



משרד ראש הממשלה
THE PRIME MINISTER'S OFFICE
مكتب رئيس الحكومة

HEAD OF COMMUNICATIONS DIVISION
AND MEDIA ADVISER TO THE PRIME MINISTER

ראש מטה ההסברה
ויועץ ראש הממשלה לתקשורת

Translation

December 18, 2008

**Prime Minister Ehud Olmert's Speech at the
Institute for National Security Studies Annual Conference**

Chairman of the Institute for National Security Studies, Mr. Frank Lowy,
The Honorable Howard Berman, Chairman of the Foreign Affairs Committee,
The Honorable George Mitchell, Former U.S. State Senate Majority Leader,
Admiral William Fallon, Former Head of the U.S. Navy,
Honorable Deputy Chairman of the Institute for National Security and Former President of the Tel Aviv University, Professor Itamar Rabinovich,
Honorable Vice Chairman of the Institute for National Security, Mr. Dan Meridor,
Director of the Institute for National Security, Dr. Oded Eran
Distinguished Guests,
Ladies and Gentlemen,

I am pleased to participate in the Institute for National Security Studies' annual conference, which this year is dedicating its sessions to the topic of "The United States and Israel in the Middle East in Changing Circumstances".

One of the changing circumstances, which is shared by the United States and Israel at this time is the fact that a new administration is about to begin its tenure in Washington and a new Government will be formed shortly thereafter in Jerusalem.

In any event, the basic facts of the Middle Eastern reality are not about to change in the near future, and the question on the agenda is which policy will be adopted by the American administration, what policy the Government of Israel will enact and what the level of coordination between the two governments will be in light of the complex reality of the Middle East, the political processes and the Iranian threat.

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A number of days ago, President-Elect Barack Obama gave a television interview in which he said that every effort must be made in order to prevent Iran from developing a military nuclear capability. The acquisition of such an ability, President Elect Obama said, is “unacceptable”, as is Tehran’s support for terrorist organizations such as Hizbullah and Hamas and their threats to destroy Israel.

We view the President-Elect’s strategic stance as identical to the goals Israel has set for itself, and we can only wait and see how we can promote them in cooperation with the United States, the international community and, if need be, also through independent means.

The Ayatollan regime, headed by an anti-Semitic and Holocaust denying president, aspires to regional hegemony, and to a strong regional position. Its support of terror, its striving to achieve nuclear weapons, its development of long-range missiles, its resistance to all peace initiatives and its fanning of the Arab-Israeli conflict and of regional stability with the flame of religious fanaticism – all these are tools to achieve the megalomaniacal objective of this dark regime.

Let me be clear: there is no real reason for conflict between the State of Israel and Iran, or between the people of Israel and the people of Iran. We do not share a border and there are no significant conflicts of interests between our peoples. In the past, our countries have had years of friendly relations and cooperation, and I pray that they will return under a different regime. The Khomeini regime in Tehran decided to turn Israel into a target for profound hatred, threats of destruction and casting doubt on the question of its continued existence. This is a failed regime which has chosen the path of hatred and sowing fear among its own people in order to try and unite the sectors of the divided Iranian nation.

To this point, there has been no sign of willingness on the part of the Iranian regime to retreat from its dangerous pretensions which threaten the stability of the Middle East and of the entire world. Thus far, the Iranian president has recognized fissures of weakness in the international front he faces, has expanded them and feels that he can continue on his path and in a short while place before the entire world a fait accompli.

I will emphasize at the outset that Israel has the ability to defend itself, but the Iranian threat does not just concern Israel, but rather the entire free world and the moderate countries in the Middle East. Significant and important actions are being taken vis-à-vis Iran on a number of levels, including the

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diplomatic and economic-financial levels. The global economic crisis and the decrease in the price of oil have additional potential to exert considerable pressure on Iran.

Despite all the important actions that have been taken, the international community must not remove any option from the table as long as the goal of preventing Iran from becoming a country with nuclear capability has not been achieved. Israel cannot accept such a reality.

Ladies and Gentlemen,

An additional and dangerous concrete threat, one growing more serious, is the existence of an axis stretching from Tehran through Damascus to the Hizbullah in Lebanon and the Hamas in the Gaza Strip.

If we remove the issue of a nuclear Iran from the equation, the most serious problem originates in the threat of missiles fired at Israel and its civilian home front. An arsenal of tens of thousands of missiles is in the hands of the Syrians and the Hizbullah, and there is a considerable store of curved trajectory weapons in the Gaza Strip. The entirety of this tremendous missiles store is aimed at the State of Israel's civilian home front. In the past several months, we have seen significant progress in the preparedness of the Israeli home front for scenarios of missile and rocket attacks on the home front. However, we do not have any indication of the likelihood of such an attack in the near future.

I have no doubt whatsoever: the IDF will win in any confrontation, if one, G-d forbid, breaks out, and it will be a decisive victory. Its operational skills, preparedness and the IDF's advantage in both quality and morals are incontestable. The lessons of the Second Lebanon War have been learned and implemented, and the IDF currently is infinitely stronger and more prepared. However, a possible victory in the battle is not the only thing which concerns us.

The question which must guide any Government and Prime Minister of Israel is not just how to ensure the victory of the IDF in the next war, but rather primarily how we can ensure that the next war does not break out at all. The one is dependent on the other. Preventing war must be the supreme goal of any responsible leader who will lead the State of Israel, and it is clear that the strength of the IDF and its ability to defeat the enemy are a central component in Israel's deterrence capability.

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However, military deterrence is not enough. Even a decisive victory in war cannot prevent the unbearably heavy cost in precious human life, soldiers and citizens, in wide-spread destruction and in intolerable economic costs, especially in an age of missiles. What we experienced on a small scale during the Second Lebanon War represents but a small taste of what may occur during a widespread confrontation. Let us not forget that we already once agreed, 35 years ago, to depend solely on the IDF's deterrence force to prevent war and we did not correctly estimate the power of the enemy's drive to change the status quo and the strategic balance during a war and to thaw the political stagnation.

Therefore, it is the duty of any Government in Israel to conduct a serious and genuine political process parallel with the military deterrence, in order to create incentives for the sides to avoid the cost of war and be convinced that around the negotiating table a compromise can be reached and the decisive topics can be resolved. Indeed, even after any round of violence, as painful and crushing as it may be, in any event the solution will be reached around the negotiating table.

This obligates readiness for extremely painful concessions, but what one may perhaps achieve in negotiations – the prevention of war, an end to the conflict and the establishment of peaceful relations – is priceless.

The key country in the axis which runs from Tehran to the Hizbullah and the Hamas is Syria. The secular regime in Syria joined with the regime in Tehran for reasons of self-interest and circumstantial reasons, and not for ideological reasons.

Syria is not necessarily desirous of being part of the Axis of Evil; it has a powerful desire to end its political and economic isolation and join with the West, including rehabilitating its relations with the United States.

Removing Syria from the Axis of Evil is of supreme strategic interest for the State of Israel. Creating a circle of moderate countries around Israel, from Turkey through Syria and Jordan to Egypt, will fundamentally change Israel's regional status, its relations with the Arab world and the balance of power between the moderates and the extremists in the Middle East. Severing contiguity with Iran will weaken the Hizbullah in Lebanon and its ability to inflame the northern front.

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The discussions I initiated, through the efficient mediation of the Turkish government, with representatives of the Syrian government, are thorough and important. They proved that there is a real chance of progress towards a peace agreement, and they pave the way to direct negotiations.

In my view, Israel has an absolute interest in continuing this crucial process, which has critical strategic significance with regard to security, our regional standing and in the strengthening of the web of moderate forces in the area.

Ladies and Gentlemen, a peace agreement with Syria can be achieved.

A peace agreement with Syria will afford Israel considerable advantages:

It will reduce the threat of war on the northern border and allow the residents of the North and the Israeli home front maximal security;

It will sever the strategic ties between Damascus and Tehran;

It will lead to the removal of Hamas and Islamic Jihad headquarters from Syria;

It will eliminate the terror cells which send suicide terrorists and car bombs into Iraq;

And it will stop the flow of weapons through Syria to the Hizbullah.

A peace agreement will afford Syria considerable advantages as well; this is not in dispute. There are those who claim (even in a tone criticism directed at us) that the very existence of such negotiations already granted Syria points in their favor without their having paid any price. I do not see anything wrong with this – if it assists in achieving genuine peace, this is the minimal price which can be paid also as an advance.

I occasionally hear that it is heretical to speak of peace with Syria, because of its ties with the Hamas, Hizbullah and Iran and because of the fear that these ties will continue in the future as well. It is precisely because of the need to put these issues to the test that it is important to speak with Syria. It is possible that we will be disappointed and it will become clear that even after 35 years, Syria prefers the status quo over dramatically changing the regional alignment and its relations with Israel, and thus with the entire Western world. However, how will we know if we do not try? And how will we try if we are not prepared to take any risks?

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Israel's special relations with the United States of America that stood at the center of deliberations which took place here lately, is our most important strategic asset, and it is the duty of all governments of Israel to nurture and preserve it very carefully.

The government led by Ariel Sharon and my Government placed diplomatic coordination and nurturing these special relations with the White House, the Administration and the Congress in Washington at the head of our priorities. As a result, the courageous and intimate ties between our countries were strengthened and deepened during those years, at the highest levels, and we attained diplomatic accomplishments of tremendous value. President George Bush proved himself a true friend of Israel and the Jewish people, and the security of the State of Israel is at the top of his list of priorities.

In the intimate negotiations we conducted with President Bush and his representatives, we achieved a great deal, including:

An outline for the solution to the conflict with the Palestinians based on two countries for two peoples;

The Palestinian country which will be established cannot be a country of terror, and will not have a military system. The Palestinian state will have stable institutions and will contribute to regional stability and add to the State of Israel's security;

Recognition of the need to take the reality created on the ground into account – i.e. including the settlement blocs inside the borders of the State of Israel;

Assurance of the character and definition of the State of Israel as a Jewish state, and a clear denial of the claims for the return of refugees to Israeli territory;

And above all else, American commitment to financial and security assistance for Israel in the amount of \$30 billion over the next ten years;

It is impossible to mention this achievement and other achievements without thanking the U.S. Congress with both its parties for endlessly backing and supporting this. Israel's relations were

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always based on a tightly knit connection with the White House and on cross-party support that characterized our deep relationship with the United States of America. It is the way it was, that is the way it is, and I believe that is the way it will be in the future.

Full recognition of the State of Israel's right to defend itself by itself against all threats – whether from missiles or any other threat; characterized the relationship of the United States to Israel during all these years.

A deep strategic and intelligence partnership in the war against terror and the international ostracism and delegitimization of terrorist organizations and of states which support terror, as well as the strong backing for Israel's actions and the necessary means it utilizes to stop terrorist attacks against its citizens.

The bottom line is this: the special relations with the United States, which are founded on shared values and interests, are of supreme value to the security, economy and international status of the State of Israel.

Although these relations are perceived among the Israeli public as obvious, this is not necessarily so on all levels. Whoever believes that the American Administration and Congress will automatically stand to attention at every call from Israel, without any connection to the policies led by the Israeli government is wrong. We have no friends like the Americans – however, this does not exempt us from the obligation to conduct a responsible, balanced policy, one which strives to achieve peace accords with our neighbors, even at the cost of painful concessions and taking risks.

In conclusion, I would like to discuss the Palestinian issue.

I do not need to convince any one that the Palestinian issue is the most difficult and complicated to solve. However, a solution on this track is achievable as well.

The entire land of Israel is our historic homeland; we love it and are tied to its landscapes and sites with our hearts and souls. Jerusalem, and at its center the Temple Mount, is the heart of the Jewish people for generations and the eternal capital of the State of Israel. There is no disputing this.

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Our Palestinian neighbors also have dreams, memories and a feeling of belonging with this piece of land and its central sites. We cannot ignore this and think that the Palestinians will give them up if we offer them other magical solutions.

It is clear to every intelligent person that there can be no solution other than dividing the land, and genuine peace cannot be established without finding creative solutions to the various complicated problems – of Palestinian refugees, of Jerusalem and of security issues.

Israel does not want and cannot rule over another people, not from a practical standpoint and not from a moral one. The years during which we ruled over another people exacted a heavy, intolerable toll from us. The expressions of violence by extremists in Judea and Samaria against soldiers of the IDF, against officers of the Israel Police and against the lawful authorities, become more severe every month, and are an example of this.

These are weeds which grew on the fringes of Israeli society and cast an unjustified shadow over an entire segment of the population, threaten our future and the character as a Jewish, democratic state which abides by the law and ethics. They must be uprooted from our midst. The dispersed Jewish settlement, that which moves away from the settlement blocs in Judea and Samaria, create a mixing of the populace which is difficult to separate.

The demographic balance between Jews and Arabs from the Jordan to the sea is not static. The problem of the demographic balance is not a scarecrow – it is a ticking time bomb crouched at the gateway to the State of Israel, and threatens its future. Ariel Sharon understood this, and that is why he initiated the Disengagement Plan from the Gaza Strip. The Disengagement was in no way a failure, as some attempt to define it. It was a first, incredibly important step in preventing a mixing of the populace which is impossible to separate in the Land of Israel, in order to preserve Israel as a Jewish and democratic state. Disengagement was a necessary and vital step.

There are those who claim that Hamas's takeover of the Gaza Strip resulted from the Disengagement and made the security situation in the Gaza Envelope communities worse. I am convinced that were it not for the Disengagement, the security situation in the South would be much worse; a large number of Israeli citizens would have been in the range of grenades and Molotov cocktails being hurled by residents of Gaza, and tens of thousands of soldiers would have to be in the heart of the Gaza Strip in order to protect its Jewish residents.

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Our memory at times can be short, but the Gush Katif communities before Disengagement were attacked on a daily basis by mortars and rockets.

It is better for Israel to move in the direction of two countries for two peoples now, when there is American, regional and international support for this. It must do so because the other possibilities are a disaster for the future and image of the State of Israel and a betrayal of the finest of the enlightened values and just goals of Zionism.

We must shake off our illusions and understand that economic development as an organic part of a diplomatic process leading to the establishment of a neighboring Palestinian state which is friendly and sustainable is certainly essential and desirable. However, economic investment as a substitute for a political process is nonsense, and is not a solution for the conflict. There is no “economic peace” without diplomatic peace. The word combination, “economic peace” can be an election slogan, but not a realistic option that the State of Israel can propose as a substitute for a diplomatic process which cannot be avoided.

The eternal answer to this illusion was provided by none other than the head of Betar, Ze'ev Jabotinsky, 75 years ago when he wrote:

“Those among us who proclaim peace are attempting to convince us that the Arabs are either fools who can be deceived by a softened interpretation of our goals or they are a greedy tribe prepared to relinquish their rights... for cultural or economic advantages...” Jabotinsky defined the idea that the Arabs of the land of Israel were prepared “to sell their patriotism for a developed network of train tracks” a “childish delusion”.

Ladies and Gentlemen,

I presented my conclusions and point of view regarding the principles of resolving the conflict between our neighbors and ourselves recently during my speech on the anniversary of the murder of Rabin, of blessed memory, and I will not repeat myself here.

In conclusion, I wish to emphasize that alongside the necessity of preserving all the State of Israel's critical security interests and maintaining our internal cohesion, an Israeli government which does not demonstrate flexibility, political initiative and willingness to make painful and significant

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compromises in order to achieve peace with the Palestinians and the Syrians, may be pushed into a corner, face harsh international criticism which is damaging to its security and economy. The congenial international atmosphere which enveloped the State of Israel in friendship, affection and unprecedented political and economic support cannot be taken for granted and is not automatic. It is the result of responsible and wise policy steered by the Israeli Governments under Ariel Sharon's leadership and under mine. This atmosphere may change in the wink of an eye if we do not continue acting on the same path of striving for peace and serious diplomatic negotiation involving difficult compromises which I mentioned earlier.

We must all remember that time has a decisive importance. As time goes on, the solutions do not become easier or simpler. I hope that the next government will know how to navigate the State of Israel responsibly, with caution and no less important – with daring and vision, to a future of peace and security.

Thank you.