Israel must initiate a plan to combat a unilateral Palestinian declaration of statehood in the U.N. in September. In other news, media this week noted that Mofaz is strengthening his status in Kadima compared to Chairwoman Tzipi Livni's.

The Jerusalem Post reported that the Jerusalem Municipality is looking to build 500 new residential units for Arabs in the Eastern part of the city.

Israel Hayom reported that House Majority Leader Eric Cantor (R-VA) is initiating a waiver of non-immigrant visas for Israelis.

The media cited the Foreign Ministry's announcement on Monday that Daniel Taub, the Foreign Ministry's British-born senior deputy legal advisor, is slated to become Israel's new ambassador to London. However, Ha'aretz, The Jerusalem Post, and Israel Hayom reported that his appointment, which is now pending cabinet approval, has been challenged by the ministry's workers committee, which says he lacks the necessary credentials. Taub, who holds degrees from Harvard and Oxford, would succeed Ron Prosor, who served in London from 2007 until his recent appointment as Israel's ambassador to the U.N, where, Ha'aretz writes, he is "just getting his feet wet." Ha'aretz also notes that Israeli ambassadors in several critical world capitals are being replaced just as Palestinian efforts to obtain unilateral U.N. recognition of a state are approaching a fever pitch. Ha'aretz comments that just when Israel is supposed to be making a worldwide attempt to thwart the Palestinian move, some crucial capitals will be without permanent ambassadors, while in others, the ambassadors will still be learning the ropes. During July and August, the envoys to Berlin, Rome, Madrid, The Hague, Budapest, and the E.U. in Brussels are due to complete their tours of duty. The envoys in these capitals were considered some of Israel's most experienced diplomats, and they had developed ties over the years that were supposed to have been available for use during just such a public diplomacy crisis as is liable to occur in September. A Foreign Ministry source said the suggestion had been raised that these envoys' tours of duty be extended by a month or two to cope with the looming crisis, but Foreign Ministry Director-General Rafi Barak objected. The source said the turnover of ambassadors at such a critical and sensitive time would make the battle against unilateral Palestinian moves at the UN more difficult.

The Jerusalem Post quoted former National Security Council Giora Eiland as saying on Monday that a conflict with Hezbollah is unlikely in the "foreseeable future." Eiland was speaking at the

UNCLASSIFIED

UNCLASSIFIED

World Zionist Congress' Board of Governors meeting in Jerusalem.

The Jerusalem Post says that the war simulation being held by the Defense Ministry this week shows room for improvement.

Ha'aretz reported that on Monday, the head of Israel's Atomic Energy Commission, Dr. Shaul Horev, revealed at an International Atomic Energy Agency (IAEA) conference on nuclear safety in Vienna, that Israel has returned nuclear waste from its Sorek nuclear reactor to the U.S. Horev did not specify the exact amount of waste that has been returned. But most estimates put the amount at several dozen kilograms at least, and probably more. The uranium, enriched to a level of 93 percent, was used to power the Sorek reactor. The operation took place after the Israel Atomic Energy Commission and the U.S. Department of Energy signed an agreement for the return of the waste a year and a half ago. After the agreement was signed, an American ship collected nuclear waste from both Israel and Turkey. The Sorek research reactor is a small, five-megawatt facility that was donated to Israel by the U.S. under former President Dwight D. Eisenhower's "Atoms for Peace" program. Israel also received 93-percent enriched uranium to fuel the reactor, which is under IAEA supervision. The waste transfer took place under a U.S. government program meant to stop nuclear waste, which can be recycled and used to manufacture nuclear weapons, from falling into the hands of terrorist organizations. The effort mainly targets eastern European countries and members of the former Soviet Union. According to a WikiLeaks document reported by Ha'aretz a few months ago, the U.S. originally proposed the deal to Israel in 2005. But the Atomic Energy Commission delayed its acceptance, ostensibly because of the high fee for participating in the program. The real reason, according to the report, was that it wanted to hold on to the nuclear waste. The commission did not respond to the Ha'aretz report at the time, nor did it reveal that it had in fact signed the agreement and returned the nuclear waste. The U.S. stopped supplying enriched uranium for the Sorek reactor back in 1977, due to a law passed by Congress and because Israel was not a signatory to the Nuclear Non-Proliferation Treaty. But according to some Israeli sources, Israel still has enough enriched uranium, supplied by the U.S. before the embargo was put in place, to keep the Sorek reactor operating on a part-time basis, as it has for years now. According to American data, the U.S. provided 19

kilograms of highly enriched uranium for the reactor from 1960-1975. The nuclear waste agreement does not apply to the Dimona reactor, where international reports say Israel produces fissile material for nuclear weapons, so Dimona's waste is not being returned to the U.S. Various types of radioactive waste from Sorek are stored in Dimona.

UNCLASSIFIED

The media reported that Interior Minister Eli Yishai (Shas) is working to change identity cards so that they once again state the holder's religion and thus prevent non-Orthodox converts from being defined on their IDs as Jews. Ten years ago, Yishai, who was in the same post, was ordered by the High Court of Justice to recognize Reform and Conservative converts as Jews. All IDs issued since then have had eight small asterisks on the nationality line instead of a religion. Yediot quoted Yishai as saying that the mention of the religion will be consensual. The Jerusalem Post, which cited protests by the two non-Orthodox Jewish religious groups, quoted Masorti (Conservative) CEO as saying that "Yishai is a strategic threat to Israel as the nation of the Jewish people and a democratic state."

All media reported that Eyal Gabbay, the Director-General of the Prime Minister's Office, will quit his post on August 1.

Yediot reported that the government intends to restrict the validity of diplomatic passports.

Maariv cited a demand by the IDF that reserve soldiers could be called up more often than the law currently requires, i.e. once every three years. The IDF says that the preparedness of the forces has been harmed under the present situation.

Yediot reported that "Ivrit" ("Hebrew") a free computer application presented at Hebrew Book Week, which helps young children acquire reading skills, was downloaded in Saudi Arabia among other

countries.

All media reported that Chief of Staff Lt. Gen. Benny Gantz ruled last week that the prayer at military memorial ceremonies for Israel's fallen soldiers -- Yizkor (Remember) -- will open with the traditional, religious sentence: "May God remember his sons and daughters." The statement followed an ongoing argument between religious and secular groups on whether the prayer at these memorials should open with "May God remember" or "May the people of Israel remember." The Jerusalem Post and other media reported that by Monday, over 40,000 people had signed an online petition that Gantz revert to the original version that gives no mention to God. Yediot quoted Gantz as saying that he did not actually change the version. Maariv reported that Gantz is weighing returning the prayer to its secular version.

The controversy over the price of milk products is not relenting. Finance Minister Yuval Steinitz proposes that imports of such items be promoted. The physicians' strike is continuing.

Channel 10-TV reported on a revolutionary invention by Israeli

researchers that allows Amyotrophic lateral sclerosis, or ALS, patients, to operate objects and use computer applications by thought only.

UNCLASSIFIED

The media reported that on Monday, 30,000 people attended a unique concert by American "rock legend" Bob Dylan at the Ramat Gan stadium.

Ha'aretz reported that according to a survey carried out in May by the Rafi Smith polling company on behalf of the campaign for the release of captive soldier Gilad Shalit, 63 percent of Jewish Israelis support swapping Shalit or 1,000 Palestinian prisoners, including 450 specifically requested by Hamas, some of whom are mass murderers. Nineteen percent were opposed and 18 percent are

undecided. The results were similar to those of a more detailed survey conducted in February, when 61 percent supported the deal and 25 percent opposed it. Speaking on Israel Radio this morning, Gilad's father Noam Shalit subsequently said that Israelis are not impressed by the government's efforts to have his son release. In an interview with Israel Radio this morning, retired far-Right politician Geula Cohen did not rule out the release of Palestinian prisoners in exchange for Shalit's freedom.

1. Mideast:

Block Quotes:

I. "The Peace Process and Israel's Responsibility"

Former Meretz leader, former Justice Minister, and chief Israeli promoter of the Geneva Initiative, Yossi Beilin, wrote in the independent Israel Hayom (6/21): "Israel, especially under its present government, continues to expand the settlements. Despite the commitment it made at Annapolis. If there is a single unilateral move that influences a permanent-status agreement, it is the settlements. On a daily basis, we breach the Oslo Agreement and the Roadmap, which requires a complete settlement freeze, including natural growth. A U.N. resolution on Palestinian status -- even though it would not fill me with enthusiasm -- would not change reality; it is even consistent with Netanyahu's Bar-Ilan speech. Israel will not have for long a leader like Mahmoud Abbas for neighbor."

UNCLASSIFIED

Senior Middle East Fellow at the Center for Security Policy in Washington, Deputy Managing Editor and right-wing columnist Caroline B. Glick wrote in the conservative, independent Jerusalem Post (6/21): "Outgoing U.S. Defense Secretary Robert Gates is worried about the shape of things to come in U.S. foreign policy. In an interview with Newsweek over the weekend, Gates sounded the warning bells.... He is saying that he believes that Obama is willing to surrender the United States' status as a superpower.... Not only has Obama adopted the Palestinians' increasingly hostile policies towards Israel. He has led them to those policies. It was Obama, not Fatah chief Mahmoud Abbas, who first demanded that Israel cease respecting Jewish property rights in Jerusalem, Judea and Samaria [i.e. the West Bank]. It was Obama, not Abbas, who first called for the establishment of a Palestinian state by the end of 2011. It was Obama, not Abbas, who first stipulated that future 'peace' negotiations between Israel and the Palestinians must be predicated on Israel's prior acceptance of the indefensible 1949 armistice lines as a starting point for talks. All of these positions, in addition to Obama's refusal to state outright that he rejects the Palestinian demand to destroy Israel through unlimited Arab immigration to its indefensible 'peace' borders, mark an extreme departure from the Israel policies adopted by his predecessor. Aside from its basic irrationality, Obama's policy of favoring the Palestinians against the United States' most dependable ally in the Middle East is notable for its uniqueness. In every other area, his policies are aligned with those adopted by his predecessor.... To date, Obama's stewardship of U.S. foreign policy has been marked by gross naivete, incompetence, and a marked willingness to demean and weaken his country's moral standing in the world. Imagine what will happen if in the next year and a half Obama embarks on a course that makes his Israel policy the norm rather than the exception in U.S. foreign policy."

III. "The Anti-Israel Agenda Prevails"

Anne Bayefsky, the Director of the Touro Institute on Human Rights and the Holocaust, and a Senior Fellow at Hudson Institute, wrote

in The Jerusalem Post (6/21): "Rather than discredit a body [the U.N. Human Rights Council] that calls itself a human rights authority but reeks of discrimination, and is tasked with promoting tolerance but provides a global platform for hate-mongering, Obama decided to give it American credibility and taxpayer dollars. His No. 1 excuse was the promise to reform it from the inside.... On Friday, those promises were shown to be utterly fraudulent. Every major recommendation that American negotiators made over a process spanning many months, including instituting membership criteria and changing the discriminatory anti-Israel agenda, was rejected. Only

four states voted in the GA against the outcome of the non-reform reform: Israel, the United States, Canada and Palau.... The Obama line about knowing what is in Israel's best interests is beginning to wear thin.... For Obama, progress on other human rights issues takes priority over the unequal treatment of Israel and Jewish self-determination. It's an old trick, playing groups off against one another. But at the end of the day there is no escaping the fact that in the name of human rights, the administration has trashed the fundamental norm of human rights protection -- equality. And genuine human rights advocates ought to know only too well how exemption clauses on human dignity are bound to turn out."

UNCLASSIFIED

IV. "The Palestinians Are on a Diplomatic Collision Course"

Middle East affairs commentator Dr. Guy Bechor, a lecturer at the Interdisciplinary Center, wrote on the online service Gplanet.co.il (6/21): "The idea to impose a Palestinian state on Israel by means of the U.N. was born, as usual, within certain Israeli circles.... That initiative never stood a chance and it still does not because the Palestinian Authority is divided into two entities that are mutually hostile to one another.... Israel practically panicked at the news of the Palestinian initiative, which was intensified by various political interest groups and established media outlets. They spoke about a diplomatic 'tsunami' that was headed in Israel's direction and made all sorts of other statements that were geared to instill fear because in Israel, and only in Israel, is fear a political adhesive and an incentive for news consumption. Israelis were so deluged with the fear-inspiring reports that people here failed to realize that it wasn't we who were charging headlong into a brick wall but, rather, it was the Palestinians. It is so very

ironic: in their attempt to frighten our own public, Israeli politicians and media outlets only nailed Abu Mazen high up on a tall tree. Why does this initiative stand no chance? Because it was made clear from a very early stage by both U.S. Congress and the White House that the United States would veto any such independence, just like Russia vetoed the vote on Kosovo's independence by the U.N. Security Council.... And so, instead of the Palestinians turning September into a mechanism for pressuring Israel, it has turned that month into a means of pressuring the Palestinians. I believe that Abu Mazen will now agree to any diplomatic initiative, even if that obliges him to make a concession on his demand for a construction moratorium, provided that this allows him to climb down from the tree. That is what happens when one becomes enamored with illusions. It is too bad for the Palestinians that they did not think this initiative all the way through."

V. "Bashar Has No More Trump Cards"

UNCLASSIFIED

Professor Eyal Zisser, the Chairman of the Department of Middle Eastern and African History at Tel Aviv University, wrote in Israel Hayom (6/21): "The Syrian nation impatiently awaited the speech that Bashar Assad delivered [on Monday]. The greater the expectation, the bigger the disappointment. In a long, laborious, and sometimes even hallucinating discourse, the President said that Syria had fallen victim to an imperialist plot led by Israel and the United States. In his speech, the Syrian President mentioned the very same reforms he had promised the Syrian citizens even since he came to power in 2000. Once again, the speech proves that Bashar is not part of a solution to the crisis endured by Syria, but the very problem, as well as the regime he heads. So the Syrian citizens were quick to respond.... Only in the next few weeks will the first indications of the crumbling of the [Syrian] army appear.... What is clear is that Bashar does not intend to give up the battle for Syria, which also is the fight for his life and which promises to be protracted and bloody."

 2. Jonathan Pollard:

 Block Quotes:

 "Iniquity Has Prevailed over Mercy"

Senior columnist, veteran journalist, and television anchor Dan Margalit wrote in the independent Israel Hayom (6/21): "[Jonathan Pollard] spied for Israel but did not cause any harm to the United States. The man who handed over the [United States'] Russian spies to the Soviet Union was Aldrich Ames, who was caught nine years after Pollard, but the latter was convicted for offenses he only partly committed -- other ones were attributed to him for nothing.... He has been jailed incommensurably longer than his crime deserved. He was arrested around the time Mordecai Vanunu was apprehended. Vanunu also intended to harm his country's national security. Treason? Espionage? Parallel lines? Both were born in 1954. Pollard was arrested in 1985 -- a year before Vanunu, whose treason is many times worse than Pollard's. Israel released Vanunu seven year ago. Pollard will see the sunlight only in four years and a half. 'Why did the path of the wicked succeed?' [from the Book of Jeremiah], and where are the American human rights groups?"
 GOLDBERGER

NNNN

UNCLASSIFIED

UNCLASSIFIED

ACTION NEA-00

RELEASED IN FULL

INFO	LOG-00	EEB-00	AF-00	AMAD-00	GHFS-00	RPPR-00	CA-00
	INL-00	DOTE-00	PDI-00	DS-00	EAP-00	DHSE-00	EUR-00
	FAAE-00	UTED-00	VCI-00	DIAS-00	H-00	TEDE-00	INR-00
	IO-00	L-00	ARMY-00	VCIE-00	DCP-00	NSAE-00	OIC-00
	PA-00	MCC-00	PM-00	P-00	DOHS-00	IRM-00	NCTC-00
	FMP-00	BBG-00	R-00	IIP-00	SCRS-00	PMB-00	DSCC-00
	CARC-00	SAS-00	FA-00	SRAP-00	GSWA-00	PESU-00	SRND-00
	MEPP-00	SANA-00	/000W				

-----81445C 290432Z /38

P 281035Z JUN 10
 FM AMEMBASSY TEL AVIV
 TO SECSTATE WASHDC PRIORITY 7510
 WHITE HOUSE WASHDC PRIORITY
 WHITE HOUSE NSC WASHDC PRIORITY
 CIA WASHDC PRIORITY
 SECDEF WASHDC PRIORITY
 HQ USAF WASHINGTON DC PRIORITY
 DA WASHDC PRIORITY
 CNO WASHINGTON DC PRIORITY
 DIA WASHINGTON DC PRIORITY
 JOINT STAFF WASHDC PRIORITY
 AMEMBASSY ABU DHABI PRIORITY
 AMEMBASSY ALGIERS PRIORITY
 AMEMBASSY AMMAN PRIORITY
 AMEMBASSY ANKARA PRIORITY
 AMEMBASSY BEIRUT PRIORITY
 AMEMBASSY CAIRO PRIORITY
 AMEMBASSY DAMASCUS PRIORITY
 AMEMBASSY LONDON PRIORITY
 AMEMBASSY PARIS PRIORITY
 AMEMBASSY RABAT PRIORITY
 AMEMBASSY ROME PRIORITY
 AMEMBASSY RIYADH PRIORITY
 AMEMBASSY TUNIS PRIORITY
 USMISSION USUN NEW YORK PRIORITY
 AMCONSUL JEDDAH PRIORITY
 AMCONSUL JERUSALEM PRIORITY
 CDR USCENTCOM MACDILL AFB FL PRIORITY
 COMSOCEUR VAIHINGEN GE PRIORITY
 COMSIXTHFLT PRIORITY

UNCLAS TEL AVIV 001463

STATE FOR NEA, NEA/IPA, NEA/PPD

WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
 NSC FOR NEA STAFF

UNITED STATES DEPARTMENT OF STATE
 REVIEW AUTHORITY: SHARON E AHMAD
 DATE/CASE ID: 31 JAN 2012 201004163

UNCLASSIFIED

SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA
 HQ USAF FOR X0XX
 DA WASHDC FOR SASA
 JOINT STAFF WASHDC FOR PA
 CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
 COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
 COMSIXTHFLT FOR 019

JERUSALEM ALSO ICD
 LONDON ALSO FOR HKANONA AND POL
 PARIS ALSO FOR POL
 ROME FOR MFO

SIPDIS
 E.O. 12958: N/A
 TAGS: OPRC, KMDR, IS

SUBJECT: ISRAEL MEDIA REACTION

 SUBJECTS COVERED IN THIS REPORT:

1. Mideast
2. U.S.-Israel Relations

 Key stories in the media:

The disagreement whether or not to have Gilad Shalit released unconditionally dominated this weekend's headlines. Thousands of people (10,000, according to Maariv) participated in the first day of a protest march organized by Shalit's family and its supporters. They left the Shalit's home in Mitzpe Hila, northern Israel, yesterday, with the aim of reaching Jerusalem on July 8. Ministers Eli Yishai and Yaakov Margi of Shas and Michael Eitan of Likud announced yesterday that they intend to join the march. Media reported that the Government is prepared to release hundreds of Palestinians but not the perpetrators of major attacks.

The Jerusalem Post and other media reported that yesterday in the East Jerusalem neighborhood of Silwan, violent clashes erupted between 200 East Jerusalem Arabs and security personnel. In related news, HaQaretz reported that the Jerusalem District Planning and Building Committee is set to approve an unprecedented master plan that calls for the expansion of Jewish neighborhoods in East Jerusalem, a move largely based on construction on privately owned

Arab property. The committee's proposal would codify the municipality's planning policy for the entire city. In essence, Jerusalem would uniformly apply its zoning and construction procedures to both halves of the city. Before giving the go-ahead, the committee will give objectors to the plan 60 days to submit their reservations. This is the decisive stage in the planning process, because only rarely are plans altered. HaQaretz recalled the United StatesQ objection to any changes in the cityQs status pending the conclusion of final-status talks with the P.A.

Maariv and The Jerusalem Post reported that yesterday Admiral Michael Mullen, the Chairman of the U.S. Joint Chiefs of Staff, visited Israel, where he met with IDF Chief of Staff Lt. Gen. Gabi Ashkenazi and other senior Israeli defense officials, with whom he discussed Iran. The Jerusalem Post quoted Mullen as saying that he

tries to see threats from IsraelQs viewpoint. Maariv quoted Mullen as saying that AshkenaziQs leadership has improved relations between the two countries, but that the challenges remain.

The Jerusalem Post quoted Israeli Government sources as saying yesterday that Israel hopes to have the new QnegativeQ list of what is not allowed into Gaza ready by the time PM Benjamin Netanyahu meets President Obama in Washington on July 6. The sources were quoted as saying that the list of what is not permitted into the Gaza Strip, which will include some 100 items that Israel feels could be used for military purposes, is being drawn up by the Prime MinisterQs Office together with the IDF. Among the items expected on the list are telescopes, firecrackers, certain types of fertilizer, and sulfur. The sources said that even some of the materials which are likely to be on the list will not be completely barred, but will be allowed in if earmarked for projects under international supervision. Over the weekend media cited a statement made by G-8 in Canada that restricting goods into Gaza is Qunsustainable.

The Jerusalem Post reported that U.S. Senator John Kerry, the Chairman of the Senate Foreign Relations Committee, met separately yesterday with Netanyahu and President Shimon Peres, and told Peres that Qeveryone in Congress and in the administrationQ was pleased with the steps Israel has taken to ease up on what is allowed into Gaza. Peres reportedly told Kerry that it was important to upgrade the talks with the Palestinians from indirect to direct negotiations, and that it was also necessary to have a Qsecret channel,Q because everything made public is no longer negotiations, but rather public relations. Yesterday HaQaretz quoted Israeli diplomats as saying that Israeli Ambassador to the U.S. fears that U.S.-Israeli relations are in a Qtectonic rift.

HaQaretz noted that IsraelQs top military leadership -- including

UNCLASSIFIED

the IDF Chief and the heads of Mossad and Shin Bet -- will change hands within six months. Israel Radio cited a denial by Mossad chief Meir Dagan that his request to have his tenure extended was rejected. HaQaretz quoted DubaiQs police chief, Dahi Khalfan Tamim, as saying that DaganQs exit is overdue.

UNCLASSIFIED

HaQaretz cited scathing criticism yesterday by the High Court of Justice of the State's conduct in allowing illegal construction in the West Bank. Justices Dorit Beinisch and Ayala Procaccia were responding to the State's request for retroactive approval of the construction of a sewage purification system for the veteran

settlement of Ofra. The system was built on private Palestinian land and without permission. The deliberations, in which Justice Hanan Melcer was also involved, dealt with petitions by the owner of the land demanding that the structure be razed and the property restored to its owner.

Electronic media quoted Turkish PM Recep Tayyip Erdogan as saying on the sidelines of the G-20 meeting that the Turkish airspace is now closed to Israeli aircraft. Israel Radio, which is not sure about the circumstances and nature of the statement originally released by a Turkish press agency, reported that neither the Prime MinisterQs Office nor the Israeli airlines flying to Turkey are aware of this development. The radio later quoted the Turkish Embassy in Tel Aviv as saying that Turkey has banned the passage of Israeli military aircraft. Israel Radio said that the status of commercial flights is still unclear. Yesterday Yediot reported that Ankara prevented an IDF plane on its way to Poland from passing through Turkish airspace. The transport plane was carrying more than one hundred commissioned and noncommissioned officers, who were en route to a tour of memorial sites and death camps.

Major media reported that Lebanese security forces have arrested two nationals suspected of spying for Israel, one of them an executive at the government-run Alfa telecommunications company. Security sources in Beirut told the Lebanese newspaper A-Diyar that one of the suspects is an executive at Alfa, which has operations including a cellular phone network.

Leading media reported that the two international observers who will be monitoring the proceedings of the committee charged with investigating Israel's deadly May 31 raid of a Gaza-bound flotilla arrived in Israel yesterday, ahead of todayQs opening session in Jerusalem. Lord David Trimble from Northern Ireland and Ken Watkin, Canada's former Judge Advocate General, met yesterday with retired Supreme Court Justice Yaakov Turkel, who is heading the committee.

Major media quoted CIA Director Leon Panetta as saying yesterday in an interview with ABC-TV that Iran has enough uranium for two

UNCLASSIFIED

nuclear weapons. Media reported that Russian President Dmitry Medvedev hinted that Panetta's revelation might influence Russia's position in the matter.

UNCLASSIFIED

Israel Radio reported that the Shin Bet and police have arrested seven Israeli Arabs suspected of organizing to harm Jews and Christians. Two of them were apprehended in Kenya three months ago.

Three of them reportedly murdered taxi driver Yefim Weinstein seven months ago.

Leading media reported that during a visit to Syria on Saturday, Venezuelan President Hugo Chavez backed the resistance against Israel's QextremistQ Government.

HaQaretz (Amira Hass) noted that the P.L.O. omits Israeli presence in anti-occupation demonstrations.

Media quoted former IDF Chief-of-Staff Dan Halutz as saying that he is Qon his way to politics.Q Many commentators recall the Winograd Commission's rapport toward him.

The media reported that a compromise was reached in the Qschool segregationQ affair in the ultra-Orthodox settlement of Emanuel. The detained fathers were released.

Yediot reported that the Israeli citizen Hanoch Miller was arrested in Miami a few days ago on suspicion of having illegally traded weapons.

Citing a Reuters story, HaQaretz reported that the Makhteshim Agan Group will buy the U.S. firm Albaugh for about \$1 billion to bolster its presence in the Americas and solidify its position as the world's biggest generic agrochemical maker. Albaugh also produces generic crop protection products.

1. Mideast:

Block Quotes:

I. QObama against the Clock

Defense commentator Amir Oren wrote in the independent, left-leaning Ha'aretz (6/27): QThe dismissal of General Stanley McChrystal as top commander in Afghanistan halted U.S. President Barack Obama's

UNCLASSIFIED

StateDept0272

downward slide in the opinion polls, The Washington Post reported Friday. The outcome of the act does not necessarily attest to the reason, but Obama's decision will affect his presidency and its

UNCLASSIFIED

policies on two central issues for Israel -- the peace process and the Iranian nuclear program. Moving [General David] Petraeus from U.S. Central Command means Israel's security establishment loses a friend, who under the right circumstances could play an important role in persuading Obama that there is no longer a choice but military action against Iran. He could also move ahead vigorously on the Syrian and Palestinian tracks. But in the McChrystal crisis, Colin Powell has once again appeared -- the indispensable man whom, as chairman of the Joint Chiefs of Staff and Secretary of State, the two presidents Bush needed to wage war in the Persian Gulf. Powell, who helped Obama against McCain, is also Obama's mentor in war. His counsel may tip the scales when Obama agonizes over the question of war against Iran. Here is a challenge for Powell's old friend, Ehud Barak.

II. QThe Agonizing Shalit Debate

The conservative, independent Jerusalem Post editorialized (6/28): Q Hamas has not even bothered to answer Israel's offer, made six months ago, to release 1,000 terrorists, including 450 Hamas operatives, 100 of whom are murderers responsible for the deaths of about 600 Israelis, and an additional 550 Fatah prisoners. The government had understandably rejected Hamas's demands to include the Q omega-terrorists Q responsible for [horrendous attacks in the 2000s]. The 1 to 1,000 ratio would be the most disproportionate in Israel's long history of asymmetrical prisoner swaps. The first crack in Israel's Q we-don't-deal-with-terrorists Q facade appeared in 1968, when Israel agreed to release 16 Arab prisoners in exchange for 12 hostages held by Palestinian hijackers of an El Al plane forced to land in Algiers.... Israel has offered far more than would logically be expected to try to secure the release of Shalit -- because logic is not the only factor here. But Israel dare not allow itself to suspend debate in this most agonizing of dilemmas, and to give the heart definitive rule over the head. What is needed now, rather, is concerted U.S. and European pressure on Hamas. Sadly, instead of seeking every means to pressure the terrorists holding Shalit, the international community has been pressing Israel to end the blockade against Hamas-controlled Gaza, one of whose goals was to weaken Hamas and create the circumstances for Shalit's release.

III. QLost Their Minds

Diplomatic correspondent and television anchor Ben Caspit wrote on page one of the popular, pluralist Maariv (6/28): QThe Shalit family

UNCLASSIFIED

is the only one that is behaving, for the time being, as it is supposed to behave -- fighting for its son's life, launching a public campaign, and mobilizing all the resources to bring Gilad home. That is precisely what a family is supposed to do. Unfortunately, except for the family, everyone else has lost their minds. First and foremost the media, to a large degree. Since this is a story with a high level of passion, they fuel the passions. Since it is a story that can generate ratings, they generate ratings. Since it is a story that demands a great deal of responsibility, they completely shake off responsibility. Since it demands discretion, there is none... Speaking of the government, it too failed here completely. A government can decide to carry out the deal, and that is legitimate. The Government can also decide that it is not willing to carry out the deal in its present format, and that too, surprisingly enough, is legitimate. So what does the government do? You guessed it. It does nothing... Let the Israeli Government convene and decide. And let it be clarified in advance that this is the final decision. But here too, leadership is required. So don't hold your breath. This will not happen... Everyone is busy with the campaign, vying with each other over superlatives, inventing myths that never existed and preparing for the next kidnapping. This is precisely how a mentally unbalanced society looks.

IV. QBelieve HamasQ Declarations

Veteran journalist and television anchor Yaron London wrote in the mass-circulation, pluralist Yediot Aharonot (6/28): QI cannot get my wise friends that Hamas should be treated in the same way as Iran. The only difference between the rogue group and the rogue state is in the magnitude of their capacity to harm Israel... Lifting the blockade won't make them stop believing that the Jews descend from pigs and monkeys... How would you behave if you believed that by murdering Jews, you would encourage the arrival of the Messiah and redeem the world? This is what some of them would do if released. I ask those who are marching in order to have Gilad Shalit released Qat all costsQ to contemplate this.

V. QWho Is Afraid of Released Terrorists ?

Dov Weisglass, who was former Prime Minister Ariel Sharon's top diplomatic advisor, wrote in Yediot Aharonot (6/28): Q[Palestinian terrorists released in previous deals] do not engage in terror thanks to the activity of the Israeli defense establishment, but no less than that by the performance of the Palestinian security

bodies. All those involved in the security routine in Judea and Samaria [i.e. the West Bank] praise the efficiency of the Palestinian Authority -- under its current leadership -- in the fight against terror... Including the P.A. as a partner in

UNCLASSIFIED

supervising arrangements over the QreleasedQ [prisoners] in the [Shalit] deal will enable its implementation, and anyway enhance the P.A.Qs status and prestige in the eyes of Palestinian public opinion, something that Israel should be greatly interested in. UNCLASSIFIED

VI. QLegitimizing HamasQ Rule

The Director of the Interdisciplinary Center's Global Research in International Affairs Center and Editor of Middle East Review of International Affairs and Turkish Studies, columnist Barry Rubin, wrote in the conservative, independent Jerusalem Post (6/28): Q[As reflected in the White HouseQs June 20 statement on Gaza,] the U.S. has no problem with Hamas ruling Gaza as long as weapons are kept out. There is absolutely no strategic concept in the U.S. approach.

Meanwhile, the White House makes clear that IsraelQs concessions arenQt sufficient.... The administration could have said: Hamas is our enemy; the people of Gaza are our friends. We donQt want you to suffer. We want you to get rid of Hamas, join with the P.A. and make a lasting peace with Israel. If you are moderate and abandon terrorism, you will be better off and get your own state through negotiations with Israel. But that was not the strategic line taken. In this bland little White House statement we see the current U.S. GovernmentQs massive strategic failure.

VII. QWe WonQt Relinquish the Enemy

Senior op-ed writer Akiva Eldar commented in the independent, left-leaning Ha'aretz (6/28): QThe Americans are once again disturbing our peace with their Qpeace process,Q and are already talking about continuing the settlement construction freeze. Everything was so simple with the three QnoQs of Khartoum from September 1967: no peace with Israel, no recognition of Israel, and no negotiations with Israel.... The Egyptian and Jordanian foreign ministers were sent to Jerusalem to present the [Arab] peace plan to the Israeli public. The Palestinian Authority expressed its support in the form of ads in the Hebrew-language press, and has made its reconciliation with Hamas dependent on Hamas' acceptance of the plan, in its entirety. But we won't relinquish the Arabs' QnoQs.

VIII. QThe BlockadeQs Damage

Former Israeli Ambassador to the U.S. Sallai Meridor wrote in the independent, left-leaning Ha'aretz (6/28): QIt is not the [Turkish Gaza-bound] flotilla and its outcome that should guide us in our policy toward the blockade of Gaza. We must consider our policies in various areas according to their affects on the main components of our national resilience.... It is to be hoped that last week's Cabinet resolution was the result of the discussion of these questions rather than capitulation to international pressure. If

UNCLASSIFIED

strategic considerations did indeed guide the ministers, what a pity that they waited until the flotilla incident before making the decision, or more precisely, before acting to implement the cabinet resolution of last year.

UNCLASSIFIED

2. U.S.-Israel Relations:

Block Quotes:

QIsrael ShouldnQt Give Up the U.S. Democrats

Columnist Shmuel Rosner, who was HaQaretzQs correspondent in Washington, wrote in the popular, pluralist Maariv (6/28): QThere is an increasing risk that Israel is unwillingly turning into a part of the [U.S.] Republican Party. A country that has ever since leaned on the support of the two [major U.S.] political parties find s itself struggling against an erosion of support by [U.S.] voters -- and, subsequently, their legislators.... Senior Israeli officials [sometimes] call upon Republican legislators not to hit Democrats through Israel. This is a rearguard fight against a trend that Israel cannot curb.

CUNNINGHAM

NNNN

UNCLASSIFIED

ACTION NEA-00

INFO	LOG-00	AF-00	AMAD-00	INL-00	PDI-00	EAP-00	DHSE-00
	AVC-00	EUR-00	UTED-00	DIAS-00	H-00	TEDE-00	INR-00
	IO-00	ARMY-00	DCP-00	NSAE-00	OIC-00	PA-00	MCC-00
	PM-00	GIWI-00	P-00	DOHS-00	IRM-00	CRYE-00	FMP-00
	BBG-00	IIP-00	SCRS-00	PMB-00	CARC-00	SAS-00	FA-00
	PESU-00	SRND-00	SANA-00	/000W			

-----C9F007 151149Z /38

R 151140Z OCT 10
FM AMEMBASSY TEL AVIV
TO DIA WASHINGTON DC
WHITE HOUSE WASHINGTON DC
WHITE HOUSE NATIONAL SECURITY COUNCIL WASHINGTON DC
COMSIXTHFLT
COMSOCEUR VAHINGEN GE
JOINT STAFF WASHINGTON DC
CDR USCENTCOM MACDILL AFB FL
CNO WASHINGTON DC
HQ USAFE RAMSTEIN AB GE
USMISSION USUN NEW YORK
DA WASHINGTON DC
CIA WASHINGTON DC
AMEMBASSY ABU DHABI
AMEMBASSY ANKARA
AMEMBASSY AMMAN
AMEMBASSY ALGIERS
SECSTATE WASHDC 0052
AMEMBASSY DAMASCUS
AMEMBASSY CAIRO
AMEMBASSY PARIS
AMCONSUL JEDDAH
AMCONSUL JERUSALEM
AMEMBASSY BEIRUT
AMEMBASSY LONDON
AMEMBASSY RABAT
AMEMBASSY RIYADH
AMEMBASSY ROME
AMEMBASSY TUNIS
SECDEF WASHINGTON DC
INFO AMEMBASSY TEL AVIV

UNCLAS TEL AVIV 002388

SIPDIS
STATE FOR NEA, NEA/IPA, NEA/PPD
WHITE HOUSE FOR PRESS OFFICE, SIT ROOM
NSC FOR NEA STAFF
SECDEF WASHDC FOR USDP/ASD-PA/ASD-ISA

UNITED STATES DEPARTMENT OF STATE
REVIEW AUTHORITY: SHARON E AHMAD
DATE/CASE ID: 31 JAN 2012 201004163

UNCLASSIFIED

HQ USAF FOR XOXX
 DA WASHDC FOR SASA
 JOINT STAFF WASHDC FOR PA
 CDR USCENTCOM MACDILL AFB FL FOR POLAD/USIA ADVISOR
 COMSOCEUR VAIHINGEN GE FOR PAO/POLAD
 COMSIXTHFLT FOR 019
 JERUSALEM ALSO ICD
 LONDON ALSO FOR HKANONA AND POL
 PARIS ALSO FOR POL
 ROME FOR MFO

E.O. 13526: N/A
 TAGS: OPRC, KMDR, IS
 SUBJECT: ISRAEL MEDIA REACTION

 SUBJECTS COVERED IN THIS REPORT:

1. Mideast
2. U.S.-Israel Relations:

 Key stories in the media:

All media highlighted Iranian President Mahmoud Ahmadinejad's visit to southern Lebanon on Thursday. The media noted that Hizbullah leader Hassan Nasrallah "stayed hidden in his bunker." During a mass rally in Bint Jbeil, the Iranian leader proclaimed the nearing end of Zionism. Israel Radio reported that Ahmadinejad told Lebanese PM Rafiq Hariri that if all Arab states united against Israel, it would be possible to defeat it. PM Benjamin Netanyahu was quoted as saying that Lebanon is turning into an annex of Iran, which made it a tragedy for Lebanon, but that Israel knows how to defend itself. Israel Radio quoted Assistant Secretary of State Philip J. Crowley as saying that Ahmadinejad's "travel to southern Lebanon is solely to rally Hizbullah, which continues to serve as Iran's proxy in Lebanon. So his presence there we think is a provocation. It continues to undermine the sovereignty of Lebanon and the security of the region.'

Leading media reported that on Thursday, the Construction and Housing Ministry and the Israel Lands Administration issued tenders for 240 housing units in the East Jerusalem neighborhoods of Ramot

The Jerusalem Post quoted diplomatic officials in Jerusalem as saying on Thursday that Israel is not concerned by the State Department's stuttering over the "Jewish state" Issue. The daily reported that sources close to PM Netanyahu noted that President Obama told the U.N. that "Israel is a sovereign state, and the historic homeland of the Jewish people.

The Jerusalem Post quoted P.A. President Mahmoud Abbas as saying on Thursday that it was none of the Palestinians' business if Israel wanted to call itself a Jewish state, or anything else.

Maariv reported that U.S. Secretary Hillary Clinton has been invited to speak at Tel Aviv's Rabin Square during the 15th annual memorial ceremony for the late PM Yitzhak Rabin.

Maariv reported that Morocco's King Mohammed VI as invited President Shimon Peres to visit him in ten days' time.

The Jerusalem Post reported that former IDF Chief of Staff Lt. Gen. Dan Halutz told the newspaper that the fact that PM Netanyahu angers President Obama harms the effort against the Iranian nuclear program. The Jerusalem Post quoted Secretary Clinton as saying in Brussels on Thursday that there is mounting evidence that sanctions against Iran are working. The Secretary also said that Netanyahu and Abbas want to be leaders who resolve the conflict.

Ha'aretz and Israel Radio reported that right-wing activist Aryeh King announced on Thursday that he intends to settle 10 new Jewish families in the East Jerusalem neighborhood of Sheikh Jarrah, offering compensation to the Palestinian families who will subsequently be evicted. King spoke at a press conference called to discuss a recent Supreme Court ruling which determined that several Palestinian homes in Sheikh Jarrah belonged to the heirs of

the Jews who built the neighborhood in the late 19th century.

The media reported that on Thursday, Welfare and Social Services Minister Yitzhak Herzog announced his candidacy for the post of Labor Party chairman. Media noted that he would have had more chances to win the party leadership if he had resigned from the Government.

Ha'aretz reported that while the Turkel Commission continues its investigation of the Gaza flotilla affair, the Israel Navy has already drawn operational conclusions from the altercation at sea last May and is mulling how to avoid the same pitfalls. One change being considered by the navy is to purchase equipment that will help it board vessels while minimizing harm to soldiers. The

Jerusalem Post and Makor Rishon-Hatzofe reported that former Justice Yaakov Turkel again summoned IDF Chief-of-Staff Lt. Gen. Gabi Ashkenazi to appear before his commission. The leading online news service Ynet reported that in a complaint filed with the International Criminal Court (ICC), Turkey accuses Israel of war crimes including torture, inhuman treatment during the IDF raid on the flotilla. Ynet says that the ICC's jurisdiction is unclear.

UNCLASSIFIED

Labor Party Chairman and Defense Minister Ehud Barak was quoted as saying in an interview with Israel Hayom is the delegitimization campaign against it. In another matter, Ha'aretz recalls that over a quarter of a century before Barak proposed that non-Jews seeking citizenship should pledge allegiance to the Declaration of Independence, the late extremist Rabbi Meir Kahane did the same in the political platform of his Kach party in 1984. Kahane was elected to the Knesset in 1984, but his party was disqualified for being racist when it sought to run again in 1988.

Ha'aretz published an interview with former U.S. President Jimmy Carter, who expressed his dismay at the standstill in the peace process and said that he was the only one who ever delivered a letter from Gilad Shalit and from him. Carter said that he will be meeting Hamas in Syria and that "we will probably talk about it."

Leading media reported that on Thursday Israel and Greece completed a joint aerial exercise.

Israel Radio quoted former Pensioners' Affairs Minister Rafi Eitan as saying that the U.S. wronged convicted spy Jonathan Pollard, in particular regarding the exposure of U.S. agents in the USSR. Eitan said that it has been proven that Pollard did not commit that offence.

The Jerusalem Post quoted the relief organization Oxfam as saying that the P.A. and the IDF could help Palestinian farmers double their crop.

Ha'aretz (English Ed.) reported that a nonprofit dedicated to preserving the memory of murdered American-Jewish journalist Daniel Pearl through music staged its festival in Israel this week. Founded in 2005 by a former friend and fellow band member of Pearl's FODfest -- which stands for Friends of Daniel Pearl Festival -- consisted of several free community concerts, school visits, impromptu jam sessions, and street performances throughout Israel and the West Bank, aiming to spread an apolitical message of coexistence.

Ha'aretz reported that three Israeli hospitals joined forces this week in an effort to teach doctors from eastern and southern Africa how to deal with the AIDS virus that is ravaging the continent.

UNCLASSIFIED

The hospitals involved are Sheba Medical Center in Tel Hashomer, Hadassah University Hospital in Jerusalem, and Ichilov Hospital in Tel Aviv. The project, called the Israeli Consortium on AIDS Medicine in Africa, has trained 105 physicians from Ethiopia over the past five years. But this week, it entered a new phase, expanding to six other countries.

UNCLASSIFIED

Ha'aretz reported that Attorney General Yehuda Weinstein's decision this week to close the investigation over suspicions that DM Ehud Barak's wife, Nili Priel, hired an illegal foreign worker to do housekeeping at the couple's Tel Aviv apartment continues to make waves. It has become apparent that, in their hunt for the worker, authorities were looking for a woman named Virginia, while her original name was something entirely different. The case raises the prospect that a wide discrepancy exists between the values that Barak should represent and his personal reality. Israel Radio's Carmela Menashe broke the story last December.

Yediot reported that the Israeli Zeev Levy is on the 10 "most wanted" list of the U.S. Department of Homeland Security and the Immigration and Naturalization Service. He is suspected of having sheltered illegal immigrants to the U.S., providing them with fake visas and false identities.

Yediot, Maariv, and Makor Rishon-Hatzofe reported that on Wednesday Eric Bellucci, an American citizen from New York, allegedly stabbed and killed his parents and flew to Tel Aviv, where he is staying at a friend's in Tel Aviv. The newspaper quoted Israeli police as saying that they are unable to arrest him, because U.S. authorities have not yet issued an international warrant.

Yediot printed the results of a Mina Zemach/Dahaf poll that found that

- 64 percent of Israelis are worried by the possibility of fascism in Israel; 34 percent said that they are not concerned.

- 63 percent of respondents believe that Israeli Arabs have the right to vote (72 percent among secular Jews; 42 percent among religious Jews, 32 percent among ultra-Orthodox Jews; and 62 percent among Jews altogether).

1. Mideast:

Block Quotes:

UNCLASSIFIED

I. "This May Be a Milestone on the Road to War"

Uzi Dayan, President of the Israeli National Security Council, wrote in the independent Israel Hayom (10/15): "The Iranian leader's countryside visit to Lebanon is a universal illustration of the trend of deterioration in our region... In the negotiations with the Palestinians, Israel must insist on our right to defensive borders and adhere to the principle of it defending itself. It is not an 'Israeli presence' or a 'security arrangement' that we need in any permanent-status agreement if we reach it, but the Jordan Valley (in the broadest understanding of the term) under Israeli sovereignty. We'll take care by ourselves of the security arrangements needed to face the developing threats. Beyond the war on terror and the preparedness to attack Iran, incoming IDF chief of staff] Yoav Galant's General Staff should prepare ... and train the army for the not considerable probability of war."

II. "Removing the Mask"

Military correspondent Amos Harel and Palestinian affairs correspondent Avi Issacharoff wrote in the independent, left-leaning Ha'aretz (10/15): "Lebanon, a hostage state ... on Wednesday saluted the person whom the Hizbullah announcer at the [Beirut] ceremony called the 'supreme commander.' It was a frightful demonstration of force of force by the Iranians. If Gaza (whose population is Sunni) is now ruled by a fanatic regime that

draws its inspiration from Iran, why not try to repeat the exercise in Shi'ite Lebanon, too?... Back in 1992, Hizbullah portrayed itself a Lebanese organization that looked after all the citizens.... Western and Arab researchers subsequently argued that the organization was becoming more moderate and more Lebanese, and chose to ignore Hizbullah's close ties with Iran, its economic and military dependence on Tehran, its preference for Shi'ite religious arbiters from Iran over their Lebanese counterparts and the continued of the Iranian Revolutionary Guards in Lebanon. It was, finally, the Second Lebanon War that proved that Hizbullah is not motivated by the interest of most Lebanese."

2. U.S.-Israel Relations:

Block Quotes:

"Obama and the U.S.-Israel Alliance"

Deputy Managing Editor and right-wing columnist Caroline B. Glick wrote in the conservative, independent Jerusalem Post (10/15): "The Right-Left divide [in the United States] mirrors and amplifies the partisan divide. A majority of Conservatives are pro-Israel and only 5 percent of self-described liberals are pro-Israel. With everyone from Glenn Beck to George Soros predicting a massive Republican victory in next month's midterm Congressional elections, it is clear that the disparity between Obama's policies and the preferences of the American people is about to massively constrain Obama's ability to implement his agenda. From Netanyahu's perspective, what this means that if he wishes to maintain U.S. support for Israel, his best bet is to do exactly the opposite of what the Left proposes. He should continue to defy Obama and

explain to the American people why Israel cannot accede to the administration's demands.... The Israeli Left's failure to recognize what is happening in the U.S. today is not surprising. After all, the Left has ignored the sentiments of the Israeli people for years. But as the elected leader of the Jewish state, Netanyahu should recognize the truth. If he wishes to secure Israel's alliance with the U.S., he should do what is best for Israel, not what is best for Israel's Left."

GOLDBERGER

NNNN