Israel: Background and U.S. Relations in Brief

Updated December 6, 2019
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The following matters are of particular significance to U.S.-Israel relations.

**Domestic issues: multiple elections and Netanyahu indictments.** Israel has held two Knesset elections in 2019, in April and September, but—in a development unprecedented in the country’s history—neither election has led to the formation of a new government. If no new government forms by December 11, another round of elections would probably take place in February or March 2020. This stalemate has occurred within the context of corruption allegations against Israeli Prime Minister Binyamin Netanyahu, who was formally indicted in November 2019. While one public opinion poll indicates that around one-third of Israelis believe that Netanyahu should resign, he is not legally required to do so while his cases remain pending, and his Likud party continues to poll competitively. The political stalemate fuels speculation among observers about how Israel’s adversaries may seek to take advantage of the resulting domestic uncertainty, and how Israel’s leaders may respond to threats.

**Israel’s ability to address threats.** Israel relies on a number of strengths—including regional conventional military superiority—to manage potential threats to its security, including evolving asymmetric threats such as rockets and missiles, cross-border tunneling, drones, and cyberattacks. Additionally, Israel has an undeclared but presumed nuclear weapons capability. Against a backdrop of strong bilateral cooperation, Israel’s leaders and supporters routinely make the case that Israel’s security and the broader stability of the region remain critically important for U.S. interests. A 10-year bilateral military aid memorandum of understanding (MOU)—signed in 2016—commits the United States to provide Israel $3.3 billion in Foreign Military Financing annually from FY2019 to FY2028, along with additional amounts from Defense Department accounts for missile defense. All of these amounts remain subject to congressional appropriations. Some Members of Congress criticize various Israeli actions and U.S. policies regarding Israel. In the past year, U.S. officials have expressed some security-related concerns about China-Israel commercial activity.

**Iran and other regional issues.** Israeli officials seek to counter Iranian regional influence and prevent Iran from acquiring nuclear weapons. Prime Minister Netanyahu strongly supported President Trump’s withdrawal of the United States from the 2015 international agreement that constrained Iran’s nuclear activities. Facing intensified U.S. sanctions, Iran has reduced its compliance with the 2015 agreement by renewing uranium enrichment efforts, leading Israeli officials to call for more concerted international action to discourage these efforts. Israel has reportedly conducted a number of military operations in Syria, Iraq, and Lebanon against Iran and its allies due to concerns about Iran’s efforts to establish a permanent presence in these areas and improve the accuracy and effectiveness of Hezbollah’s missile arsenal. Israeli officials reportedly assess that Iran feels emboldened given U.S. restraint in response to reported Iranian military operations in the region, such as the September 2019 attack on key oil facilities in Saudi Arabia. In the context of ongoing uncertainty in Syria, President Trump recognized Israel’s claim to sovereignty over the Golan Heights in March 2019, changing long-standing U.S. policy that held—in line with U.N. Security Council Resolution 497 from 1981—the Golan was occupied Syrian territory whose final status was subject to Israel-Syria negotiation.

**Israeli-Palestinian issues.** The prospects for an Israeli-Palestinian peace process are complicated by many factors. Palestinian leaders cut off high-level political contacts with the Trump Administration after it recognized Jerusalem as Israel’s capital in December 2017. U.S.-Palestinian tensions have since worsened amid U.S. cutoffs of funding to the Palestinians and other diplomatic moves. The Administration claims it has prepared a plan that proposes specific solutions on the core issues of the conflict, but has repeatedly postponed the release of the plan. Before elections in both April and September, Netanyahu pledged to annex parts of the West Bank in a new government, and U.S. official statements on settlements could affect future Israeli decisions. In the context of a stalled peace process, Israeli clashes with Palestinian militants in the Gaza Strip periodically escalate, but Israel and Hamas have continued indirect talks toward a long-term cease-fire.
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Introduction: Major Issues for U.S.-Israel Relations

Israel has forged close bilateral cooperation with the United States in many areas; issues with significant implications for those areas include the following:

- Israeli domestic political issues, including the unprecedented failure to date to form a new government following Knesset (parliament) elections held in April and September 2019. Criminal indictments for corruption brought against Prime Minister Binyamin Netanyahu in November 2019 could endanger his political career. If no new government forms by December 11, another round of elections would probably take place in February or March 2020.
- Israel’s own capabilities for addressing external threats, and its cooperation with the United States.
- Shared U.S.-Israel concerns about Iran’s nuclear program and regional influence, including with Iran’s Lebanon-based ally Hezbollah. Israel has reportedly engaged in airstrikes against Iranian or Iran-allied targets in Syria and Iraq as well as Lebanon.
- Israeli-Palestinian issues and U.S. policy, including the Trump Administration’s actions on political and economic matters to date.

For background information and analysis on these and other topics, including aid, arms sales, and missile defense cooperation, see CRS Report RL33476, Israel: Background and U.S. Relations, by Jim Zanotti; and CRS Report RL33222, U.S. Foreign Aid to Israel, by Jeremy M. Sharp.

Domestic Issues: Multiple Elections and Netanyahu Indictments

Israel has held two Knesset elections in 2019, in April and September, but—in a development unprecedented in the country’s history—neither election has led to the formation of a new government. After Prime Minister Netanyahu was unable to form a government following April elections, the Knesset voted to hold new elections in September. Following those elections, neither Netanyahu nor his main rival, former Israel Defense Forces chief of staff Benny Gantz of the Kahol Lavan party, have been able to assemble a government that could be supported by a majority (61 out of 120) of Knesset members. If no Knesset member can form a coalition by December 11, new elections will probably happen in February or March 2020. Netanyahu—the longest tenured prime minister in Israel’s history (1996-1999, 2009-present)—will continue to lead a caretaker government until someone forms a new government. See Appendix A for descriptions of current parties in the Knesset and their leaders. The ongoing domestic political stalemate fuels speculation among observers about how Israel’s adversaries may seek to take advantage of the resulting domestic uncertainty, and how Israel’s leaders may respond to threats.1

This stalemate has occurred within the context of corruption allegations against Netanyahu that the media started covering closely in 2018 and became recommendations for prosecution by Israeli police in February 2019. The attorney general formally indicted Netanyahu in November 2019 (see Appendix B). While one public opinion poll indicates that around 35% of Israelis believe that he should resign, he is not legally required to do so while his cases remain pending.

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1 Ivan Levingston, “Israel’s Lost Year,” Bloomberg Businessweek, December 5, 2019.
and his Likud party continues to poll competitively. He has vehemently denied the allegations and vowed to fight them while remaining in office, and the Knesset and Israeli courts may need to resolve the question of possible immunity before criminal proceedings can begin. Netanyahu faces a challenge to his leadership of Likud from former education and interior minister Gideon Sa’ar, with primaries possibly taking place in the event of new elections.

Depending on political trends, Avigdor Lieberman of the Yisrael Beitenu party could significantly influence the next government’s eventual composition. In May, Lieberman had refused to join a Netanyahu-led government that included Jewish ultra-Orthodox parties, thus triggering the September redo election. Following the redo, Lieberman called for a “unity government” to include Likud, Kahol Lavan, and Yisrael Beitenu and commit to greater secularization of Israeli life in the military, education, public transportation and commerce, and other sectors.

If Netanyahu cannot form a clear right-wing and ultra-Orthodox majority coalition, it is unclear what will happen to some Knesset initiatives that he has publicly supported. These include annexing the Jordan Valley or other West Bank areas, and weakening judicial review of legislation.

**How Israel Addresses Threats**

Israel relies on a number of strengths to manage potential threats to its security and existence. These strengths include robust military and homeland security capabilities, as well as close cooperation with the United States.

**Military Superiority and Homeland Security Measures**

Israel maintains conventional military superiority relative to its neighbors and the Palestinians. Shifts in regional order and evolving asymmetric threats during this decade have led Israel to update its efforts to project military strength, deter attack, and defend its population and borders. Israel appears to have reduced some unconventional threats via missile defense systems, reported cyber defense and warfare capabilities, and other heightened security measures.

Israel has a robust homeland security system featuring sophisticated early warning practices and thorough border and airport security controls; most of the country’s buildings have reinforced rooms or shelters engineered to withstand explosions. Israel also has proposed and partially constructed a national border fence network of steel barricades (accompanied at various points by watchtowers, patrol roads, intelligence centers, and military brigades) designed to minimize militant infiltration, illegal immigration, and smuggling from Egypt, Syria, Lebanon, Jordan, and

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2 Ibid.
5 Danny Zaken, “Netanyahu’s rival accelerates campaign for party leadership,” Al-Monitor, December 6, 2019.
6 "Liberman adamant ‘unity government’ is only option, sets out secular demands,” Times of Israel, September 18, 2019.
the Gaza Strip. Additionally, Israeli authorities have built a separation barrier in and around parts of the West Bank.

**Figure 1. Israel: Map and Basic Facts**

![Map of Israel and Basic Facts](https://www.cia.gov/library/publications/the-world-factbook/attachments/maps/IS-map.gif)

**Israel**

**Population**
- Total: 9.0 million.
- Location: 391,000 settlers in the West Bank (2016), 201,000 in East Jerusalem (2014), and 22,000 in the Golan Heights (2016).
- Religion: Jews: 74%; Arabs: 21%; Other: 4% (2016)

**Economy**
- Real GDP growth rate (per capita at PPP): 3.3%/538,863
- Unemployment rate: 4.0%
- Population below poverty line: 22% (2014)
- Inflation rate: 0.8%
- Budget deficit as % of GDP: 3.0%
- Public debt as % of GDP: 61.5%
- Foreign exchange and gold reserves: $115 billion
- Current account surplus as % of GDP: 3.0%

**Trade Partners**
- Export: U.S. 28.8%; United Kingdom 8.2%; Hong Kong 7%; China 5.4%; Belgium 4.5% (2017)
- Import: U.S. 11.7%; China 9.5%; Switzerland 8%; Germany 6.8%; United Kingdom 6.2% (2017)

**Sources:** Graphic created by CRS. Map boundaries and information generated by Hannah Fischer using Department of State Boundaries (2011); Esri (2013); the National Geospatial-Intelligence Agency GeoNames Database (2015); DeLorme (2014). Fact information from CIA, *The World Factbook,* Economist Intelligence Unit; IMF World Outlook Database; Israel Central Bureau of Statistics. All numbers are estimates as of 2018 unless specified.

**Notes:** According to the U.S. executive branch: (1) The West Bank is Israeli occupied with current status subject to the 1995 Israeli-Palestinian Interim Agreement; permanent status to be determined through further negotiation. (2) The status of the Gaza Strip is a final status issue to be resolved through negotiations. (3) The United States recognized Jerusalem as Israel's capital in 2017 without taking a position on the specific boundaries of Israeli sovereignty. (4) Boundary representation is not necessarily authoritative. Additionally, the United States recognized the Golan Heights as part of Israel in 2019; however, U.N. Security Council Resolution 497, adopted on December 17, 1981, held that the area of the Golan Heights controlled by Israel's military is occupied territory belonging to Syria. The current U.S. executive branch map of Israel is available at [https://www.cia.gov/library/publications/the-world-factbook/attachments/maps/IS-map.gif](https://www.cia.gov/library/publications/the-world-factbook/attachments/maps/IS-map.gif).

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Undeclared Nuclear Weapons Capability

Israel is not a party to the Nuclear Nonproliferation Treaty (NPT) and maintains a policy of “nuclear opacity” or aminut. A 2017 report estimated that Israel possesses a nuclear arsenal of around 80-85 warheads. The United States has countenanced Israel’s nuclear ambiguity since 1969, when Israeli Prime Minister Golda Meir and U.S. President Richard Nixon reportedly reached an accord whereby both sides agreed never to acknowledge Israel’s nuclear arsenal in public. Israel might have nuclear weapons deployable via aircraft, submarine, and ground-based missiles. No other Middle Eastern country is generally thought to possess nuclear weapons.

U.S. Cooperation

Israeli officials closely consult with U.S. counterparts in an effort to influence U.S. decision-making on key regional issues, and U.S. law requires the executive branch to take certain actions to preserve Israel’s “qualitative military edge,” or QME. Additionally, a 10-year bilateral military aid memorandum of understanding (MOU)—signed in 2016—commits the United States to provide Israel $3.3 billion in Foreign Military Financing and to spend $500 million annually on joint missile defense programs from FY2019 to FY2028, subject to congressional appropriations.

Israel’s leaders and supporters routinely make the case that Israel’s security and the broader stability of the region remain critically important for U.S. interests. They also argue that Israel is a valuable U.S. ally. The United States and Israel do not have a mutual defense treaty or agreement that provides formal U.S. security guarantees, though some discussions about the possibility of a treaty have apparently taken place since September 2019.

Although domestic U.S. support for Israel and its security has been strong for decades, and remains robust, some Members of Congress have criticized various Israeli actions and U.S. policies regarding Israel. In August 2019, Israel denied entry to Representatives Rashida Tlaib and Ilhan Omar, citing an Israeli law enacted in 2017 that permits authorities to bar supporters of the boycott, divestment, and sanctions (BDS) movement from visiting Israel. This action, among other things, has contributed to speculation by some observers that U.S. policy on Israel could become a more contentious domestic issue.

China-Israel Commercial Activity and Its Impact on U.S.-Israel Relations

U.S. officials have raised some concerns with Israel over Chinese investments in Israeli high-tech companies and civilian infrastructure that could increase China’s ability to gather intelligence and acquire security-related technologies. These concerns apparently focus on potential threats from China to U.S. national security in various fields, such as cybersecurity, artificial intelligence, and robotics. Some Israeli officials reportedly have voiced worries about Chinese investment in Israel as well. Previously, China-Israel defense industry cooperation in the 1990s and 2000s contributed to tension in the U.S.-Israel defense relationship and to an apparent de facto U.S. veto over Israeli arms sales to China. In passing the FY2020 National Defense Authorization Act (S. 1790), the Senate expressed its sense (in Section 1289) that the U.S. government should “urge the Government of Israel to consider the security implications of foreign investment in Israel.” Partly due to U.S. concerns regarding China’s involvement in Israel’s economy, Israel announced that it would create an advisory panel on foreign investments by the end of 2019.

President Trump reportedly warned Prime Minister Netanyahu in March 2019 that U.S. security assistance for and cooperation with Israel could be limited if Chinese companies Huawei and ZTE establish a 5G communications network in Israel, in line with similar warnings that the Administration has communicated to other U.S. allies and partners. Additionally, the U.S. Navy is reportedly reconsidering its practice of periodically docking at the Israeli naval base in Haifa, because a state-owned Chinese company (the Shanghai International Port Group) has secured the contract to operate a new terminal at Haifa’s seaport for 25 years (beginning in 2021). Other state-owned Chinese companies are developing a new port in Ashdod (which also hosts an Israeli naval base), and bidding to take part in construction for Tel Aviv’s light rail system.
Iran and the Region

Israeli officials cite Iran as a primary concern to Israeli officials, largely because of (1) antipathy toward Israel expressed by Iran’s revolutionary regime, (2) Iran’s broad regional influence (especially in Syria, Iraq, and Lebanon), and (3) the recent and possible future loosening of

16 The United States and Israel do, however, have a Mutual Defense Assistance Agreement (TIAS 2675, dated July 23, 1952) in effect regarding the provision of U.S. military equipment to Israel, and have entered into a range of stand-alone agreements, memoranda of understanding, and other arrangements varying in their formality.
17 Raphael Ahren, “After Pompeo meet, Netanyahu says Israel has ‘full right’ to annex Jordan Valley,” Times of Israel, December 5, 2019; “Trump says he talked Mutual Defense Pact with Netanyahu, will pick up after vote,” Times of Israel, September 14, 2019.
18 Niraj Chokshi, “The Anti-Boycott Law Israel Used to Bar Both Omar and Tlaib,” nytimes.com, August 15, 2019. During the week before Israel decided to bar Representatives Tlaib and Omar, Israel’s ambassador to the United States Ron Dermer had said that their trip would be permitted. Some observers have asserted that the Trump Administration may have influenced the changed Israeli decision. Israel informed Representative Tlaib that she would be permitted to visit family in the West Bank if she refrained from political criticism of Israel during the trip, but she declined coming under those conditions. For background on the BDS movement, see archived CRS Report R44281, Israel and the Boycott, Divestment, and Sanctions (BDS) Movement, coordinated by Jim Zanotti.
19 See, e.g., Dennis Ross and Stuart Eizenstat, “Israel should resist Trump’s efforts to politicize support,” The Hill, August 22, 2019.
26 Roie Yellinek, “The Israel-China-U.S. Triangle and the Haifa Port Project,” Middle East Institute, November 27, 2018. Section 1289 of S. 1790 also contains a provision stating that the United States has an interest in continuing to use the naval base in Haifa, but has “serious security concerns” with respect to the leasing arrangements at the Haifa port. Reportedly, the Israeli government plans to limit sensitive roles at the port to Israelis with security clearances. Jack Detsch, “Pentagon repeats warning to Israel on Chinese port deal,” Al-Monitor, August 7, 2019.
29 For information on this topic, see CRS Report R44017, Iran’s Foreign and Defense Policies, by Kenneth Katzman.
some constraints on Iran’s nuclear program. Israel and Arab Gulf states have discreetly cultivated closer relations with one another during this decade in efforts to counter Iran.

**Iranian Nuclear Agreement, U.S. Withdrawal and Sanctions, and Regional Tensions**

Prime Minister Netanyahu has sought to influence U.S. decisions on the international agreement on Iran’s nuclear program (known as the Joint Comprehensive Plan of Action, or JCPOA). He argued against the JCPOA when it was negotiated in 2015—including in a speech to a joint session of Congress. He also welcomed President Trump’s May 2018 withdrawal of the United States from the JCPOA and accompanying reimposition of U.S. sanctions on Iran’s core economic sectors. In his September 2018 speech before the U.N. General Assembly, Netanyahu claimed that Iran maintains a secret “atomic warehouse for storing massive amounts of equipment and materiel.”

An unnamed U.S. intelligence official was quoted as saying in response, “so far as anyone knows, there is nothing in [the facility Netanyahu identified] that would allow Iran to break out of the JCPOA any faster than it otherwise could.” In September 2019, Netanyahu presented satellite photos in an effort to support claims that Iran had built a facility for secret nuclear weapons-related work before destroying the facility in June 2019.

U.S.-Iran tensions since the U.S. withdrawal from the JCPOA have led to greater regional uncertainty, with implications for Israel. During 2019, Iran has retaliated against U.S. sanctions by targeting U.S. military drones, seizing other countries’ commercial vessels in the Persian Gulf, and—in September—apparently striking key Saudi oil facilities. In July, Iran announced that it would gradually enrich uranium beyond JCPOA-imposed limits absent an easing of sanctions or their effects. A November statement from Iran that it would further reduce its compliance with the JCPOA by restarting uranium enrichment at the underground Fordow facility has triggered Israeli statements seeking greater coordinated international action to discourage Iranian enrichment efforts. Domestic turmoil in both Iran and Israel has complicated the situation further, with one Israeli observer speculating that Iran’s internal problems could either deter it from taking external risks or motivate it to distract public opinion by seeking conflict with Israel.

As U.S. officials have taken various political and military actions that appear focused on protecting U.S. military installations and Gulf shipping from Iran without triggering a major escalation, Israeli leaders are reportedly concerned about the implications of U.S. restraint for their country’s defense. One observer claims that Israeli intelligence has discerned greater Iranian willingness to take risks in response to Israeli military action in Syria or elsewhere.

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33 Tovah Lazaroff, “Netanyahu: Iran’s decision to enrich uranium at Fordow endangers the world,” jpost.com, November 6, 2019.
Some Israelis have voiced worries about how Iran’s apparent ability to penetrate Saudi air defenses and target Saudi oil facilities could transfer to efforts in targeting Israel.37

Syria, Iraq, and Lebanon

Hezbollah

Lebanese Hezbollah is Iran’s closest and most powerful non-state ally in the region. Hezbollah’s forces and Israel’s military have sporadically clashed near the Lebanese border for decades—with the antagonism at times contained in the border area, and at times escalating into broader conflict.38 Speculation persists about the potential for wider conflict and its regional implications.39 Israeli officials have sought to draw attention to Hezbollah’s buildup of mostly Iran-supplied weapons—including reported upgrades to the range, precision, and power of its projectiles—and its alleged use of Lebanese civilian areas as strongholds.40

Ongoing tension between Israel and Iran raises questions about the potential for Israel-Hezbollah conflict. Various sources have referenced possible Iran-backed Hezbollah initiatives to build precision-weapons factories in Lebanon.41 In late 2018 and early 2019, Israel’s military undertook an effort—dubbed “Operation Northern Shield”—to seal six Hezbollah attack tunnels to prevent them from crossing into Israel.42

Israeli measures aimed at constraining and deterring Hezbollah include consultations with the U.N. Interim Force in Lebanon (UNIFIL).43 After reports in August 2019 that Israel may have targeted Hezbollah personnel and advanced drone and missile technology in Syria and Lebanon, Israeli officials and Hezbollah leaders each made public statements blaming the other side for increased tensions.44 Hezbollah appeared to respond to Israel in early September with cross-

38 CRS Report R44759, Lebanon, by Carla E. Humud; CRS In Focus IF10703, Lebanese Hezbollah, by Carla E. Humud.
40 See, e.g., Jonathan Spyer and Nicholas Blanford, “UPDATE: Israel raises alarm over advances by Hizbullah and Iran,” Jane’s Intelligence Review, January 11, 2018.
42 Israeli Prime Minister’s Office, PM Netanyahu in the North—Israel Attacked a Warehouse with Iranian Weapons at Damascus International Airport, January 13, 2019.
43 For more on UNIFIL, see CRS Report R44759, Lebanon, by Carla E. Humud.
border fire from Lebanon targeting an Israeli military unit, amid reports that Hezbollah sought to retaliate but avoid escalation toward war.

**Syria and Iraq: Reported Israeli Airstrikes Against Iran-Backed Forces**

Israel has reportedly undertaken airstrikes in conflict-plagued Syria and Iraq based on concerns that Iran and its allies could pose threats to Israeli security from there. Iran’s westward expansion of influence into Iraq and Syria over the past two decades has provided it with more ways to supply and support Hezbollah, apparently leading Israel to increasingly broaden its regional theater of military action.

Since 2018, Israeli and Iranian forces have repeatedly targeted one another in Syria or around the Syria-Israel border. After Iran helped Syria’s government regain control of much of the country, Israeli leaders began pledging to prevent Iran from constructing and operating bases or advanced weapons manufacturing facilities in Syria. In January 2019, Prime Minister Netanyahu said that Israel had targeted Iranian and Hezbollah targets in Syria “hundreds of times.”

U.S. involvement in Syria could affect future Israeli calculations there. The U.S. base at At Tanf in southern Syria has reportedly “served as a bulwark against Iran’s efforts to create a land route for weapons from Iran to Lebanon.” Russia, its airspace deconfliction mechanism with Israel, and some advanced air defense systems that it has deployed or transferred to Syria also influence the various actors involved.

In Iraq, reports suggest that in summer 2019, Israel conducted airstrikes against weapons depots or convoys that were connected with Iran-allied Shiite militias. Some of these militias are active members of the Popular Mobilization Forces (PMF) that Iraqi leaders are attempting to bring under government control. One strike in July supposedly targeted a cargo of guided missiles that Iran allegedly intended to transfer to Syria. A senior U.S. official was cited as saying that Israel was “pushing the limits” because the airstrikes could result in Iraqi leaders demanding that the U.S. military leave Iraq.

In August, the chief Pentagon spokesperson issued a statement criticizing “any potential actions by external actors inciting violence in Iraq,” adding that Iraq’s government has the right “to control their own internal security and protect their democracy.”

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46 Ghaddar, op. cit. footnote 39.
48 See, e.g., Israeli Prime Minister’s Office, PM Netanyahu’s Speech at the United Nations General Assembly, September 27, 2018.
51 CRS In Focus IF10858, Iran and Israel: Tension Over Syria, by Carla E. Humud, Kenneth Katzman, and Jim Zanotti.
52 For information on the PMF, see CRS In Focus IF10404, Iraq and U.S. Policy, by Christopher M. Blanchard.
54 Ibid.
55 Department of Defense, Statement on Recent Attacks in Iraq, August 26, 2019.
Iraqi National Security Advisor and Popular Mobilization Commission head Falih al Fayadh said that Iraq wants to avoid taking sides and being “pushed into a war.”\(^56\) Israeli officials have not directly commented on the strikes in Iraq. During the August timeframe when the international media was following the strikes closely, Prime Minister Netanyahu said, “Any country that allows its territory to be used for aggression against Israel will face the consequences,”\(^57\) and Finance Minister Moshe Kahlon said that there are “things being attributed to us that aren’t ours.”\(^58\) A December 2019 media report citing U.S. officials claimed that Iran has built up a hidden arsenal of short-range ballistic missiles in Iraq that could pose a threat to U.S. regional partners, including Israel.\(^59\)

**Golan Heights**\(^60\)

On March 25, 2019, President Trump signed a proclamation stating that the United States recognizes the Golan Heights (hereinafter, the Golan) to be part of the State of Israel.\(^61\) The proclamation stated that “any possible future peace agreement in the region must account for Israel’s need to protect itself from Syria and other regional threats”—presumably including threats from Iran and the Iran-backed Lebanese group Hezbollah. Israel gained control of the Golan from Syria during the 1967 Arab-Israeli war, and effectively annexed it unilaterally by applying Israeli law to the region in 1981 (see **Figure 1**).\(^63\)

President Trump’s proclamation changed long-standing U.S. policy on the Golan. Since 1967, successive U.S. Administrations supported the general international stance that the Golan is Syrian territory occupied by Israel, with its final status subject to negotiation. In reaction to the U.S. proclamation, others in the international community have insisted that the Golan’s status has not changed.\(^64\) In Congress, Senate and House bills introduced in February 2019 (S. 567 and H.R. 1372) support Israeli sovereignty claims to the Golan, and would treat the Golan as part of Israel in any existing or future law “relating to appropriations or foreign commerce.” Additionally, 10 Senators wrote a letter to the President in April urging him to take additional steps that would have the effect of treating the Golan Heights no differently than Israel for various U.S. government purposes.\(^65\)

\(^{56}\) Rubin and Bergman, op. cit. footnote 53.

\(^{57}\) Israeli Prime Minister’s Office, PM and DM Netanyahu Holds Security Tour in the North and Assessment of the Situation with IDF Chief-of-Staff, GOC Northern Command and Other Senior Officers, op. cit. footnote 44.

\(^{58}\) “Netanyahu warns Israel will defend itself ‘by any means necessary,’” *Times of Israel*, August 26, 2019.


\(^{60}\) For background on the Golan Heights, see CRS Insight IN11081, *Israel and Syria in the Golan Heights: U.S. Recognition of Israel’s Sovereignty Claim*, by Jim Zanotti and Carla E. Humud.

\(^{61}\) White House, Proclamation on Recognizing the Golan Heights as Part of the State of Israel, March 25, 2019.

\(^{62}\) Ibid.


For decades after 1967, various Israeli leaders, reportedly including Prime Minister Netanyahu as late as 2011, had entered into talks with Syria aimed at returning some portion of the Golan as part of a lasting peace agreement. However, in the context of Syria’s civil war and other changing factors, Netanyahu shifted focus from negotiating with Syria on a “land for peace” basis to obtaining international support for Israel’s claims of sovereignty. As part of the periodic conflict in Syria between Israel and Iran, some Iranian missiles have targeted Israeli positions in the Golan. The Syrian government denounced the U.S. policy change as an illegal violation of Syrian sovereignty and territorial integrity, and insisted that Syria is determined to recover the Golan.

Since 1974, the U.N. Disengagement Observer Force (UNDOF) has patrolled an area of the Golan Heights between the regions controlled by Israel and Syria, stationing more than 800 troops from five countries there as of July 2019. During that time, Israel’s forces in the Golan have not faced serious military resistance to their continued deployment, despite some security threats and diplomatic challenges. Periodic resolutions by the U.N. General Assembly have criticized Israel’s occupation as hindering regional peace and Israel’s settlement and de facto annexation of the Golan as illegal.

### Israeli-Palestinian Issues Under the Trump Administration

President Trump has expressed interest in helping resolve the decades-old Israeli-Palestinian conflict, but many observers voice doubts about his Administration’s ability to get the two sides to negotiate, let alone achieve a conflict-ending agreement. Past Administrations also struggled to make progress on this issue, but developments during this Administration have raised some unique challenges. After the President’s recognition of Jerusalem as Israel’s capital in December 2017, the Palestine Liberation Organization (PLO) and Palestinian Authority (PA), led by PLO Chairman and PA President Mahmoud Abbas, cut off diplomatic ties with the United States. The Palestinians have insisted that U.S. statements and actions are biased toward Israel and that the Administration therefore cannot be trusted as an honest broker.

The Administration claims that it has prepared a plan that proposes specific solutions on the core issues of the conflict, but has repeatedly postponed the release of the plan and some observers

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67 CRS In Focus IF10858, *Iran and Israel: Tension Over Syria*, by Carla E. Humud, Kenneth Katzman, and Jim Zanotti.


70 See, e.g., The Syrian Golan—GA Resolution (A/RES/73/23), November 30, 2018, which the United States opposed.

71 For additional background, see CRS In Focus IF11237, *Israel and the Palestinians: Chronology of a Two-State Solution*, by Jim Zanotti.


question whether it will ever happen. In a May 2019 closed-door meeting with some American Jewish leaders, Secretary of State Michael Pompeo reportedly acknowledged that the U.S. plan might not gain traction.

The Administration has taken several measures that PLO/PA leaders have interpreted as attempts to pressure them into a political process that would favor Israel on core issues of Israeli-Palestinian dispute—security, borders, settlements, Palestinian refugees, and Jerusalem’s status—and prevent statehood for Palestinians. The measures include the following:

- The opening of the U.S. embassy to Israel in Jerusalem in May 2018, and the subsuming of the U.S. consulate general—previously an independent diplomatic mission to the Palestinians—under the embassy’s authority in March 2019.
- An end to all U.S. bilateral aid for Palestinians—including economic and security assistance—and to U.S. contributions from global humanitarian accounts (managed by the State Department) to the U.N. Relief and Works Agency for Palestine Refugees in the Near East (UNRWA).

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**Economic Incentives for Palestinians and Arab States?**

In an apparent effort to provide economic ballast to its plan for resolving the Israeli-Palestinian conflict, the Trump Administration released a $50 billion investment and infrastructure proposal in June for the West Bank and Gaza and Palestinians in Egypt, Jordan, and Lebanon, accompanied by a workshop in Bahrain. No official Israeli or Palestinian representatives attended the workshop—there were a few from the private sector—and the Arab state representatives that attended did not make specific monetary commitments.

PLO/PA officials object to the United States using economic carrots and sticks to entice or pressure the Palestinians into conceding on the fundamental political demands of their national cause—particularly statehood in the West Bank and Gaza and a capital in Jerusalem. Major Arab Gulf states (Saudi Arabia, United Arab Emirates, Qatar) have signaled openness to proposals for assisting Palestinians economically, without necessarily softening their support for the Palestinians on core political issues. Jordan and Egypt—the two Arab states that have peace treaties with Israel—reportedly harbor concerns about efforts by the United States to use them or other countries to legitimize political outcomes that may favor Israel at the Palestinians’ expense.

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78 King Salman of Saudi Arabia said in February 2019 that his country “permanently stands by Palestine and its people’s right to an independent state with the occupied East Jerusalem as its capital.” “Saudi king reaffirms support for Palestinian state,” Al Jazeera, February 12, 2019. Bahrain, host of the June workshop, stated its support in May for Palestinians on these same points. “Bahrain Stresses Commitment to Palestinian State After Backlash Over U.S.-led Peace Conference,” haaretz.com, May 21, 2019.


81 See CRS In Focus IF10644, The Palestinians: Overview and Key Issues for U.S. Policy, by Jim Zanotti; and CRS...
• The U.S.-mandated closure of the PLO representative office in Washington, DC.
• President Trump’s March 2019 proclamation that the Golan Heights—a territory that Israel captured from Syria in the 1967 Arab-Israeli war (as mentioned above)—is part of Israel. Israel captured the West Bank and Gaza in that same war, from Jordan and Egypt, respectively.

After President Trump’s Golan Heights proclamation in March 2019, Netanyahu pledged—as part of his election campaign in April—to begin annexing Israeli settlements in the West Bank. Secretary of State Pompeo, in a subsequent interview, said that Netanyahu’s statement did not cause him concern. In June 2019, U.S. Ambassador to Israel David Friedman said that under certain circumstances, Israel “has the right to retain some, but unlikely all, of the West Bank,” though an unnamed U.S. official then said that the United States has not discussed any Israeli plan for annexation of any portion of the West Bank.

During his September 2019 campaign, Netanyahu announced his specific intention if reelected to annex the Jordan Valley—the lightly populated area along Jordan’s western border that Israel has largely used as a defensive buffer area since 1967. In November 2019, Secretary Pompeo said that the Trump Administration disagrees with a 1978 State Department legal opinion—referred to in 2016 by then-Secretary of State John Kerry—stating that Israeli West Bank settlements are inconsistent with international law. Shortly thereafter, an Israeli media source quoted U.S. officials as saying that Secretary Pompeo’s statement “should not be seen as a green light for Israel to annex parts of the West Bank or start unrestrained building in settlements.”

Some Members of Congress have publicly expressed concerns about Israel taking unilateral steps to annex parts of the West Bank. After Secretary Pompeo’s November statement, 107 Members of Congress sent him a letter expressing strong disagreement with the statement, writing that in the context of other Administration actions it “severely damaged prospects for peace and endangered the security of America, Israel, and the Palestinian people.” In December 2019, the House (by a vote of 226-188, with two voting present) passed H.Res. 326, which called for any future U.S. peace proposal to expressly endorse a two-state solution and discouraged steps such as “unilateral annexation of territory or efforts to achieve Palestinian statehood status” outside negotiations. It also stated that the United States has an interest in resuming foreign assistance to the Palestinians.

Report RS22967, U.S. Foreign Aid to the Palestinians, by Jim Zanotti, U.S. Foreign Aid to the Palestinians, by Jim Zanotti.

82 “Netanyahu vows to annex West Bank settlements if re-elected,” Associated Press, April 7, 2019.
83 Transcript of remarks by Secretary of State Michael R. Pompeo, Interview with Jake Tapper of CNN, Santiago, Chile, April 12, 2019.
85 “U.S. envoy, in interview, does not rule out Israeli annexation in West Bank,” Reuters, June 8, 2019.
86 State Department, Secretary Michael R. Pompeo Remarks to the Press, November 18, 2019. For more information on settlements and U.S. policy, see CRS Report RL33476, Israel: Background and U.S. Relations, by Jim Zanotti.
The Hamas-controlled Gaza Strip faces difficult political, economic, and humanitarian conditions.\(^9^0\) In the context of a stalled peace process, Palestinians in Gaza regularly clash with Israel’s military as it patrols Gaza’s frontiers with Israel, and the clashes periodically escalate toward larger conflict. In one episode in November 2019, cross-border fire followed the targeting killing (via airstrike) by Israel of a key militant from the Iran-supported terrorist group Palestine Islamic Jihad (PIJ).\(^9^1\) Hamas, which also receives some assistance from Iran,\(^9^2\) refrained almost completely from the hostilities, allowing for de-escalation and the resumption of Egypt-mediated, indirect Israel-Hamas talks aimed at establishing a long-term cease-fire.\(^9^3\)

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\(^9^0\) CRS In Focus IF10644, *The Palestinians: Overview and Key Issues for U.S. Policy*, by Jim Zanotti.


Appendix A. Israeli Political Parties in the Knesset and Their Leaders

**RIGHT**

**Likud** (Consolidation) – 32 Knesset seats
Israel’s historical repository of right-of-center nationalist ideology; skeptical of territorial compromise; has also championed free-market policies. The center-right party Kulanu (led by Finance Minister Moshe Kahlon) agreed in May 2019 to merge with Likud.

*Leader: Binyamin Netanyahu*
Born in 1949, Netanyahu has served as prime minister since 2009 and also was prime minister from 1996 to 1999. Netanyahu served in an elite special forces unit (Sayeret Matkal), and received his higher education at MIT. Throughout a career in politics and diplomacy, he has been renowned both for his skepticism regarding the exchange of land for peace with the Palestinians and his desire to counter Iran’s nuclear program and regional influence. He is generally regarded as both a consummate political dealmaker and a security-minded nationalist. However, he has negotiated with the Palestinians, and many observers discern caution in Netanyahu’s decisions regarding the nature and scale of military operations.

**Yisrael Beitenu** (Israel Our Home) – 8 seats
Pro-secular, right-of-center nationalist party with base of support among Russian speakers from the former Soviet Union.

*Leader: Avigdor Lieberman*
Born in 1958, Lieberman served as Israel’s defense minister until his resignation in November 2018. He served as Israel’s foreign minister for most of the period from 2009 to May 2015 and is generally viewed as an ardent nationalist and canny political actor with prime ministerial aspirations. Lieberman was born in the Soviet Union (in what is now Moldova) and immigrated to Israel in 1978. He worked under Netanyahu from 1988 to 1997. Disillusioned by Netanyahu’s willingness to consider concessions to the Palestinians, Lieberman founded Yisrael Beitenu as a platform for former Soviet immigrants. He was acquitted of corruption allegations in a 2013 case.

**Yamina** (Right) – 7 seats
Right-of-center merger of three parties: New Right, Jewish Home, and National Union; base of support among religious Zionists (mostly Ashkenazi Orthodox Jews); includes core constituencies supporting West Bank settlements and annexation.

*Leader: Ayelet Shaked*
Born in 1976, Shaked served as justice minister from 2015 to June 2019 and controversially supported a greater role for Jewish nationalism in law and society. After a brief career as a software engineer, Shaked entered politics and worked under Netanyahu from 2006 to 2010 before leaving over personal differences. She served two terms in the Knesset for the Jewish Home party.
**LEFT**

**Labor** (Avoda) – 6 seats
Labor is Israel’s historical repository of social democratic, left-of-center, prosecutorial Zionist ideology; associated with efforts to end Israel’s responsibility for Palestinians in the West Bank and Gaza. Center-left party Gesher (Bridge) has joined the Labor slate for the September 2019 elections.

**Leader: Amir Peretz**
Born in 1952, Peretz became Labor’s leader for the second time in July 2019, after serving as party leader from 2005 to 2007. He was first elected to the Knesset in 1988 and has served as defense minister (during the 2006 Hezbollah conflict) and environment minister. Peretz was a farmer in southern Israel and served as mayor of Sderot before joining the Knesset.

**Democratic Union** – 5 seats
Left-of-center electoral slate including Meretz (Vigor), a pro-secular Zionist party that supports initiatives for social justice and peace with the Palestinians, and former Prime Minister Ehud Barak’s Israel Democratic Party.

**Leader: Nitzan Horowitz**
Born in 1965, Horowitz became Meretz’s leader in June 2019 and was first elected to the Knesset in 2009. He had a long career as a prominent journalist before entering politics.

**CENTER**

**Kahol Lavan** (Blue and White) – 33 seats
Merger between two centrist parties, Hosen L’Yisrael (Resilience) and Yesh Atid (There Is a Future). Gantz and Lapid have agreed to take turns as prime minister if elected, with Gantz serving as prime minister and Lapid as foreign minister for the first two years and eight months before switching.

**Leaders: Benny Gantz and Yair Lapid**
Born in 1959, Gantz served as Chief of General Staff of the Israel Defense Forces from 2011 to 2015. He established Hosen L’Yisrael (Israel Resilience Party) in December 2018. He has been reluctant to take a formal position on a two-state solution, and has sought to draw contrasts with Netanyahu less through policy specifics than by presenting himself as a more unifying figure. By citing his military experience, Gantz apparently hopes to neutralize Netanyahu’s traditional advantage with voters on national security issues.

Born in 1963, Lapid came to politics after a career as a journalist, television presenter, and author. He founded the Yesh Atid party in 2012, and from 2013 to 2014 he served as finance minister.
### ULTRA-ORTHODOX

**Shas** (Sephardic Torah Guardians) – 9 seats
Mizrahi Haredi (“ultra-Orthodox”) party; favors welfare and education funds in support of Haredi lifestyle; opposes compromise with Palestinians on control over Jerusalem.

**Leader: Aryeh Deri**
Born in 1959, Deri is Israel’s interior minister and minister for Negev and Galilee development. He led Shas from 1983 to 1999 before being convicted for bribery, fraud, and breach of trust in 1999 for actions taken while serving as interior minister. He returned as the party’s leader in 2013.

**United Torah Judaism** – 7 seats
Ashkenazi Haredi coalition (Agudat Yisrael and Degel Ha’torah); favors welfare and education funds in support of Haredi lifestyle; opposes territorial compromise with Palestinians and conscription of Haredim; generally seeks greater application of Jewish law.

**Leader: Yaakov Litzman**
Born in 1948, Litzman is Israel’s deputy health minister. He was born in Germany and raised in the United States before immigrating to Israel in 1965. Educated in yeshivas (traditional Jewish schools), he later served as principal of a Hasidic girls’ school in Jerusalem. He was first elected to the Knesset in 1999 and has previously served as a member of the Knesset’s finance committee.

### ARAB

**Joint List** – 13 seats
Electoral slate featuring four Arab parties that combine socialist, Islamist, and Arab nationalist political strains: Hadash (Democratic Front for Peace and Equality), Ta’al (Arab Movement for Renewal), Ra’am (United Arab List), Balad (National Democratic Assembly).

**Leader: Ayman Odeh**
Born in 1975, Odeh is the leader of Hadash, an Arab Israeli socialist party, and of the Joint List. An attorney, he served on the Haifa city council before becoming Hadash’s national leader in 2006. He supports a more democratic, egalitarian, and peace-seeking society, and has sought protection for unrecognized Bedouin villages and advocated for drafting young Arab Israelis for military or civilian national service.

**Sources:** Various open sources.
Appendix B. Indictments Against Netanyahu and Additional Steps of the Legal Process

**Indictments**

**Case 1000:** Netanyahu received gifts from Hollywood mogul Arnon Milchan, in return for political favors

The charge: Fraud and breach of trust

From the draft indictment: “There is enough evidence to prove that the gifts, given in large scale and in unusual ways, had been received in exchange for actions by Netanyahu.”

Netanyahu’s defense: It is acceptable to receive some gifts from friends; some decisions were against Milchan’s interests

**Case 2000:** Netanyahu and Yedioth Ahronoth publisher Arnon Mozes struck a deal: Favorable coverage in return for legislation to damage Sheldon Adelson-owned newspaper Israel Hayom

The charge: Fraud and breach of trust

From the draft indictment: “Evidence allegedly shows that Netanyahu, in his conversations with Mozes, violated the trust he owes to the public, and severely hurt the image of public service and public faith in it.”

Netanyahu’s defense: Mozes and I [Netanyahu] fooled each other; there was never any intention to follow through

**Case 4000:** As communication minister, Netanyahu took steps that benefited Shaul Elovitch who controlled Bezeq—in return for favorable coverage in Bezeq’s Walla News site

The charge: Bribery, fraud and breach of trust

From the draft indictment: “Based on ... actions and circumstantial evidence, the attorney general has reached a clear conclusion, by which corrupt, improper motives were at the core of Netanyahu’s actions.”

Netanyahu’s defense: Favorable coverage isn’t bribery

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**Sources:** For “Suggested Indictments,” the content comes verbatim from Ha’aretz, and CRS adapted the graphic, with one bracketed addition for purposes of clarification. For “Selected Steps in the Legal Process, and the Time Between Them,” CRS prepared the graphic and made slight content adjustments to underlying source material from Britain Israel Communications and Research Centre. The intervals listed between Steps 3-4 and 4-5 are estimates.
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