

## A New Tool in the Political System: Personal Sanctions Against Israelis

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Relations between the American administration and the Israeli government are in crisis, as is clearly evident by the United States abstaining from the UN resolution on a ceasefire and the critical remarks made by senior government figures. Israel is also facing political pressure from other allies, including European countries, which involves restrictions on arms supplies to Israel and considerations of other constrictions. In addition, for the first time in recent years, Israel has been subjected to personal sanctions against its citizens for their violent actions in the West Bank (Judea and Samaria). The use of this measure against Israelis, which was previously reserved for citizens of rogue countries such as Russia, China, and Iran, sets a worrying precedent. It conveys a message about Israel's precarious international position, and it could be a harbinger of wider sanctions on the country and its citizens.

In early December 2023, US Secretary of State Antony Blinken <u>announced</u> sanctions against Israelis who had been involved in acts of violence in the West Bank. Although the move was exceptional, the sanctions were limited in scope and involved denying entry to the United States for those individuals (and sometimes their families). It is <u>estimated</u> that dozens of Israelis and their relatives are affected by these sanctions.

On February 1, the situation escalated when US President Joe Biden issued an <u>executive order</u> authorizing sanctions against Israelis involved in acts of violence in the West Bank. The order states that "the situation in the West Bank—in particular high levels of extremist settler violence, forced displacement of people and villages, and property destruction—has reached intolerable levels." According to the order, this situation poses a serious threat to the peace, security, and stability of the West Bank and Gaza, Israel, and the broader Middle East region. It also undermines the interests of the United States and its foreign policy objectives, which include the viability of the two-state solution. The order authorizes sanctions, including a freeze on assets and a ban on entering the US, for non-US citizens who are suspected, inter alia, of the following: carrying out actions that threaten the peace, security, or stability in the West Bank, including by failing to enforce policies; planning, ordering, directing, or participating in violent actions or threats of violence against civilians or in destroying, seizing or dispossessing of property. In addition, sanctions may be imposed against persons who have committed or attempted to commit acts of terrorism affecting the West Bank.

The order enables the imposition of sanctions not only on individual citizens but also on state officials. It could even apply to ministers and senior figures in government ministries and the IDF who are involved in the specified actions. In this context, there are claims that an internal

report of the Ministry of Foreign Affairs has warned that the US administration is awaiting Israel's response to allegations against IDF forces and is considering sanctions against soldiers, including IDF commanders, for failing to enforce the law against settlers who have attacked Palestinians in the West Bank.

Shortly after the order was issued, the State Department <u>announced</u> sanctions against four settlers who were accused of acting violently toward Palestinians in the West Bank. On March 14, another three Israeli citizens and two outposts <u>were added</u> to the sanctions list. The actions attributed to them include participating in breaches of order, setting fire to vehicles and buildings, threatening and attacking Palestinian farmers and destroying their property. Regarding the outposts, it is claimed that they serve as bases from which settlers set out to commit acts of violence and deny Palestinian farmers access to their land.

The use of personal sanctions by the United States against settler violence paved the way for other countries to take similar steps. Thus, on February 12, Britain <u>imposed</u> sanctions, including financial and travel restrictions on "four extremist Israeli settlers" (some of whom also appear on the US lists) "who have committed human rights abuses against Palestinian communities in the West Bank." <u>France</u> also imposed travel restrictions on "extremist settlers" on February 13, followed by <u>New Zealand</u> on February 28. <u>Spain</u> also announced that it was initiating a process to impose sanctions on settlers, and <u>Canada</u> stated it was considering a similar move.

An important development occurred on March 18, when the EU Foreign Minister Josep Borrell <u>announced</u> that EU states had agreed to impose sanctions on extremist Israeli settlers, including a travel ban and freezing of assets owned in EU territory. This came after Hungary withdrew its objection to the move. The decision will come into force when it is finally adopted by the representatives of the EU states and published in the official EU journal.

The consequences of imposing sanctions go beyond the borders of the countries that impose them. This is particularly true for sanctions imposed by the United States. They prohibit financing of the sanctioned individuals, which in turn affects banks and other financial institutions. Accordingly, Bank Leumi and the Postal Bank limited activity in the accounts of settlers on the US list, except for activity that is expressly permitted by the administration for basic human needs. The Bank of Israel <u>backed</u> the decision, explaining that "bypassing such sanctions could expose the banking corporations to considerable risks, including in the areas of compliance, money laundering and financing terror, legal risks and risks to reputation. Maintaining the proper management and regular activity of banking corporations in Israel is essential for the normal operation of the economy as a whole, for maintaining proper relations with the global economy, and ultimately for the proper function of the Israel economy."

## Significance

Sanctions are a foreign policy tool designed to exert pressure on countries that deviate from the accepted norms of the international community and international law, in order to cause them to change their policies. They can be general—directed against entire nations or sectors

of their economy—or limited to specific elements or sectors within the country. Personal sanctions, a subset of limited sanctions, target individuals to influence their behavior while minimizing harm to those not involved in the actions prompting the sanctions. In recent decades, such sanctions have become increasingly prevalent due to their efficacy in applying targeted pressure on actors responsible for undesirable policies or capable of altering them. A notable example is the case of Russia, where extensive sanctions have targeted members of the political and economic elite closely associated with the government.

Until recently, Israel encountered the effects of personal sanctions mainly when they involved Russians with Israeli citizenship and assets or activity in Israel. The fact that such sanctions are now being imposed on Israeli individuals is a very worrying development, as it aligns Israel with countries like Russia, China, and Iran. This shift signifies a troubling change in the perception of Israel as a member of the community of liberal, law-abiding nations, as it now faces external measures against its citizens due to perceived shortcomings in its enforcement of the law.

The use of sanctions against extremist settlers is intended to express the disapproval of Western countries toward the Israeli government's policy in the West Bank and to convey a message that if Israel fails to enforce the law in cases of violence, they will not hesitate to take action. Undoubtedly, the imposition of sanctions at the current moment also reflects the dissatisfaction of Israel's Western allies with its conduct in the Gaza Strip, particularly with its perceived disregard of their demands for minimizing harm to the Palestinian population and for presenting a political horizon. However, it is evident that the countries opting to impose personal sanctions on settlers were guided by two factors: first, the desire to avoid measures that could weaken the fight against Hamas in Gaza, and second, the attempt to communicate to the Israeli public that they do not intend to harm all citizens of the country. The aim is to distinguish between the citizens of Israel and its government, perceived as supporting extremist elements or even being led by them.

Nevertheless, the United States' recent utilization of personal sanctions, followed by other countries, against Israeli individuals raises significant concerns. There is apprehension that this tool may be further employed against other Israeli entities in the future. While current sanctions are directed at private individuals, sanctions could potentially be extended to official bodies for their failure to enforce the law against violent settlers, and potentially for direct damage to Palestinian property.

## What Should Israel Do

In its <u>official response</u> to the order issued by the US administration, Israel stressed that "the great majority of settlers in Judea and Samaria are law-abiding citizens, and many of them are currently serving in the regular army and the reserves in the defense of Israel. Israel acts against anyone who breaches the law anywhere and there is therefore no need for extraordinary measures on this matter." Moreover, Finance Minister Betzalel Smotrich responded with what <u>amounted to a threat</u>, stating that Israel would prevent the transfer of money to the Palestinian Authority through the Israeli banking system.

Israel must address the new and concerning phenomenon of personal sanctions against Israeli citizens with the utmost seriousness. In the case of extremist elements active in Judea and Samaria, the government should take decisive action. They are criminals whose actions deserve unequivocal condemnation, as they undermine public security and order. The full force of the law should be applied to them, as in the case of any Israeli who commits violence. Moreover, their actions and the lack of enforcement against them are damaging to Israel's already precarious international standing, at a time when it needs the support of its allies more than ever. Furthermore, the entire Israeli public bears the cost of surrendering to the most extremist elements in Israeli society.

In addition to addressing this immediate concern, broader steps must be taken to reverse the serious decline in Israel's international position. Israel must demonstrate through its conduct, actions, and words that it is an ethical and law-abiding nation. Being grouped with countries like Russia, China, and Iran, whose citizens face personal sanctions, indicates a failure of Israel's foreign policy. This failure stems from prioritizing narrow domestic interests over the broader interests of national security.

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