

The United States and Israel: Disagreements Could Threaten Relations

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There has never been complete agreement between Washington and Jerusalem over a number of core issues affecting Israel's security. United States administrations and Israeli governments have come and gone, and these issues remained in place and sometimes had a temporary impact on American political and military aid to Israel. Demographic and political changes in the United States, the return of the Democrats to the White House and to control over both houses of Congress, demographic and ideological changes in the Democratic Party itself, and the heightened, more polarized struggle between the Democrats and the Republicans all require Israel to examine its relations with the United States. They represent a need for Israel to update its policy on the issues that are currently the source of friction between Jerusalem and the Biden administration, specifically, the Iranian nuclear program, the Israeli-Palestinian conflict, and relations with China.

The Iranian Nuclear Program

The entry of Joe Biden into the White House led to a change in the United States position on the Iranian nuclear issue, reflected in the decision to reverse the Trump administration's decision in 2018 (with the support of then-Prime Minister Benjamin Netanyahu) to withdraw from the nuclear deal of 2015, and return to the deal. The decision to put the Iranian nuclear issue "back in the box" and return to talks with Iran about a "longer and stronger" deal have so far come up against Iranian foot-dragging and/or a refusal to negotiate. Since the withdrawal of the United States from the deal, Iran has taken steps that significantly shorten its breakout time to a bomb, which in the original deal was defined as one year. Israel's opposition to a return to the deal in its original format; the administration's conduct in view of the advance of the nuclear program – marked by reluctance to increase pressure on Iran, which for its part has pursued a policy of stalling; and the absence of an alternative American plan in case the talks are not renewed (currently planned for the end of November) or no agreement on the issue is reached are a source of serious concern in Israel.

In Israel itself there is no disagreement about the Iranian challenge, despite the internal criticism of Prime Minister Netanyahu's contrarian conduct toward President Barack Obama in 2015, when the nuclear deal was drawn up. The current situation, which means advancement of the Iranian nuclear program with no reaction from the United States, or alternatively a return to the original deal, poses a dilemma for the Israeli government regarding its response to a threat seen by many as existential. For that reason, the continuation of quiet talks between Israel and the US administration at the professional level and at the political level, and a mutual agreement not to establish facts on the ground are what is now needed.

The Israeli-Palestinian conflict

In its first year, the Biden administration took a number of steps that overturned decisions taken by the Trump administration on the Israeli-Palestinian issue. For example, the United States restored its financial aid to the Palestinians, amounting to \$235 million this year, of which \$150 million are channeled through UNRWA. While President Biden has not canceled President Trump's recognition of Jerusalem as the capital of Israel, he has declared he will open a consulate in Jerusalem to represent the United States to the Palestinian Authority.

Even if these decisions are legally and politically controversial, the Israeli government did well to refrain from challenging the administration over the funding to UNRWA (even though this refugee agency should be eliminated once there is an alternative mechanism for financing its legitimate activities). The consulate issue is more complex in legal terms; Israel should offer the United States "creative" solutions for coordination with the Palestinians, such as opening an office for economic development, an office for interests, or an academic-cultural center.

Two additional issues are the decision by the Civil Administration to approve the construction of 3,000 new housing units in Israeli settlements in the West Bank (and 1,300 for Palestinians in Area C), and an order issued by Minister of Defense Benny Gantz on October 22, 2021 that

declared six Palestinian NGOS affiliated with the Popular Front for the Liberation of Palestine as terrorist organizations. Since Israel began to approve settlement construction in the areas captured in 1967, the international community, including the United States, has disagreed with this policy. Even if US administrations no longer cite the settlements as “illegal,” they condemn them. On October 26 a spokesman for the State Department said that they “strongly oppose the expansion of settlements, which ...damages the prospects for a two-state solution” and that the “retroactive legalization of illegal outposts” is “unacceptable.” (The Israeli press also reported an angry exchange on this matter between Secretary of State Anthony Blinken and Minister Gantz, although neither side has issued any related official announcement.) Israeli governments can ignore demographic and political changes in the United States, as well as those that occur in Europe, and continue with their settlement policy, but they are mistaken in their assumption that the United States and other countries will continue their passive forgiving stance.

For many years Israeli policy on the Israeli-Palestinian dispute has been handled as if it were a purely internal Israeli matter, with little attention directed toward changes in the international arena, and particularly in the United States. A letter from President Bush to Prime Minister Ariel Sharon in 2004, which could be interpreted as consent for leaving the settlement blocs close to the 1967 line in place, or President Trump’s plan, which posits Israeli sovereignty over a third of the West Bank as part of a permanent settlement, led to a mistaken belief in Israel that this represents US policy. But it is highly doubtful whether a US administration headed by a Democratic president will either want or be able to repeat the key sentences as formulated in the Bush letter to Sharon. The Israeli leadership must take account of the broader picture, which includes the growth of minority groups in the US, often working with superficial knowledge of the conflict and a heightened awareness of human and minority rights. The debate in the US Congress over approval of the Iron Dome budget should sound a warning shot for Israel: the House of Representatives now includes legislators who have worked consistently against Israel, and succeeded, for the first time in the history of relations

between the countries, in delaying approval of security aid to Israel (even if the delay was not initiated by the administration, as happened several times in the past). A review of these events in Israel might have changed the content and timing of decisions regarding construction in the settlements, or defining Palestinian NGOs as terrorist organizations.

In addition, Israeli governments should also devote time to a deeper examination of changes in the American Jewish community, and in particular the younger generation. This generation is becoming more and more disaffected with Israel for various reasons, of which the main one is their rejection of Israeli policy on the Palestinian issue.

The current Israeli government is perceived by many in Israel, and in countries worldwide, as preferable to its predecessor. However, governments all over the world are aware that the coalition's shaky majority in the Knesset and its political composition prevent it from adopting bold policies on the Israeli-Palestinian issue. This understanding is accompanied by acceptance with the situation in the Palestinian arena, marked by the ongoing rift between Hamas, which controls the Gaza Strip, and Fatah, which heads the Palestinian Authority in the West Bank, and the approaching end of Abu Mazen's term as President of the Authority.

This political reality lowers expectations for a breakthrough toward an overall settlement of the conflict, but it would be a mistake to assume that the world has come to terms with the creeping annexation of territories in the West Bank. The international community, particularly the United States and Europe, expects Israel to avoid taking steps that will harm the possibility for future implementation of the two-state principle, and to enable immediate improvement of the Palestinian economy. Economic initiatives presented by the Israeli government for the Gaza Strip and the West Bank earn positive reactions and create a constructive basis for dialogue with the Palestinians and with the United States, while simultaneously serving Israel's interests – reducing friction in the West Bank and in Gaza, while strengthening relations with Arab states and avoiding friction with the United States.

Israel-China Relations

The Trump administration was considered an anomaly in the modern history of the United States, but on one issue there is clear continuity between the Obama, Trump, and Biden administrations: the growing struggle between the United States and China. Compared to the Trump administration, President Biden has even intensified the moves and reactions to China, and is trying to recruit other countries to increase the pressure on Beijing. The threshold of American sensitivity to China-Israel relations was evident already in the late twentieth century, with cancellation of the Phalcon deal, in which Israel was due to supply China with early warning aircraft. The tightening of economic ties between Israel and China over the last decade and the entry of Chinese companies into the fields of infrastructure, vehicles, and advanced technology have been an ongoing central feature of the US-Israeli dialogue. The Israeli dilemma stems from its clear economic interest in ties with one of the world's three leading economies, and its need to take account of American strategic considerations. Both the US and Israel have "transparent" and "hazy" parts of their policies regarding China and their dialogue on this subject. Naturally the Israeli view of the risks and opportunities offered by relations with China is not identical to the United States view, but it is possible to minimize the damage arising from any lack of clarity in the respective policies and thereby restrict the dangers. This process is already underway, and it can be improved. Israel must also examine the mechanisms used by several countries to supervise foreign investments and limit the possible security damage of economic or academic activity by foreign countries and companies in their territory. International cooperation on such matters will help provide an understanding of the extent of the problem, and will help find ways of handling related challenges facing many countries.

In conclusion, it is clear that the range of issues at the focus of disputes between the government of Israel and the US administration are not in the current circumstances ripe for resolution. Consequently, there is a need to find a way of managing the crises, which appear to be

unavoidable due to the gap in positions. For Israel, this means making an effort to avoid unnecessary friction – but protecting its vital interests.

Editors of the series: Anat Kurtz, Eldad Shavit and Judith Rosen