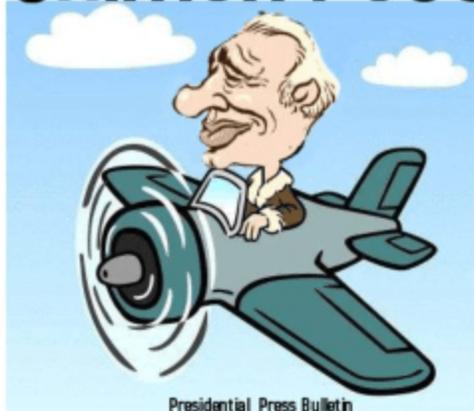


The Shimon Post



4 November, 2011

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Article 1.

The Washington Post

Who lost Iraq?

Charles Krauthammer

November 4 -- Barack Obama was a principled opponent of the Iraq war from its beginning. But when he became president in January 2009, he was handed a war that was won. The surge had succeeded. Al-Qaeda in Iraq had been routed, driven to humiliating defeat by an Anbar Awakening of Sunnis fighting side-by-side with the infidel Americans. Even more remarkably, the Shiite militias had been taken down, with U.S. backing, by the forces of Shiite Prime Minister Nouri al-Maliki. They crushed the Sadr militias from Basra to Sadr City.

Al-Qaeda decimated. A Shiite prime minister taking a decisively nationalist line. Iraqi Sunnis ready to integrate into a new national government. U.S. casualties at their lowest ebb in the entire war. Elections approaching. Obama was left with but a single task: Negotiate a new status-of-forces agreement (SOFA) to reinforce these gains and create a strategic partnership with the Arab world's only democracy.

He blew it. Negotiations, such as they were, finally collapsed last month. There is no agreement, no partnership. As of Dec. 31, the U.S. military presence in Iraq will be liquidated.

And it's not as if that deadline snuck up on Obama. He had three years to prepare for it. Everyone involved, Iraqi and American, knew that the 2008 SOFA calling for full U.S. withdrawal was meant to be renegotiated. And all major parties but one (the Sadr faction) had an interest in some residual stabilizing U.S. force, like the postwar deployments in Japan, Germany and Korea.

Three years, two abject failures. The first was the administration's inability, at the height of American post-surge power, to broker a centrist nationalist coalition governed by the major blocs — one predominantly Shiite (Maliki's), one predominantly Sunni (Ayad Allawi's), one Kurdish — that among them won a large majority (69 percent) of seats in the 2010 election.

Vice President Biden was given the job. He failed utterly. The government ended up effectively being run by a narrow sectarian coalition where the balance of power is held by the relatively small (12 percent) Iranian-client Sadr faction.

The second failure was the SOFA itself. U.S. commanders recommended nearly 20,000 troops, considerably fewer than our 28,500 in Korea, 40,000 in Japan and 54,000 in Germany. The president rejected those proposals, choosing instead a level of 3,000 to 5,000 troops.

A deployment so risibly small would have to expend all its energies simply protecting itself — the fate of our tragic, missionless 1982 Lebanon deployment — with no real capability to train the Iraqis, build their U.S.-equipped air force, mediate ethnic disputes (as we have successfully done, for example, between local Arabs and Kurds), operate surveillance and special-ops bases, and establish the kind of close military-to-military relations that undergird our strongest alliances.

The Obama proposal was an unmistakable signal of unseriousness. It became clear that he simply wanted out, leaving any Iraqi foolish enough to maintain a pro-American orientation exposed to Iranian influence, now unopposed and potentially lethal. Message received. Just this past week, Massoud Barzani, leader of the Kurds — for two decades the staunchest of U.S. allies — visited Tehran to bend a knee to both President Mahmoud Ahmadinejad and Ayatollah Ali Khamenei.

It didn't have to be this way. Our friends did not have to be left out in the cold to seek Iranian protection. Three years and a won war had given Obama the opportunity to establish a lasting strategic alliance with the Arab world's second most important power.

He failed, though he hardly tried very hard. The excuse is Iraqi refusal to grant legal immunity to U.S. forces. But the Bush administration encountered the same problem and overcame it.

Obama had little desire to. Indeed, he portrays the evacuation as a success, the fulfillment of a campaign promise.

But surely the obligation to defend the security and the interests of the nation supersede personal vindication. Obama opposed the war, but when he became commander in chief the terrible price had already been paid in blood and treasure. His obligation was to make something of that sacrifice, to secure the strategic gains that sacrifice had already achieved.

He did not, failing at precisely what this administration so flatters itself for doing so well: diplomacy. After years of allegedly clumsy brutish force, Obama was to usher in an era of not hard power, not soft power, but smart power.

Which turns out in Iraq to be . . . no power. Years from now, we will be asking not "Who lost Iraq?" — that already is clear — but "Why?"

Article 2.

The National Interest

Arab Spring or Islamist Surge?

Benny Morris

November 3, 2011 -- Rioting in Tunisia and Egypt in early 2011 unleashed a tidal wave of unrest across the Arab world that was soon designated the "Arab Spring." Enthusiasts in the West hailed a new birth of freedom for a giant slice of humanity that has been living in despotic darkness for centuries. But historians in fifty or a hundred years may well point to the 1979 events in Teheran—the Islamist revolution that toppled the Shah—as the real trigger of this so-called "spring" (which is looking more and more like a deep, forbidding winter). And the Islamist Hamas victory in the Palestinian general elections of 2006 and that organization's armed takeover of the Gaza Strip the following year probably signified further milestones on the same path.

For, if nothing else, the past weeks' developments have driven home one message: That the main result of the "Arab Spring" will be—at least in the short and medium terms, and, I fear, in the long-term as well—an accelerated Islamization of the Arab world. In the Mashreq—the eastern Arab lands, including Saudi Arabia, Syria and Iraq—the jury may still be out (though recent events in Palestine and Jordan are not encouraging). But in the Maghreb—the western Arab lands, from Egypt to the Atlantic coast—the direction of development is crystal clear.

In Tunisia the Islamist al-Nahda (Ennahda) Party won a clear victory in the country's first free elections, winning some 90 out of 217 seats in the special assembly which in the coming months is to chart the country's political future. Speculation about whether the party is genuinely "moderate" Islamist—as its leader, Rachid Ghannouchi,

insists—or fundamentally intent on imposing sharia religious law over Tunisia through a process of creeping Islamisation a la the Gaza Strip and Turkey is immaterial. The Islamists won, hands down and against all initial expectations—and in a country that was thought to be the most secular and "Western" in the Arab world. Freedom of thought and religious freedom are not exactly foundations of Islamist thinking, and whether Tunisian "democracy" will survive this election is anyone's guess.

To the east, in the tribal wreckage that is Libya, the Islamist factions appear to be the major force emerging from the demise of the Qaddafi regime. In the coming weeks and months we are likely to see movement toward elections that will hammer down another Islamist victory.

And much the same appears to be emerging from the far more significant upheaval in Libya's eastern neighbor, Egypt, with its 90 million inhabitants—the demographic, cultural and political center of the Arab world and its weather vane. The recent crackdown, by a Muslim mob and then the ruling military, against Coptic Christian demonstrators (protesting the destruction of a church) was only, I fear, a taste of things to come. All opinion polls predict that the Islamist Muslim Brotherhood—which has long sought the imposition of strict sharia law and Israel's destruction—will emerge from next month's parliamentary elections as the country's strongest political party, perhaps even with an outright majority. An Islamist may well win the presidential elections that are scheduled to follow, if the army allows them to go forward.

And the Sinai Peninsula bordering Israel and the Gaza Strip has become, following Mubarak's fall, a lawless, Islamist-dominated territory. Egyptian writ runs (barely) only in the northeastern (El Arish-Rafah) and southeastern (Sharm a-Sheikh) fringes. The peninsula's interior is in the grip of Islamists and bedouin gunmen

and smugglers and has become a major staging post for Iranian arms smuggling into the Hamas-ruled Gaza Strip.

For months now the Egyptian natural gas pipeline to Israel (and Jordan) has been cut, the military unable to prevent continued incidents of Islamist-beduin sabotage. The severance of the gas export—in effect, a continuing Egyptian violation of an international commercial agreement—has meant that Israel has had to dole out hundreds of millions of additional dollars for liquid fuel to run its electricity grid.

And last week witnessed a further, violent aftereffect of the "Arab Spring"—three Grad rockets (advanced Katyushas), launched from the Gaza Strip, landed 20-25 miles away in open fields outside the central Israeli cities of Ashdod and Rehovot. There were no casualties and air force jets hit what Israel called "terrorist" targets in the strip in retaliation (apparently also causing no casualties). But the direction is clear. After the Israel-Hamas prisoner exchange, the region may be heading toward increased violence. If so, such violence would be part and parcel of the unfolding Islamisation of the region—both in terms of the anti-Zionist Islamist ethos and attendant concrete developments on the ground, one of which is the giant arms smuggling operations that have followed the downfall of Gaddafi. Thus, the "Arab Spring" has brought both Islamization and chaos (and the Islamization will only benefit from this transitional chaos). Ordinary smugglers have collaborated with Islamists to plunder Qaddafi's armories, and the Middle East's clandestine arms bazaars are awash with Grads and relatively sophisticated shoulder-held anti-aircraft missiles. Israeli intelligence says that many of these weapons have recently made their way into the Gaza Strip via the Sinai Peninsula. One anti-aircraft missile was fired at an Israeli helicopter in a recent skirmish on the Sinai-Israel border.

All these developments suggest an accelerating trend in the Middle East that is far different from what many Western idealists anticipated when they coined the term “Arab Spring.” It’s a trend that could severely alter Muslim-Western relations across the board.

Benny Morris is a professor of history in the Middle East Studies Department of Ben-Gurion University of the Negev. His most recent book is One State, Two States: Resolving the Israel/Palestine Conflict (Yale University Press, 2009).

Article 3.

Foreign Policy

How Egypt's Muslim Brotherhood will win

Shadi Hamid

November 3, 2011 -- The performance of the Islamist party Ennahda in the October 23 Tunisian elections, in which it won 41.5 percent of the seats, has refocused attention on the upcoming Egyptian elections scheduled to begin on November 28. Some analysts have minimized the Muslim Brotherhood's prospects for success by pointing to polls suggesting that the group -- the largest and best organized in Egypt -- hovers between 15 to 30 percent approval. It may be true that the Brotherhood isn't as popular as we might think. But elections aren't popularity contests. In fact, as the campaign unfolds, it appears likely that Egypt's Islamists will do even better than expected, just like their Tunisian counterparts.

In the run-up to the Tunisian elections, Ennahda was polling around 20 percent. Yet they ended up with nearly double. In elections -- particularly founding elections in which new parties need to introduce themselves to voters across the country -- organization and strategy are what counts, not high approval ratings. In Egypt, the Muslim Brotherhood excels on both counts. While most liberal and leftist parties are effectively starting from scratch, the Brotherhood already has a disciplined ground game, fine-tuned from three decades of contesting syndicate and national elections.

During last November's parliamentary contest -- arguably the most fraudulent Egypt had ever seen -- I had the chance to witness the Brotherhood's "get-out-the-vote" operation up close. One Brotherhood campaign worker, perhaps unaware it would sound

somewhat implausible, told me that the organization has an internal vote turnout of nearly 100 percent. In other words, everyone who is an active Muslim Brotherhood member is expected to vote and actually does. Even if this is a stretch, it is true that the Brotherhood, in part because it is a religious movement rather than a political party, has the sort of organizational discipline of which competing parties can only dream.

This discipline is deeply rooted in the organization's culture. Each Muslim Brotherhood member signs on to a rigorous educational curriculum and is part of something called an usra, or family, which meets weekly. If a Brother chooses to stay home on election day, other Brothers will know. But it's not just a matter of peer expectations. At each polling station, there is a Brotherhood coordinator who essentially does a whip count. Because the number of voters at a particular polling station can be quite small -- with the number of Brothers in the hundreds -- this is feasible in many districts. The "whip" stays there the entire day, watching who comes and goes and tallies up the figures. If you were supposed to go and didn't, the whip will know. Perhaps sensing my skepticism, one such whip assured me, "Well, you have to understand -- I know every single Brother who lives in the area.

With an electoral system that is, in the words of one activist, "algorithmically complicated," knowing your district takes on even more importance. As Daphne McCurdy pointed out in a recent POMED report on Tunisia, "Most polling in Tunisia has focused on nationwide levels of support, entirely overlooking variation within specific electoral districts." Ennahda was the only party that had coverage throughout the country, with tailored strategies for each district, including rural areas. Here, the Brotherhood has yet another built-in advantage. With 88 deputies in the previous parliament

(2005-2010), the group was able to provide a greater array of services on the local level and build stronger relations with constituents. What about the Brotherhood's competition? The Brotherhood's political arm, the Freedom and Justice Party (FJP), is joined by Ayman Nour's liberal al-Ghad party, the Nasserist Karama party, and a smattering of smaller parties, forming the "Democratic Alliance" list. There are four other major lists, three of which have a liberal or leftist orientation (Egyptian Bloc, the Revolution Continues, and the Wafd list). With their considerable funding and patronage networks, the right-of-center Wafd party, headed by multi-millionaire Al-Sayyid Badawy, and remnants of the old ruling National Democratic Party, are also well positioned to secure a significant share of the vote.

For their part, the newly formed liberal parties have suffered from an inability to articulate a clear ideology or agenda -- a major failing in a country where "liberalism" continues to have a negative connotation. Many liberal parties have sometimes appeared to stand for little more than not being Islamist, opting to stoke public fears of impending theocracy. Such a strategy is likely to backfire in a country where 67 percent of Egyptians say that laws should strictly follow the Quran's teachings, while another 27 percent say that they should in some way follow the values and principles of Islam, according to an April Pew poll. In Tunisia, the Progressive Democratic Party, which positioned itself as the anti-Islamist choice, got pummeled in the polls, while the two liberal parties that maintained good relations with Ennahda -- Congress for the Republic and Ettakatol -- fared relatively well, finishing in second and third place respectively.

This leaves an obvious course for leftist and liberal parties, one that offers considerably more promise -- a razor-sharp focus on Egypt's mounting economic troubles. But this, too, is challenging, as most parties -- leftist or not -- use similar rhetoric on the economy: Poverty

is bad; jobs are good; social justice is better, and so on. As Ayesha Sabayala of the Economist Intelligence Unit pointed out regarding Tunisia, "If you look at parties' manifestos, with the exception of the far left parties, most have the same economic objectives: to reduce unemployment and increase infrastructure in interior." The Muslim Brotherhood has smartly positioned itself as a voice for the poor, even though its economic platform (something designed more for foreign investors and the international community) is surprisingly free market-oriented. Recently, for example, the group launched "Millioniyyat al-Khayr" (the million-man act of goodwill), an initiative to provide 1.5 million kilos of meat to 5 million Egyptians for the Eid al-Adha holiday.

There is still the possibility that the Brotherhood may underperform - - as they did in the recent Doctors' Syndicate elections. But, be careful what you wish for. The alternative to moderate Islamists may very well be less moderate Islamists. Well before the Arab Spring, Brotherhood leaders often told me that their youth were increasingly being swayed by Salafi ideas. One Brotherhood official told me that Salafis outnumbered them five to one. Salafi groups have repeatedly sounded ambitious notes, with one leader claiming that they would win 30 percent of the seats. Ambitious as they are, Salafis are political novices, with virtually no experience running parliamentary campaigns. But they are proving quick learners and have managed to unify their ranks, bringing together four Salafi parties under the banner of the "Islamic alliance." Moreover, liberal claims (or hopes) that Salafis are well outside of the mainstream may be wishful thinking. In a December 2010 poll, 82 percent of Egyptians said they favored stoning adulterers, while 77 percent supported cutting off the hands of thieves. The only movement besides the Brotherhood with a nationwide grassroots base, Salafis have taken to organizing traffic in

congested areas of Alexandria, engage in door-to-door education campaigns, and provide health services to the poor.

These elections, then, are not necessarily about ideas. They are about voters. And, in this respect, Egypt's elections are looking a lot like they do in the United States. The "good guys," whoever they are, don't always win. Indeed, if Islamist parties do as well they might -- winning upwards of 50 percent of the vote -- the alarmism and hand wringing from Western quarters will be considerable. The important metric for Egypt's troubled transition, though, isn't who wins, but rather, if Egyptians have the opportunity to choose their own representatives free of intimidation and interference. Democracy, as Western democracies have long known, is about the right to make the wrong choice.

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Article 4.

Al-Ahram Weekly

Will Egypt follow Tunisia?

Abdel-Moneim Said

3 - 9 November 2011 -- A two-month teaching stint in Brandeis University gave me the opportunity to give and attend lectures in Boston, Washington, New York and Chicago. Many of these had to do with the spate of revolutions in our part of the world. Everywhere I went, I found people wondering how the Arab Spring would influence Arab-Israeli relations. But for me the more pertinent question is how the Arab Spring would turn out; namely, whether we'll sail smoothly towards democracy or get shipwrecked in high seas.

A recent lecture that I attended was all about the differences between countries in which the army sided with the people, such as Egypt and Tunisia, and countries in which armies sided with the regimes, as in Libya, Syria and Yemen. The lecturer went on and on about how the revolutions started, but spent no time at all speaking about the future. When pressed on the point, she said that we must be ready for everything, except democracy. Obviously, her assumption was that the Arabs are not prepared for democracy. We don't have a strong middle class, entrenched democratic values, or an industrialist class that is ready to share and rotate power. To make things worse, we have many Islamist politicians whose view of democracy leaves much to be desired.

Not long ago, I read an article by Ibrahim Eissa in which he voiced satisfaction over the integration of the Islamists into politics and praised their perseverance and enthusiasm. Other liberals have voiced similar views. But what if there are no more elections? What if the Islamists decide that democracy is a Western tradition and that invites

political decay and encourages foreign infiltration by the Israelis and the Americans? What if they decide that women's place was at home and tourism needed to be purged of "impropriety"?

So far, Tunisia seems to be leading by example. In elections with voter turnout of 85 per cent, the Islamist-leaning Al-Nahda won 41.5 per cent of the seats, an impressive ration considering that the party has not been allowed to operate at home for years. Al-Nahda embraces a liberal programme resembling that of Turkey's Justice and Development Party, another impressive fact considering that Tunisia's traditions of liberalism and secularism are not as solid as those of Turkey. Even more impressively, Al-Nahda backed 42 out of the 49 women candidates who made it into parliament.

The Tunisian example is quite refreshing, suggesting that the Islamists are capable of change and are trying to keep the spirit of the Arab Spring alive.

Will other Islamist-leaning parties follow the Tunisian lead, or will they hold back the transition towards democracy? Will the Islamists open up to the world and engage the international scene, or will they be distant and xenophobic?

The answer is to be found in Cairo. With 80 million people, Egypt is without question the biggest fish in the Arab pond. If it floats, the whole region will benefit. And if it sinks, the consequences will be felt outside its borders.

So far, the scene in Cairo is mixed. The Muslim Brotherhood is neither open-minded nor modern in its tendencies. Some of its members still believe in ideas that date back more than 60 years, failing to recognise the changes that happened at home and in the world over that time.

The Muslim Brotherhood reaction to Recep Tayyip Erdogan's visit to Egypt is quite interesting. At first, they welcomed him with banners calling for the restoration of the caliphate, and once he started

speaking about Islam in a secular context, they turned against him, repeating the usual mantra of Egypt being a "special case".

This is why future of the Egyptian revolution remains uncertain. We don't know if the Muslim Brotherhood wants the country to move forward, or turn around. When the Egyptian revolution broke out, I said that Egypt was likely to waver between the Iranian and Turkish models. So far, the Muslim Brotherhood did just that. When it hangs out with the liberals, as when it was an ally with the Wafd, it says all the right things. And when it is courted by the Salafis, it goes completely the other way. So we don't know yet if it is for a modern and democratic state, or for a hard-line Islamist kind of country. For now, one can only hope that Cairo takes its cue from Tunisia.

Article 5.

The Daily Beast

Is Hamas Moderating?

Eli Lake

November 3, 2011 -- Top Palestinian negotiator Nabil Shaath, a key member of the Fatah Party started by Yasser Arafat, says his rivals inside Hamas appear to be moderating their positions and could be moving toward a deal for a unified government.

Shaath told The Daily Beast that the weakening of Syria's government—long a source of support for Hamas—in the face of civil unrest has changed the dynamic for Palestinians still trying to create a unified government that could negotiate with Israel with one voice.

“I see that the Hamas leadership, particularly after the erosion of their base in Damascus, is becoming more interested in unity with Fatah than before,” Shaath said in an interview this week.

His optimism comes despite speculation by some that the Palestinian Authority has been weakened by Israel's decision to release more than 1,000 prisoners to Hamas in exchange for soldier Gilad Shalit. Fatah is the secular Palestinian liberation movement started by the late Arafat in 1964. Fatah at first committed to armed struggle, but in 1993 made a strategic decision to start negotiations with Israel. Fatah and the Palestinian Liberation Organization negotiated on and off with Israel between 1991 and 2010.

During that period, Hamas distinguished itself as the party against the peace process and to this day its charter calls for the elimination of Israel. Negotiations conducted earlier this year between Hamas leaders and President Abbas to form a unity government broke down. Shaath said Khaled Meshaal, the leader of Hamas's military wing headquartered in Damascus, was turning into the group's biggest

reformer. “He is now the dove in Hamas,” Shaath said. “He is the one that publicly said if (Abbas) thinks he still needs a year or two in negotiations he should go forward for it. He is the one that declared our objective is only a Palestinian state on West Bank and Gaza and not the totality of historic Palestine. He is the one that is pushing now for unity talks with President Abbas.”

Meshaal and Israeli Prime Minister Benjamin Netanyahu have their own history. In 1997 Netanyahu, in his first term as prime minister, ordered the Mossad to poison the Hamas operative in Amman. It was one of the Mossad’s most embarrassing blunders, as the two Israeli officers were caught after placing a nerve agent in Meshaal’s left ear. The Israelis had to provide the antidote after King Hussein demanded they save Meshaal’s life. Shaath also has a history with Hamas. At a conference Wednesday commemorating the Madrid peace conferences, Shaath explained that Hamas burned his family home in Gaza in 2007, when Hamas bested what was left of militias loyal to Fatah.

In 2006, Hamas won a plurality of seats in legislative elections, but Fatah never turned over control of the vaunted security ministries to its rivals. After Hamas won power in Gaza, the group released secret files from the security ministry aimed at humiliating Fatah and the Palestinian Authority that claimed Fatah spied for the CIA in other Arab states.

When asked why Meshaal was changing his tune, Shaath said, “My feeling, and I don’t want to really preempt his possibly seeing the changes need to be done, I mean people change. But also the erosion of the Damascus base has been a factor.”

Rob Danin, a former senior U.S. diplomat who specialized in the Arab-Israeli conflict, said he, too, has seen a shift in some of the rhetoric from Meshaal, but he doesn’t think it amounts to a strategic

shift for the group still designated in America and Europe as a foreign terrorist organization.

“I suspect this is tactical,” Danin said. “I think it’s way overstated to call him a dove. But in relative terms, it seems the uprisings in Syria have compelled Hamas to adopt a more pragmatic approach.”

One factor at the heart of the new drama over Hamas and Fatah is the prisoner exchange for Gilad Shalit. Shalit, an Israel Defense Forces soldier who was abducted in 2007 while guarding the Israeli side of the border with Gaza, was traded last month for 1,027 Palestinian prisoners, most of whom Israeli courts convicted of planning or supporting terrorist incidents.

The deal was publicly praised by both Hamas leaders and Abbas when the first group of 477 prisoners was returned to Gaza, but some key Hamas leaders were not included. The deal also required Hamas to agree to the deportation of at least 40 prisoners, a key red line the group in the past has been unwilling to sanction.

“However flexible Hamas was to make this deal, this did not entail them to alter any of their core positions or in any way to alter their ideology,” said Danin, who is now a scholar at the Council on Foreign Relations.

The prisoners released include Yehia Sanwar, one of the founders of the elite Hamas Izzedin al-Qassam brigades; Walid Anajas, a planner of a suicide bomb attack on the Moment café in Jerusalem that killed 12 people, and Abdul al-Aziz Salaha, whose bloody hands after strangling an Israeli soldier provided one of the iconic images of the second intifadah. Their release prompted significant celebration, including from Abbas.

The Hamas leadership, particularly after the erosion of their base in Damascus, is becoming more interested in unity with Fatah.

When asked about the official celebrations on the return of the prisoners, Shaath said, “All the prisoners in Israeli jails to us are

political prisoners. When two people fight each other, you don't take Israeli soldiers to jail because they killed Palestinians. Israeli soldiers have been sent by the Israeli government to Gaza and have killed 1,500 Palestinians and injured some 5,000. Do you consider them criminals and put them in jail?"

He added, "The release of prisoners is something that everybody rejoices without looking specifically at these charges that have been made."

Israel's ambassador to Washington, Michael Oren, took issue with Shaath's rationale for the celebrations.

"I'm disturbed that Mr. Shaath is incapable of distinguishing between a soldier with a strict moral code to defend his country from attack and a terrorist who blows up a restaurant or a bus filled with innocent civilians. What message is Mr. Shaath sending to Palestinian youth?"

Oren asked. "Our message is clear: while our enemies revere death, Israel cherishes life."

Article 6.

The Christian Science Monitor

Henry Kissinger: G20 work is 'essential.' **Alternative is 'dangerous outcome.'**

Nathan Gardels

Nov. 3.

Nathan Gardels: Senior Chinese strategist Zheng Bijian has recently moved on from his doctrine of “peaceful rise” – a defensive posture which he proposed as a way of saying China is not a threat to the world – to a doctrine of global engagement: “expanding the convergence of interests to build a community of interests.”

Do you see this convergence of interests between China and the West? What are some examples of where this convergence is taking place?

Henry Kissinger: There are trends in both China and in the US and the rest of the West that support engagement around converging interests. And there are trends that run counter to it.

The obvious places where there is a need for cooperation are in the new areas of global concern that have appeared: the environment, energy, and nuclear proliferation. There is also the need to coordinate the international economic system and join together to settle conflicts without resorting to war.

Gardels: China is the world’s largest creditor, just as Britain and the US once were. Isn’t China obliged by its own interests, as the Western powers once were, to become more engaged in the coming decades in shaping the world order?

Kissinger: In the past, Westerners have talked about Chinese participation as “responsible stakeholders” in the international system. The implication was that China should participate in a system we designed according to our interests at the end of World War II.

China is of the view that a new international system is emerging. That is a reality. They want to play a founding role in constructing this new system in all respects, and not just in the financial management of the world economy.

Gardels: The advanced economies organized around the US and the G7 are increasingly unable to provide global public goods – stable financial flows, a reserve currency, security, fighting climate change – yet the emerging economies led by China are not yet able to do so.

Is the G20, meeting now in Cannes, the mechanism of adjustment of this shifting world order since it contains both the advanced and emerging economies? Can it collectively provide the global public goods neither can on their own?

Kissinger: Yes, the G20 is the forum for this adjustment. But it will be a big and difficult effort for it to do so. There is no certainty of success, but the effort is critical if we want a stable world.

Gardels: Has there been any case in history where such a body can provide collective leadership? Or is the world destined to return to the kind of alliances and competitive blocs reminiscent of 1910, when no one power dominated and it all collapsed into protectionism and war?

Kissinger: There has not been a truly global system before. After the Napoleonic Wars, the Europeans tried to build an international system for Europe. But there is no precedent for a truly global system

that has tried to relate both political and economic order on a global scale in the same organization. There has never been that need before.

The alternative, as you suggest, would be regional blocs and competing alliances. That is a dangerous outcome because when there are so few players, the system loses flexibility and is more prone to conflict instead of compromise and stable relations.

So making the G20 work is as essential as it is unprecedented and difficult.

Article 7.

The New York Review of Books

Rising Up in Israel

Eyal Press

*Start-Up Nation: The Story of Israel's Economic Miracle**by Dan Senor and Saul Singer**Twelve, 304 pp., \$26.99**The Israeli Economy from the Foundation of the State through the
21st Century**by Paul Rivlin**Cambridge University Press, 288 pp., \$90.00; \$31.99 (paper)**The Political Economy of Israel's Occupation: Repression Beyond
Exploitation**by Shir Hever**Pluto, 226 pp., \$95.00; \$30.00 (paper)**Israel's Palestinians: The Conflict Within**by Ilan Peleg and Dov Waxman**Cambridge University Press, 262 pp., \$85.00; \$27.99 (paper)*

1.

November 24, 2011 -- Early in July, a group of young Israelis gathered in a small apartment in Tel Aviv to talk about the difficulties of finding affordable places to live in the city. They had come at the invitation of Daphni Leef, a video editor who was about to be evicted from the apartment and who had recently posted an "event" on Facebook summoning people fed up with the housing situation to pitch tents on the streets in protest. Inside Leef's living room, there was enthusiasm for the idea, but no one expected a big turnout. "We

didn't expect it to last longer than a weekend," Stav Shafir, a student who was there, told me recently. "I wrote an e-mail to my friends asking them to come, just so that we wouldn't feel lonely."

Daphni and her fellow protesters did not feel lonely for long. The first night the tents were pitched—July 14—about 150 people showed up. Within a few days, a sea of tents had spread across the pedestrian walkway bisecting Rothschild Boulevard, a busy street lined with art galleries and cafés. The squatters inside the growing encampment were dismissed at first as spoiled kids from Tel Aviv—"this isn't a real protest, it's people eating sushi and smoking nargilahs," complained David Amar, the mayor of Neshar, a town in northern Israel. Yet similar encampments soon sprang up in places such as Be'er Sheva, a working-class city in the Negev, and Holon, a poorer town south of Tel Aviv.

On July 25, after tens of thousands of Israelis rallied to demand cheaper housing, the newspaper Haaretz announced that the demonstrations had "reached a peak." Two weeks later, the peak was eclipsed, as an estimated 300,000 people demonstrated in cities across the country, blocking traffic and unfurling a giant banner in Tel Aviv that proclaimed "Egypt is here!"

What some termed the "Israeli summer" bore less resemblance to the so-called Arab Spring than to the economic unrest that has convulsed cities such as Athens and Barcelona recently. "We want a welfare state!" chanted members of a movement that soon had the backing of unions, women's groups, parents upset about the exorbitant cost of day care, and medical workers on strike over low wages in public hospitals short of resources. The eruption of popular disenchantment and call for a "more just, humane Israel" spelled out in a manifesto released by some of the protesters made the right-wing government of Benjamin Netanyahu suddenly look a lot less stable, not least since

the man at its helm has long been a staunch advocate of the laissez-faire economic policies the demonstrators angrily assailed.

By the third week of August, when I met Stav Shafir, the social protests had finally been pushed out of the headlines by news of a terrorist attack in southern Israel that left eight Israelis dead. The violence and ensuing diplomatic crisis with Egypt, which recalled its ambassador after five Egyptian security officers were accidentally killed during an Israeli retaliatory mission, prompted some to demand that the protesters fold up their tents and go home. “Security matters are once again the most pressing issue,” said Likud Knesset member Ayoub Kara—and much to Netanyahu’s relief, some of the protesters believed him. Yet on September 3, an estimated 450,000 Israelis flooded the streets yet again, linking arms and chanting “The people demand social justice!”—which had become the movement’s rallying cry. It was the largest protest in Israeli history.

Some of the tents on Rothschild Boulevard were folded up a few days later, when inspectors dispatched by the Tel Aviv Municipality arrived in the middle of the night to remove them. A judge subsequently issued an injunction stopping the evacuation until the court could discuss the matter. In early October, municipal workers accompanied by border patrolmen and police came back to finish the clearance operation. This time, a court rejected a last-minute appeal from some of the protesters to stave off the tents’ removal, and soon there were no more tents on Rothschild Boulevard.

Although it is too soon to say how the mass demonstrations this summer may alter Israel’s politics, one thing they have already done is challenge the optimistic portrait of the Israeli economy drawn by some analysts in recent years. “Israel has become an astonishing success story,” wrote David Brooks of *The New York Times* in January 2010, hailing the country’s emergence as a dynamic high-tech center. Brooks based his argument not on conversations with

Israelis but on the findings in *Start-Up Nation: The Story of Israel's Economic Miracle*, a book published in 2009 by Dan Senor, a Fox News contributor, and Saul Singer, a columnist at the *Jerusalem Post*. According to the book, which became a *New York Times* best seller and was cited by Netanyahu in a speech before the Jewish Federations of North America that year, a spirit of risk-taking improvisation fostered in the army and strengthened by adversity has turned Israel into “the greatest concentration of innovation and entrepreneurship in the world today.”

Israel's high-tech industry is indeed booming: as Senor and Singer note, more Israeli companies are listed on the NASDAQ than from all the nations in continental Europe combined. Propelled by the export of software and other high-tech products, the economy grew an impressive 5.2 percent last year. But fewer than 10 percent of Israelis work in the high-tech sector. And as suggested by the level of support for the protests this summer, which ranged in polls between 75 and 88 percent, a miracle is not how most Israelis would describe what has happened to their economy in recent years. In the discussion groups that took place every night inside the tent encampments, participants traded stories about struggling to meet their expenses even as they heard ministers boast that the economy was flourishing. Many complained that the unbridled capitalism embraced by their leaders mainly benefits those at the top, a perception borne out by some findings that do not appear in *Start-Up Nation*. According to a 2010 report published by the OECD, Israel has the fifth-highest level of inequality in the thirty-two-nation organization. It has the highest poverty rate of any OECD country, and ranks twenty-fifth among developed countries in health care investment.

To Palestinians in the Gaza Strip, where the unemployment rate is 45 percent, Israelis distressed about these facts may still seem enormously privileged. And compared to the average Gazan—or for

that matter the average Israeli a couple of generations ago—they are. As Paul Rivlin notes in his survey of Israeli economic history, *The Israeli Economy from the Foundation of the State through the 21st Century*, after declaring independence in 1948 Israel had to ration basic goods under a strict austerity program. It struggled to absorb hundreds of thousands of new immigrants, who were packed into often squalid transit camps.

But in the decades that followed conditions improved, thanks in part to the inflow of capital from abroad (reparations from Germany, the sale of State of Israel bonds) but also to public investment in infrastructure and education, the development of new industries, and the cultivation of various institutions with openly collectivist aims: cooperative farms and kibbutzim in the agricultural sector, and the Histadrut, a federation of trade unions that also ran the nation's largest health fund and numerous industrial enterprises. Like the Labor Party that governed Israel between 1948 and 1977, these institutions were always more open to Ashkenazi Jews of European origin than Mizrahi Jews from North Africa and the Middle East, to say nothing of Arabs. But in a nation founded by socialists where roughly 70 percent of the workforce was unionized, an egalitarian ethos prevailed that made Israel among the least stratified countries in the world.

“When I started my sociology studies at Hebrew University in 1961, we were taught that the difference between the income of an executive and a production worker was 2.7, and we were proud of it,” Shlomo Swirski, the academic director of the Adva Center on social equality, a research institute based in Tel Aviv, told me. “Now, a senior executive earns 90 to 95 times what a production worker earns.” A turning point came in 1985, when hyperinflation caused by oil shocks and excessive spending (much of it on military outlays)

prompted the adoption of a stabilization plan that entailed deep cuts in government expenditures.

The plan worked, helping to tame inflation and to establish a new ideology that called for privatizing state enterprises, lowering corporate taxes, and shrinking the public sector. Without much domestic opposition or attention from the foreign press, Israel's highly egalitarian social democratic system gradually gave way to a more entrepreneurial American-style one, a trend accelerated by Netanyahu, a graduate of MIT's Sloan School of Management who, in 2003, while serving as finance minister, lowered income and corporate taxes while slashing social services.

"Netanyahu cut everything—rent subsidies, assistance to low-income families, child allowances, income maintenances, sharp cuts," recalled Leah Achdut, an economist who was then deputy head of the National Insurance Institute, which oversees many of Israel's public welfare programs. By 2003, she told me, public spending had already fallen substantially from the unsustainable levels of the mid-1980s—from roughly 70 to roughly 50 percent of GDP—but the country's economic leaders were not satisfied. "People said it's not enough, we have to reduce taxes and government more to encourage the private sector," said Achdut. "Bibi very much believes this—in this respect, he is entirely American."

2.

"Swinish capitalism" is how the journalist Ari Shavit described the new system in Israel shortly after the social protests began, and seemingly everywhere one looked this summer—"Bibi you hog, give back the state!" proclaimed a sign that captured the prevailing mood—the sentiment was echoed. Much of the outrage was directed at the group of families who now control an estimated 30 percent of the Israeli economy. The shift to a more entrepreneurial model of capitalism was supposed to breathe competition into sectors of the

economy once dominated by the state. But instead of free competition, what many Israelis feel they have gotten is cartel-like oligopolies that control everything from the banking industry to supermarket chains, which pass along inflated costs to consumers who are captive to them.

It is widely believed that, as in Russia, the privatizing of former state enterprises has been greased by cronyism, a form of influence-peddling documented in a film called *The Shakshuka System* that was screened one night on Rothschild Boulevard. An Israeli version of *Roger and Me*, the film follows the producer, Miki Rosenthal, around as he poses awkward questions to tight-lipped officials about the sale of state assets at bargain prices to the Ofer family, whose holdings range from shipping to chemicals to natural gas. Some of the officials who refuse to talk to him (and who helped arrange the deals) end up landing jobs with the Ofers.

Such revelations have not been common in the Israeli media in recent years, which is not surprising in light of how many news outlets the country's richest families now own. While Miki Rosenthal was making his film, the Ofer family purchased a controlling interest in Channel 2, where he was working. Rosenthal soon learned his contract was not being renewed. No commercial network in Israel would broadcast his documentary. It eventually aired on a state-owned channel, along with a counter-video produced by the Ofers. Inside the tents I visited this summer, I heard much criticism of the undue influence wielded by tycoons. Anger at another influential group that has managed to distort Israel's economic priorities—Jewish settlers—was notably more muted. The leaders of the movement calling for “social justice” did not draw attention to the daily injustices taking place across the Green Line, in part to avoid alienating potential supporters on the Israeli center and right. At demonstrations, many people told me that the polarizing issues that

too often divided the country—the settlements, the occupation—had no connection to the economic protest under way.

The problem, of course, is that there is a connection, as was underscored when forty-two Knesset members and Cabinet ministers sent a letter to Netanyahu urging him to ease the housing crisis by increasing settlement construction in the West Bank. This is indeed what Israel did in the early 1990s, luring newly arriving immigrants across the Green Line with tax benefits and cheap housing while the rest of society was burdened with the hidden costs of the occupation: bypass roads, armored transportation, infrastructure, security.

The calamitous toll the settlement project has taken on Palestinians—stolen land, pilfered water, divided cities—is well known. The burden borne by Israelis, though less familiar and certainly less extreme, has also been immense. In his recent study *The Political Economy of Israel's Occupation*, Shir Hever, a researcher at the Jerusalem-based Alternative Information Center, estimates that 381 billion Israeli shekels—roughly \$100 billion—was spent in the occupied territories between 1970 and 2008, money that could have gone to education, health care, or building more affordable housing in Tel Aviv. Such costs are unfamiliar to many Israelis in part because allocations to the settlements are not specified in state budgets.

Were expenditures on settlements more explicitly recognized, the protesters who took to the streets this summer could potentially achieve something the left has failed to do: convince mainstream Israelis that the occupation is unsustainable. They have already heightened popular awareness of how national priorities are skewed by the military, which consumes one fifth of Israel's annual budget, an expense that is rarely challenged in Israel. More questions started being raised after the mass demonstrations began. The newspaper *Ma'ariv* published a story in August about the “lost billions” funneled to the Defense Ministry this year without any oversight or

supervision, under a secret agreement with the prime minister's office. "These lost billions...must be returned to their rightful owners—the average Israeli who works hard for a living," wrote the journalist Ben Caspit.

3.

Conspicuously absent from the protests this summer were some Israelis who don't work hard for a living: members of the ultra-Orthodox community. Like Jewish settlers, they are the beneficiaries of government subsidies reserved for politically protected theological pursuits—in their case, full-time Torah study funded by the state in accordance with the wishes of Shas, a religious party that controls a crucial bloc of Knesset seats and secures the benefits on their behalf. Among ultra-Orthodox men, the rate of nonemployment has soared as a result, from 21 percent in 1979 to 65 percent today.

It's hard not to wonder after the events of this summer how much longer this will be tolerated by Israel's secular middle class, a part of the population that until recently was viewed as too cynical or disengaged to make its presence felt in the political arena, much less on the streets. "No one could imagine how quickly indifference would turn into involvement," Tami Zandberg, a city councilwoman who attended many of the demonstrations, told me. Certainly not the Western press, which was curiously silent about a social movement of unprecedented magnitude in a country where minor incidents often make headline news. The sparse coverage of the protests left many Israelis feeling that the outside world pays attention to them only when a bus explodes in Jerusalem or a house is bulldozed in the West Bank.

Yet Western news outlets weren't alone in not knowing what to make of Israel's suddenly mobilized middle class. Equally uncertain were many of the country's poorer citizens, including the roughly one in five Israeli citizens who are Arab. As Ilan Peleg and Dov Waxman

document in their new book, *Israel's Palestinians*, the poverty rate among Arab-Israelis rose from 35 percent in 1990 to 50–55 percent in recent years, owing partly to the low rate of participation in the work force by Arab women, but also to pervasive discrimination and limited employment opportunities.

No group in Israel stood to benefit more from the emergence of a movement dedicated to social justice. But the Israeli Arabs had good reason to wonder whether the vision guiding the protesters this summer included them, which is why some hesitated to participate. “Many say we shouldn’t join this struggle because it’s the Israeli middle class and we’re not part of the Israeli middle class,” Shahin Nasser told me. A journalist from an Arab neighborhood of Haifa called Wadi Nisnas, Nasser was among the founders of a tent encampment established in the community despite such misgivings. He saw the protests as “an opportunity to raise our voices,” he told me when I visited one night, which is why he’d been paying visits to encampments in Haifa’s Jewish neighborhoods. “I want them to know what it’s like for Arabs here.” I asked him if he thought people were listening. “Yes,” he said, “they are very open.”

The openness was not always on display. At a tent on Rothschild Boulevard one night, I heard a man denounce some Muslim women from neighboring Jaffa who had been invited to talk about the problems in their community (the man, who spoke in Arabic, was an Iraqi Jew). One of the women later told me she’d walked the length of Rothschild Boulevard shortly after the protests began, and come away feeling that there was no place for her there. Yet by mid-August, it was no longer unusual to hear of an Arab speaker talking of injustice at a demonstration and receiving a rousing ovation from a predominantly Jewish crowd. At one protest, poor Arabs from the Jaffa neighborhood of Ajami marched together with poor Jews from a

traditionally pro-Likud neighborhood in south Tel Aviv, something few could have imagined back in June.

The demonstrations this summer have also affected the way politicians talk. In a recent interview with Ma'ariv, Tzipi Livni, the leader of the opposition Kadima party, disparaged the "piggish capitalism" embraced by Netanyahu and said he won't deliver "real change" to the economy. She was vague about how she would change things herself, but Livni was not alone in believing that the committee appointed in early August by Netanyahu to address the protesters' demands would deliver little that was new. "The government's economic policy is that of a free market," Eyal Gabai, Netanyahu's outgoing director general, bluntly informed activists who demonstrated outside his home one day in August. "This government will not become a welfare state."

"Bibi Go Home!" many demonstrators chanted this summer, a slogan that predictably drew cheers among the students in Tel Aviv. What is intriguing is that the frustration appeared to extend to working-class towns in Israel that have long tended to support right-wing governments, a pattern dating back to 1977 when Mizrahi Jews, estranged from the Ashkenazi elite that dominated the Labor Party, threw their support behind Menachem Begin. The watershed election that year established a precedent that has yet to be overturned. "The tragedy of Israel is that the poorest people always support the right-wing, which makes their lives miserable economically by reducing welfare, education, housing," Yehuda Nuriel, a columnist at the newspaper Yediot Ahronot, told me.

A poll conducted by Haaretz in September showed rising support for the Labor Party, whose new leader, Shelly Yachimovich, advocates stronger social welfare policies. Another politician who may benefit from the unrest this summer is Aryeh Deri, an ultra-Orthodox Moroccan Jew who led Shas in the 1990s until he was convicted on

corruption charges. Despite his black skullcap and tattered past, Deri is a moderate who, a few months ago, announced his intention to reenter politics by launching a movement that will focus on social issues. Unlike the current leaders of Kadima and the Labor Party, he could potentially appeal not only to the Mizrahi community but also to ultra-Orthodox Jews who realize that finding jobs rather than living on government handouts is in their own best interest. (More than half of the Haredim live below the poverty line and a growing number want to work, as evidenced by the four thousand who turned up at a recent jobs fair in Jerusalem.)

Whether joining the workforce would actually lift them out of poverty is another matter. Wages for most Israelis have stagnated in the past decade, and the ranks of the working poor have grown, thanks in part to the estimated 250,000 migrant laborers from Asia and Africa brought into the country to do menial jobs once performed by Palestinians.

On September 26, the committee formed by Netanyahu in response to the social protests issued a set of recommendations to address inequality that would cost \$8 billion over the next five years. The plan, which calls for lowering defense spending, increasing housing subsidies, and providing free education for all children at the age of three (as opposed to the current age of five), was praised by Netanyahu as “a landmark in Israel’s economy and society.” The protesters offered a harsher appraisal, dismissing the proposals as cosmetic reforms that did not go nearly far enough. At a press conference in Tel Aviv, Daphni Leef announced that there would be more demonstrations when the Knesset returned to session in late October.

To judge by the turnout in Tel Aviv on October 15, when several hundred Israelis gathered to express solidarity with the Occupy Wall Street encampment in Manhattan, and take part in the international

Global Day of Action, a second wave of mass demonstrations is unlikely, at least in the short term. The Tel Aviv rally was smaller than the protests that took place in cities such as Rome and Berlin, suggesting a waning of energy and shift to other concerns. The Israeli cabinet approved the \$8 billion plan to address inequality, but the news was quickly overshadowed by the deal struck between Hamas and Netanyahu for the release of the abducted Israeli soldier Gilad Shalit.

Netanyahu surely hopes that by the time elections take place the paramount concern of most Israelis will once again be bitachon—security. But if the protests this summer proved nothing else, it's that many citizens are no longer waiting for elections to air their grievances or for their leaders to tell them what is important. When Knesset members dropped by the tents this summer to express their (belated) support, the reaction was cool. When the protesters were advised to go home after the violence in August, they refused, not because they didn't care about security but because the word carried a different meaning to them. "If we don't have health care, education, housing, a welfare system, we'll never have security," Stav Shafir said. "You need to have a strong society to have security, and right now our society is very weak."

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