

THE BROOKINGS INSTITUTION

THE HIZBALLAH CHALLENGE
A SABAN CENTER POLICY LUNCHEON

Friday, July 28, 2006

The Brookings Institution
Stein Room
1775 Massachusetts Avenue, N.W.
Washington, D.C. 20036

Anderson Court Reporting
706 Duke Street, Suite 100
Alexandria, VA 22314
Phone (703) 519-7180 Fax (703) 519-7190

C O N T E N T S

OPENING REMARKS:

MARTIN S. INDYK, Director Saban Center for
Middle East Policy

SPEAKERS:

DAN BYMAN,
Director of the Center of Peace and Security
Studies at the School of Foreign Service at
Georgetown University.

GAL LUFT,
Co-Director of the Institute for the Analysis
of Global Security

P R O C E E D I N G S

MR. INDYK: As most of you know by now, we eat and talk at the same time, so please continue with your meal.

These are times that try people's souls. It is a very distressing situation. Many of us in this room have gone through numerous crises in Lebanon, and it's a very strong feeling that I have that we have seen this bad movie before. I had trouble sleeping last night. I couldn't figure out exactly what it was that was bothering me, and then I realized that Israel mobilizing three reserve divisions to add to the one that's already mobilized, four reserve divisions and sending them to the northern border, and the Syrian Army now on full alert, the potential for this conflict to escalate should be obvious to everybody. So that's a very disturbing backdrop for our discussion today.

We wanted to focus on what we call The Hizballah Challenge and try to get a better

understanding of where Hizballah is coming from, what it might be trying to achieve in these circumstances, and what is the best way to deal with that challenge.

We are going to start with a presentation from Dan Byman who is a Nonresident Senior Fellow at the Saban Center dealing with terrorism and counterterrorism issues. His full-time job is the Director of the Center of Peace and Security Studies at the School of Foreign Service at Georgetown University. He has written extensively on Hizballah and its state sponsors as well, and I don't think there's anybody else in Washington who has the expertise and research depth that Dan brings to this particular subject.

He will be followed by Gal Luft. Many of you know Gal Luft because you read Tom Friedman. Gal came to Washington I suspect to get away from the Arab-Israeli conflict and focus instead on what is his passion and I might even say his obsession which is energy security issues. He is the Co-Director

of the Institute for the Analysis of Global Security and has done really interesting and innovative work on the question of how to promote energy independence for the United States. But that is not why he is here today. Hizballah has succeeded in dragging him back into the Arab-Israeli conflict as well. I say that because Gal as a Colonel in the Israeli Defense Forces has had over 5 years of experience fighting Hizballah in Lebanon, starting in 1982 and going up to the years to the Grapes of Wrath Campaign in 1996. So we thought it would be very useful to get an Israeli perspective on this informed by Gal's military experience in actually trying to deal with Hizballah. Then we will have a chance for a serious off-the-record discussion on these issues. Dan, the floor is yours. Thank you very much for doing this.

MR. BYMAN: Thank you, Martin, and thank you all very much for joining me on a truly miserable Friday in Washington. Usually that

dissuades me from going beyond 10 feet of my own door, so I appreciate your doing this.

I am going to focus, as Martin said, on the Hizballah side of things, commenting on other events from there. I want to begin by admitting my ignorance in some ways. This latest round, the Hizballah kidnapping move on July 12th, caught me by surprise. It was not something I had been anticipating, so I have spent a fair amount of time trying to dissect why this happened then. It seems to stem at least in hindsight from a mix of rather narrow goals, as well as some broader ambitions.

Sometimes we should begin with the obvious. Hizballah does care about its prisoners. That was the stated objective, and they did declare 2006 to be the year of the prisoner, and this is something that Nabih Berri has said, that there were 11 previous attempts, and in general Israel has stopped these, but that is certainly part of this.

Also part of this is a very strong ideological commitment. Immediately in Washington people leap to the cynical, but with Hizballah it is important to recognize that it does have a genuine desire to destroy the Jewish State and continue operations against it, and has acted accordingly.

This ideological commitment in the last I would say 12 years or so has really manifested in part by a strong sense of commitment to Hamas, that there have been increasing connections on the working level between the operational wing of Hamas and Hizballah, there has been training and indoctrination, and a real sense that Hamas is trying to do in the Palestinian Territories what Hizballah did successfully in Lebanon, and the sense that these two struggles are connected. Beyond this, I think doing an operation that was dramatic at a time when the world's eyes were watching Israel and the Palestinians was the sense that Hizballah would gain prestige where Arab States lacked it. If you look at Hizballah's

rhetoric, traditionally it drips with contempt towards many of the Arab States, and this is yet another way of Hizballah doing what Nasrallah has called being the "spear tip of the umma," being the leader of the community in the fight against the Jews and gaining prestige from that.

Within Lebanon, I think it is important to note that they have wanted to embarrass the anti-Syrian forces there and believe that military operations will do that. And also I think that there is a general sense that Iran is even more in their corner on hostile actions towards Israel than it has been in 10 years. Iran has certainly had that view certainly during the Khatami years, but even more so in recent years.

I think a lot of this was done in part because of a mistake on Hizballah's part, which is they assumed that Israel's response would be limited. In fact, I believe they wanted a limited response. They certainly wanted a reaction from Israel and knew that Israel would respond with a

bombing campaign of some sort and that this would be an escalation, but that this limited bombing campaign would help Hizballah. That it would reinforce its image as a resistance organization at a time when it was becoming increasingly a political actor in Lebanon, and it would be able to paint anti-Syrian forces in Lebanon as being pro-Israel, something that it loves to do. And that they might even in the end gain a prisoner swap from this. Israel has, as you all know, done this sort of thing in the past, swapped huge numbers of prisoners for a few Israelis, and there is a sense that this might happen again.

But they did a few things both in initiating the conflict and later on as it began that really changed things. One, of course, was they did not strike in the Sheba'a Farms area. One of the peculiarities of this Israel-Hizballah conflict is that in the early 1990s you started to see rules to the conflict where there were certain attacks that were deemed okay, or certain attacks that

were deemed within the parameters of the conflict, and the Israelis would say that openly, "That particular attack? Yeah, that one was okay," not meaning that it is okay to attack our country, but meaning that it did not call for escalation, and Sheba'a Farms attacks were largely deemed okay in that sense.

Adding to that I would say is that they did deep strikes within Israel, and that posed a much bigger threat, and a much bigger political threat, to the government and forced a reaction. Another big mistake was I think they forgot the obvious which was, in contrast to the 1990s, they are not fighting to defend Lebanon from Israeli occupation, that it is much more risky politically to do this.

The joy of being a professor is that you can really criticize any option out there and not have to come up with any of your own. I looked at Israel's options when this crisis first began in the first few days, and I think I could safely say

they were kind of lousy, and I am going to go through all the different alternatives.

In my judgment, Israel had no choice but to respond fairly aggressively to this attack. A colleague of mine was saying the other day that it is rare to see the consensus opinion seem to be in favor of war, and yet that is what happened immediately after the strike. There was a strong sense that this was intolerable and that military force is justified, and rarely on the international stage or even the domestic stage do you see that sort of thing.

The *status quo ante* I think was not acceptable for Israel, not only because it withdrew from Lebanon yet it was suffering these attacks, and in particular I would add that Hizballah was proving a fairly strong force in making the Palestinians more effective, but also Hizballah had the power to resume the offensive anytime it wanted, and that it is intolerable for almost any government that the initiative was on

the other side, and these attacks demonstrated yet again at a time when Israel felt intensely vulnerable politically that Hizballah could resume the offensive.

And I think most important, Hizballah could win a limited exchange. The goal for Hizballah was a limited exchange, and that was something that politically Hizballah would benefit from, and as a result, going down that road was quite dangerous for Israel.

But the problem with a more aggressive campaign is that more aggressive campaigns in general against terrorist groups, and including most of Israel's actions against Hizballah, have historically done quite poorly. There are reasons for that that go beyond execution or implementation issues. The big question with this sort of thing with Hizballah in particular is what do you blow up, who do you kill. The obvious and nice answer seems to be what you see from time to time in the paper, you go after Hizballah members.

But as we all know, separating out the terrorist cadre, the guerrilla cadre, from the people in general is almost impossible.

It requires superb intelligence, and that is something that Israel has by most standards pretty good intelligence on Lebanon, but the standards you need to do a sustained counter-guerrilla campaign is not good enough. It has had this problem constantly in the past, and it was able to build up this sort of infrastructure in the West Bank and Gaza with a massive investment of both time and resources, and it simply is not able to do that in Lebanon because it does not control the ground.

The alternative is leadership strikes, and leadership strikes are I think sensible for the most part. The problem here is that Hizballah has an exceptionally deep bench. It can lose three or four leaders including Nasrallah, it can use five or ten, and replace them, and we must remember that Nasrallah himself is in power because of an

Israeli leadership strike. What Hizballah has done consistently is produce good leaders. It is an unusual organization in that regard. With many terrorist groups, if they lose their leader, they put in someone who is incompetent, someone who is corrupt, someone who does not inspire. I can go into details if people want in questions, but Hizballah has a structure in place to make it much more likely to have good leaders.

To go after the leadership effectively, I think Israel would need about a year occupying large swaths of Hizballah areas and a massive intelligence presence, and I think that is, frankly, absurd on an operational level. I just do not think they can sustain that. So I think while they can certainly kill some leaders, it is not something that they will be able to go through the deep bench.

That leaves two options, one of which is trying to go after the regime that houses Hizballah, which nominally is Lebanon. In the

past, Israel has done this. They went after Jordan in 1960s, they went after Lebanon in the 1970s, and here I think President Bush got it right, which is you cannot really blame the government of Lebanon in this case. It is not a pro-Hizballah government, even though it has two Hizballah members. And it cannot disarm Hizballah, it probably would not disarm Hizballah, but certainly cannot. As a result, trying to force this government into action by civilian suffering and destroying infrastructure simply is not going to work.

What I think Israel was trying to do quite different from previous campaigns is to turn popular support against Hizballah. Initially, I think there was some success here. There was a sense among many non-Shi'ah that Hizballah was the source of this conflict, that the suffering was Hizballah's fault, but over time the day-to-day of the conflict seems to be turning more and more people against Israel. I think that is inevitable

in the short-term, that simply when people see suffering or when their house is destroyed, eventually they blame the person who is destroying the house, even though if that was an action taken in response to one they did not agree with. Israel's efforts to go beyond traditional Hizballah areas are examples of why this has happened. They have gone after infrastructure in a number of Christian areas, for example, that have turned I think many people who might have been a big more sympathetic against them. This may change back again in the long-term. If the bombs start falling and a year from now people's houses will still be ruined, the foreign investment climate in Lebanon is dead for 5 years from my impression, will people in 5 years blame the suffering on Hizballah? It is entirely possible. I am not sure which way this will go, but for the short-term at least I think it turning against Israel.

What is the impact of the campaign so far on Hizballah? It has taken some losses in people and equipment, but this is, again, a constant of guerrilla warfare. It has the initiative. Where it is fighting Israel, it is choosing to fight Israel, and where Israel has gone in, Hizballah could simply retreat. It could send its people out disguised as refugees. This is quite easy to do. Israel does not have the manpower to do cordoning off and searching in a large-scale throughout Hizballah areas. So as a result, while there is conflict and it is losing people, it itself can sustain its own losses by definition: if it were losing too many, it would fight less, and is simply putting up a fight because it feels it could inflict some pretty heavy blows on Israel which I would say it is doing, and also because, again, this is a sign of resistance.

In terms of losing rockets or other weapons stocks, I think this is a classic short-term problem, where in the long-term it is clear to me,

this will be replaced by Syria and Iran, and proudly and openly. Sure, Hizballah can lose a lot of its stocks, but it really does not matter much. In fact, there is a good chance it will get better weaponry in the end of all this.

A bit part of all this is we tend to see these things in who is going to win, but Hizballah wins by not losing. This is, again, a constant in guerrilla warfare, that successful defiance is a sign of success, and simply keeping Al-Manar up there and broadcasting day-to-day fights where Israel is suffering casualties, is our victory, even overall Hizballah loses more people, even significantly more people, than Israel does. And I think Hizballah knows that time is on its side, that pressure internationally is turning more and more against Israel, even perhaps domestically within Israel, and that as the days go on, each day it can sustain things, the better it looks. My impression of its support within Lebanon is that it has lost some support certainly among

Christians, but also among some Sunni groups that otherwise were more sympathetic, but that its support is even deeper among core supporters, that they see this attack as justified and Israel's strikes as something that must be resisted. To go outside Hizballah very briefly, there is a real danger that the government of Lebanon could collapse from all this. I think we are pretty close to that. Government humiliation is a constant source of government collapse around the world, and this is a government that was weak to begin with and now looks utterly helpless. You have tremendous suffering, and I think there is a real possibility of a failed state in Lebanon, that things could be quite ugly, even more so than right now.

Going over to Iran, from the international community's or United States perspective, Iran almost certainly in my judgment was not the one pushing this operation, I think it was probably pushed by Hizballah, but at the same time, Iran

certainly blessed it. I would be shocked if Hizballah did something of this scale without at least the basics being known to the Iranian leadership and approved.

This sort of operation, though, it is very hard to push Iran to push Hizballah to rein this back in. Iran has options, terrorism being the biggest one. Iran has cased U.S. embassies around the world. But I think more importantly right now for the United States, Iranians talk openly of 140,000 hostages in Iraq. They know that the utterly disastrous situation in Iraq for the United States could be made worse simply by a couple-hundred shooters being sent in from Iran or pushed from Iran. As a result, they have tremendous leverage, and know they have leverage. Add to that, economically we have oil prices through the roof, and you have an economic team in Iran that actually does not want foreign investment. I think Iran will pay for this in 10 years, but it is a group that wants more

independence, in their words. So the idea of cutting off foreign trade and foreign investment is not terribly threatening from their eyes. The real key to much of this I think is Syria. Michael Scott Doran has just called Syria both the arsonist and the fire department in the past, and I think this is a great example of this. This is a problem that Syria is responsible for in some ways, but at the same time is the key to the solution. The problem with Syria is that right now I think Syria is more than willing to fight to the last Lebanese. It will gladly sacrifice Lebanon and the Lebanese people so it can look good. A problem in the past was that Syria was ignored successfully by both Israel and the United States, and I cannot see any solution to this that does not involve some Syrian role. What you would end up doing with that, though, is to legitimate a Syrian role in Lebanon, and the United States has spent a long time quite successfully trying to reduce that, and we are inviting it back in?

Within Lebanon they will even more depending on Syria due to refugees, and I think some things we used to care about much more before the Hariri investigation are effectively dead, that there is no way you are going to have an investigation in Lebanon today, and Syria is much more powerful as a result.

And the United States has little leverage with Damascus. I think there is not much you can do on the coercion side and so it has to go the inducement route, and all the inducements go against fairly established U.S. policy for the last couple of years. The exception to this is I think other Arab States do have some leverage with Syria, but it is limited, and the gradual turn of opinion against Israel has made it harder for them to exercise those.

Talking about peacekeepers, they have an exceptionally poor record in Lebanon. They are, I am trying to remember who said it fairly recently, basically drawing big salary and standing by. If

you wanted a robust peacekeeping force in Lebanon, you would need I would say approximately a division-size force. It would have to have fairly rules of engagement. You would be trying to disarm a guerrilla group or stop a guerrilla group that Israel, with a very effective army, was not able to do. So I think this is actually implausible, and I cannot imagine any country signing up for this mission if they have to fight. I think they would only sign up for this mission on the condition that they were actually not going to have to fight in a serious way. As a result, it will simply be a symbolic force. And Hizballah would not agree to disarm. For Hizballah, disarming they see as suicide. They see 1559 as a recipe for dissolving their organization and reducing their influence in Lebanon, and there is no one capable in terms of an outside force that is going to put in the troops to root out Hizballah's presence there. It is simply too

hard, and the international community has no will to do this, in particular after Iraq.

What I think we see is effectively a fig leaf in the end, which is the peacekeepers will only agree to deploy if there is a peace that is already arranged, and they will be there and everyone will praise the peacekeepers, but this thing could start up again because both Hizballah, Israel, and everyone else knows that the peacekeepers will not actually stand in the way of violence beings again.

In terms of the risk for the United States, I will add one at the end that I had not planned on adding, but one is that there is always a sense that the United States is going to solve this. I think that is just the burden of the superpower. There is a line going around Israel which I found kind of painfully amusing early on which is this will only be over when the thin lady sings, referring to Secretary Rice, and I think that this is a truth, which is people are waiting for the

United States to intervene to solve this thing even though U.S. options are pretty poor. As always, anti-Israeli and anti-U.S. sentiment are linked somewhat and so there will be the diminishment of U.S. opinion in many countries at this goes on. But I think more importantly for the United States, moderate Arab States that initially came out by their standards quite boldly against Hizballah are swinging the other way around. Saudi Arabia issued a statement initially effectively condemning Hizballah which for the Saudis was shocking. Their diplomats are trained to say nothing quite forcefully, and now they are backing away from that. We are seeing this with every state in the region. As a result, the idea of forging this moderate Arab consensus I think is a little harder.

For the U.S. goals in the region, you have the question of balancing a democratic Lebanon and a Syrian role, and I am just not sure that can happen. I think that, again, Syria is the key to

solving much of this, and the way they are going to do it is by exerting influence in Lebanon which is precisely does not want.

In the end, I come down with a truly miserable answer which is the international force is not a bad idea, just recognize that it is a fig leaf. You kick the can down the road ideally for a few years and hope one of the variables that I have just mentioned changes in your favor, recognizing, though, that this is the Middle East and you never want to say the words that things cannot get worse. I will stop there. Thank you.

MR. INDYK: There goes tonight's good night's sleep. Thank you for that dismal assessment, Dan. We will come back to the Syrian option in a moment, but let us hear if Gal can give us some hope instead.

MR. LUFT: Dan, you are the most depressing person I have met today.

(Laughter.)

MR. LUFT: I believe that the first step in addressing a problem is naming it and naming it right, and I think that in the case of Hizballah, we are still at the point that we are not even able to spell it right. If you just look at the networks and think tanks, each one of them has a version of how do you spell Hizballah. Some spell it with an "A," some spell it with an "O," Hizballah, Hizbollah, and I am glad that actually the Saban Center, as well as a few other people in the room, are spelling it the right way, which is Hizballah, Party of God, Allah, to remind us that this conflict is not about Ollah, and not about Ullah, it is about Allah, and it is enough to look at the recent propaganda campaign at Al-Manar that I just viewed this morning in which they claim that the Jewish God has ordered Israel to kill all women and children that are Muslims, and they are trying to make this a whole religious affair. So I think that we need to remember what this thing is all about. It is not about the Sheba'a Farms.

I agree with Dan that Israel is facing a lousy situation in the sense that when you have a guerrilla group fighting against a regular military, the guerrilla wins if it does not lose, and the regular military loses if it does not win. As you all know, in the Middle East nobody ever loses a war. So how do you win? What is a victory? And how do you get there?

To get there we need to understand the broader context that brought us to where we are today. In March 1999, a friend of mine, General Aaron Gerstein (ph) was killed by Hizballah in Lebanon. He was the commander of the Israeli forces there. That came in the midst of an election campaign where Ehud Barak was running for Prime Minister and there was a popular sentiment in Israel for a unilateral withdrawal, and at that point the ground was right for him to make this promise that if he is elected as Prime Minister, he will bring the boys home by a certain date. Sound familiar? And he was elected.

He worked under the assumption that Lebanon was a peripheral issue with the relations with Syria, and if he goes into the room, and then I quote him, "After 4 hours, I have an agreement with Assad, the Lebanese issue will be solved." What he did not realize is that it will take much more than going into a room with Assad for 4 hours, and the whole paradigm collapsed when negotiations with Syria failed. But he was committed to the unilateral withdrawal concept which was a mistake in many respects, but what is happening today is that Israel is actually reaping the bitter fruit of this decision not only strategically, but also tactically, and in many ways we have the situation today that the Israeli options on the ground are quite limited because of the decision to pull out unilaterally, and not only because, but the way that it was carried out.

When Israel was in South Lebanon all these years in the Security Zone, it enjoyed the benefit of the only Arab military in history that was willing

to shed blood for Jews, and it was the South Lebanese Army and militia that started as a Christian militia, and later on there were many Shiites that joined, and the withdrawal killed the South Lebanese Army in the sense that it abandoned them. Most of them had to go back to their villages, some of them moved to Israel and lived quite miserable lives since. They never got really absorbed there. Some of them left to Canada and other places. But most of them went back to their villages and they had to endure 6 years of misery in which they had to face all kinds of penalties, financial penalties and others. And if you ask yourself why is it we see today Katyusha rockets fired from Christian villages when the Christians used to be very sympathetic to Israel in the old days, this goes directly to those people who actually became Israel's most bitter enemies. These are people who have to resurrect themselves, these are people who have to prove that they are more Lebanese than

Lebanese, than Hizballah even. Some of them are working directly for Hizballah. And that means that if Israel were to invade Lebanon and try to do the same thing that it tried to do in 1978, and particularly in 1982, it is going to face a severe disadvantage on the ground because it will not have the support of the local population that was so key to the success, and I say success because I believe that the years that Israel actually was in South Lebanon, and I refer you to an article that I did right after the withdrawal in which I looked at it from pure military parameters because in Israel there was a perception that presence in the Security Zone was a failure, but if you look at it from military parameters, you see that it was not a failure at all. Nevertheless, the decision whether to launch a campaign today and to move into what could be a Security Zone should take into consideration that we are not living in the same conditions and it will be much more costly and much bloodier.

Israel today also faces two definitional issues here, in a sense. What is victory? Some people say destroying Hizballah, and others say victory will be dismantling the capacity to fire Katyushas. I believe that both definitions of victory are unrealistic. We have seen that even the United States when it fought against the Taliban was not able to defeat the Taliban altogether, so the whole notion of winning by a knockout I think is an illusion. You can win in points, but you cannot win with a knockout when it comes to a popular movement like Hizballah. You also cannot define victory as ending the Katyusha threat. I was the Deputy Commander of Israeli Artillery during the Grapes of Wrath and we fired 20,000 rounds and many, many, many, many air force bombings and all this, and there was no chance of stopping the Katyushas because the other side will always have the residual Katyusha rocket that they can fire to show you that they still

have the capability. So I think that it will be a mistake to define victory along these lines. But in many respects, what Israel did I think when all the dust settles, in a way it applied what I call the mad dog doctrine. What is the mad dog doctrine? All the dogs in the world are defined into three. You have the barking dog, you have the biting dog, and you have the carpets, those dogs that just lie there and don't do anything. Then there was a fourth type of dog which is very rare, and that is the mad dog. The mad dog is the most dangerous of all, and Israel for many years behaved like at best a barking dog that sometimes behaved as a carpet, because if you just look at the list of Hizballah provocations since the unilateral withdrawal, I will not go over the whole list, 127 antiaircraft missiles, 5 Katyusha attacks, 10 infiltrations, 11 soldiers killed, 14 civilians, and the list goes on, many, many, many provocations, and Israel did not really respond in any significant way that could have indicated to

Nasrallah that he is in danger if he provokes again.

What Israel did now is it demonstrated to Hizballah the same thing that the United States demonstrated to bin Laden, that pushed to the wall it can become a mad dog. A mad dog is a dog that you cannot predict what he will do next. He may decide next day that he does not want to respond or bark or bite, whatever the issue is, you cannot predict the response, and I think that this message has sunk in the minds of Hizballah. The other thing that is important to realize is that Hizballah enjoys a lot of support, but I think Hizballah in many ways is quite worried about the day after, because the day after, after the whole thing ends, that is when all the long knives will be pulled and there will be an accounting to do, and Hizballah will have to provide a lot of explanations to the Lebanese people, and we have heard already that the Druze leaders, Jumblatt and others, already saying very

nasty things against Hizballah, and I think that there will be a lot of this, and it will become an internal Lebanese debate in which Hizballah could lose a lot of altitude. If that happens, it will happen because we can help it happen, and that is why it is so important that in the reconstruction of Lebanon, Hizballah will not be the builder of Lebanon, which is exactly what happened after Operations Grapes of Wrath. It was Hizballah contractors, it was Iranian money, it was all of these people who say we were responsible for the destruction, but don't worry, we will also fix your window, and that sort of got them off the hook. It will be a huge mistake to allow Hizballah to rebuild Lebanon after all this happens, and that is where the United States can come into the picture, and other countries that actually care about solutions in the region. Let me talk about some proposals for recommendations. After the post-cease-fire in the end, how will we achieve a cease-fire and whether

there will be an international force is a very interesting question. I think that if there were an international force, there is one country in the world that can make it happen and can succeed in leading this, and that is Turkey. If we could reach a great deal with Turkey in which Turkey takes the lead, because you have a Muslim country, not particularly friendly with Syria and Iran so they are not going to let the Syrians and Iranians muddle too much. They have a lot to gain as we frame it as part of a bigger deal for them. They have a very good military. They have been a very important part with a number of international forces in the past, including the Korean War and others. So I think that if we could work with the Turks to take a lead role in this, that would be a fantastic opportunity and it has to be framed properly.

But should there be one, of course it has to replace this miserable and pitiful organization called UNIFIL which for years has been a massive

waste of taxpayer's dollars, about \$100 million a year, 2,000 people that are sitting on the ground and doing absolutely nothing but providing cover to Hizballah. By the way, their mandate is expiring I think next Monday, and it will be nice if this mandate was not renewed because this organization does not do anything. If you just look at their mandate, what is the UNIFIL's mandate? Confirm the withdrawal of Israeli forces from Lebanon. Very important. Restore international peace and security. A stunning success. Assist the government of Lebanon in ensuring the return of its active authority in the area. We are really getting a lot out of our money. I think about a lot of things we can do with \$100 million a year.

The Nasrallah issue is a very, very sensitive issue, and here I think I will differ with Dan. I believe that Nasrallah should be assassinated, he should be fair game, as well as the leadership of Hizballah. The question is, I am sure that if

today Israel kills Nasrallah, nobody will shed tears, and nobody will say anything. The problem is what happens is when you can do it politically, you can do it operationally, and when you can do it operationally, you can do it politically. So what happens if 6 months down the line or a year from now there is a possibility to inflict massive damage to the leadership? Will Israel have the political capability to do it? I think this is the kind of discussion that needs to be taking place now and there should be some understanding that Hizballah and the leadership of Hizballah, Nasrallah, are fair game and whenever can take a shot at them, that is the point that they need to do it regardless of what the political implications are.

The last thing I want to say is, to me this whole thing that is happening in Lebanon should be put in the broader context of another failure. Let me say something about rockets. A rocket, and I do not care if it is Katyusha or Qassam,

rockets, these weapons systems, are beginning to play a very, very important role in shaping the region. Hamas is using it, Hizballah is using it. It covers almost every part of Israel. If there is another withdrawal in the West Bank, then you have Jerusalem, Tel Aviv, and Ben Gurion Airport. So we really need to think about what we are doing with these rockets.

I am very, very disappointed and distressed that exactly 10 years ago there was a weapons system called Nautilus that actually in an experiment at White Sands, New Mexico, a laser system that targeted the rocket and destroyed it in midair. Since then there have been nearly 50 tests in which the same anti-rocket system actually intercepted rockets, and so we clearly have the technology to do it. And in 10 years we fail to develop an anti-rocket system that could have been today deployed in the region, in Ashkelon, in Kiryat Shmona, in Haifa, along the

border and begin to address this problem through technology.

If we can today build a missile that intercepts a missile in midair and Israel has a ballistic defense system and we are spending tens of billions of dollars in developing a ballistic missile defense system, how come we cannot have a system today that destroys a World War II weapon? These Katyushas are old news. If the United States really wants to do something constructive to prevent not for now, this is not an immediate solution, but for the future and this problem is not going to go away, I think there should be today a supplemental appropriation for the Pentagon and for all those groups and industries that have worked on this technology to deploy as soon as possible anti-rocket defense systems, because we are going to need this, and we do not want to be in a situation that 5 or 10 years from now somebody with a rocket and a launcher can start World War III.

So these are the kinds of things that we need to begin to think about because with all the 21st century technology and precision-guided weapons, by the end of the day we are dealing with a very, very primitive weapons system that is causing a lot of damage to the future of the region. Thank you.

MR. INDYK: Let me just ask you one quick question before we go to discussion. What is your view about the idea of an Israeli large-scale ground operation which would put several divisions into Southern Lebanon again?

MR. LUFT: In order for a ground attack to succeed, you need to go all the way up to Awali, to the river, and just north of Sidon and wrap all down and sort of create a pocket which closes on Hizballah and contain them in a way that allows you to create a killing zone.

MR. INDYK: How far is the Awali?

MR. LUFT: It's just over Sidon. It is at least 30 kilometers north of the border. Yes, it is north of the Litani river.

It is possible. The problem is that once you're dragged into a ground campaign, you never know how you're going to get out of it. And you need to define for yourself what are the parameters of success, because if the parameters of success is getting Nasrallah to wave the white flag and say I surrender today, that is not going to happen. We are dealing with fanatic jihadists who will die before they will surrender. It is not the '67 War that you have the Arab troops taking off their shoes and running away. These wars are over.

Today we are dealing with a very different beast. They are never, never going to surrender, and I am afraid that what they want today is Israel to be dragged into a massive ground campaign because that is their way of offsetting everything that Israel has achieved so far, and in this respect, they are also going to feel that Israel is taking

them off the hook and they will not have to provide the explanation to the Lebanese people because now it is an all-Lebanese affair and not only Hizballah. So I think it would be a mistake.

MR. INDYK: Thank you very much, Gal, and thank you, Dan.

I think what we will do is take a few questions or interventions and then have you respond so that we can get a little bit of a discussion going. If I am allowed to take the Chair's prerogative, I just wanted to address the Syrian issue and get you to respond, both of them. Dan, you said that Syria was in effect key to the solution here. That is not self-evident to me for a number of reasons. First of all, the Syrian Army is not in Lebanon today. When it had 15,000 troops in Lebanon, it had--

(tape interruption)

MR. INDYK: (In progress) --and we cannot, as you suggested, go to Syria and invite them to send 15,000 troops back into Lebanon. That would be a

betrayal of the Lebanese people. So that is one problem, the question of capability.

Related to that question of whether the Syrians have the capacity to help Hizballah is the way the relationship between Hizballah and Bashar al Assad has changed dramatically from the relationship that Hafez al Assad, his father, had with Hizballah. In those days, Hizballah was a tactical lever in the hands of Hafez al Assad which he used, he turned on and he could turn off, for the purposes of getting Israel to negotiate with him the return of the Golan Heights. When things were going well, he set on Hizballah, when things were going well, the Iranians would get nervous about it and stoke up Hizballah and we would go to him and say if you want us to negotiate the return of the Golan Heights, you have to stop Hizballah, and he would do it, and he would have the capability to do it, and it would be in his tactical and even strategic interests to do it.

Today, as you know, the relationship is completely different. With Syria out of Lebanon, it is dependent on Hizballah to maintain its interests in Lebanon. It is dependent on Hizballah as a strategic military capability to hold up any kind of Israeli advance through the Bekaa Valley to outflank Damascus. And in its weakened state, the strategic relationship between Iran, Hizballah, and the Alawite minority regime in Syria, has become critical to the regime's survival. So there is a real question of not just capability, but also of will in these circumstances.

It is not clear to me why the Syrians actually hold the key in these circumstances, or whether they hold the key, except in one scenario, which is precisely the one that the Israelis are avoiding by constantly signaling that they have no intentions of this war widening to a Syrian confrontation. It seems to me it is only when the Syrians feel that their Army and their regime is

threatened that they will have an interest in dowsing flames that they helped to light. In fact, four Israeli divisions on their border could well concentrate their minds. There is no coincidence that their Army is now on alert. The Israelis in 1982, Sharon, sent them signals that he was not going to attack them, and then he attacked them, and I think that they are probably figuring what the Israelis will do again.

So it seems to me that that is the leverage we have on him and on the Iranians carefully applied, because the Iranians don't want the Syrian Army to be defeated, but it is a very dangerous game. Thinking about it, that is the only way I see in which Bashar al Assad figures that he had better calm this down because his regime could be threatened in the process.

MR. LIEBER: Bob Lieber, Georgetown. Let me push for some more amplification on the Syrian question also that Martin began. Specifically, if there is any possibility of the Syrians acting on

this, perhaps via cutting off logistics, weapons resupply and so on, what would the price be that the Syrians would seek for that?

Secondly, are there any realistic prospects at all of creating a split or a separation between Syria and Iran?

QUESTION: (Off mike) Embassy of Saudi Arabia. Thank you for the talk. It was great, but I think other than knowing how to name a problem, it is important to actually understand the problem and each other. I think this was very one way. It is understandable for CNN to say America is supporting Israel. That is fine. But here we are supposed to be neutral and thinking about solutions.

So to say that, for example, no provocation for Hizballah, that has become a mantra people, but, no, there was provocation for Hizballah just a week earlier. Not only that, just a few days earlier, half the Palestinian Cabinet was arrested and put in jail. So us, that is like you just

kidnapped half the Cabinet, a democratically elected Cabinet was thrown in jail. So that is provocation. Then there has been on and off between border things between Israel and Hizballah. So that is not fair.

The other issue about Hizballah wants to destroy Israel. That is a mantra now that everybody says, Hizballah wants to destroy Israel. Is anybody watching the news? Every time that question is asked to a Hizballah representative, he doesn't know how to answer it. So quite frankly, there is a way out of it. If we just say Hizballah wants to destroy Israel, we might as well pack our bags and go home. But they haven't been able to answer, so they are quite open, and I have heard from others who are quite open to discussing it. So that is another point. The issue of Sheba'a Farms, I think it is important. We were discussing how Hizballah will disarm, but no one said any incentives for why

they should disarm. Why are they going to disarm? You have to offer incentives.

MR. INDYK: Thank you.

MR. GARVEY: I am Patrick Garvey with Senator Lugar's staff on Foreign Relations. I don't think I heard Gal really get to answer his own question as to what defines Israeli victory. You said what it didn't contain which end of the Katyushas and some other things, but I don't think you did say what it actually is, and if you could get inside the minds of the Israeli defense force or government to share with us what that might be.

QUESTION: First, a very brief comment on what you, Martin, said. I think that Syria does have one important leverage, and that is the supply of weapons from Iran to Hizballah which goes through Syria, so I think that is at least potential leverage that they do have. And I also have a very narrow question to Gal. Actually, I was quite shocked to hear about Christians who support or who work with Hizballah. You talked

about the villagers. Information I have seen, it was in The New York Times and elsewhere, that actually Hizballah deliberately placed its rocket launchers in those Christian villages so that Christians will also be killed, and then the Christians turn against Israel. I have not heard until now that the Christians actually worked with Hizballah, even former SLA people. Do you have evidence that that is what is actually what is going on?

QUESTION: A very narrow question to Gal, and then if I may, just a quick bigger one. What is this grand bargain or deal or incentive that you have in mind to offer Turkey in order to convince them to participate in this peacekeeping force? I agree that this would be a startling and important change in at least the tactical picture in the sub-region, but I am not sure what would make it happen.

The bigger question is trying to combine in my own mind what both of you have presented, with

Gal recommending against a major ground operation as I understand it, and Dan talking about the political costs of continuing this current sort of tit-for-tat situation and the unlikelihood of a decisive military victory against a guerrilla force like Hizballah.

It sounds to me like perhaps the answer should have been and maybe could still be an initial mad dog Israeli response followed by, sooner rather than later, a willingness to accept a cease-fire under certain conditions and thereby deliver a political defeat at least to Hizballah rather than hold out for a military defeat of Hizballah. Does that make any sense? Is it too late now to do that? Has the tide already turned in a different direction? What do you think?

MR. INDYK: I think that is an interesting point. The French might actually have a problem with the Turks taking on such a role in Lebanon, and its implications for France's position on Turkish entry to the E.U.

David's point I thought is an interesting one that needs to be discussed, do either of you think that it would be in Israel's interests actually to accept a cease-fire now or to come forward and say that they are ready to cease-fire, provided that, and what conditions might be appended in that way? If it is Hizballah's intention to suck Israel into a ground war and a reinvasion, does it make sense actually for Israel to do the exact opposite?

QUESTION: (Off mike) Stimson Center. One could comment that Hizballah has one spelling, it is--the reason why I am saying that is that we tend not to really understand what Hizballah is unless we go talk to them, spend time with them on the ground. It is a very diverse movement. I am not trying to defend them. I wish they did not have their weapons. But that is very emblematic of the Washington discussion, I think.

The second thing, on the Lebanese public, the Lebanese public has learned a lesson of all these

years. In 1993, 1996, and 1999, 2000, and maybe today, after each of these attacks Hizballah emerged more prestigious, more powerful, and more independent of its patrons. Another reason why the Lebanese public is actually very opposed today to the Israeli attack is because it expects Hizballah to emerge as a victor. Hizballah does not need a military victory to emerge a winner, it needs to survive, and the Lebanese are convinced that it can survive. It is not out of love for Hizballah, but that is it.

Another thing is as long as the Lebanese have the impression that Israel is not willing to hold Syria accountable for what it is doing, the Lebanese will continue to suspect that there is an international willingness to fight and contain violence on their soil and it is not going to make them any more accommodating to international pressures or go against Hizballah. People are confused there. They are not siding with Hizballah, but they are certainly not for Israel.

I think during the first week there was there some goodwill and patience, today all this has disappeared. Thanks.

MR. INDYK: Just one other point in this regard, it is interesting that in this discussion so far that the Lebanese government has only appeared in one context, that is, as a government that is about to collapse, and yet the Bush Administration's strategy insofar as I understand it is really to depend on this Lebanese government to be able to go to Hizballah and say, gentlemen, you are going to have to stay out of the South and begin a process a disarming because we have better ways to solve this problem. We can deliver a cease-fire. We can deliver Sheba'a Farms. We can deliver reconstruction aid. We have the international and Arab support. And we are the sovereign government. So I wonder whether either of you can address, or maybe somebody else wants to address, the question of whether the Lebanese government can play this role.

MR. BYMAN: Let me focus most of my remarks on the Syria question, because I think that is really the key. There was first a question of what kind of leverage does Syria have, and I would agree pretty strongly with Martin that the balance has changed considerably from Hafez al Assad being able to snap his fingers and have the various groups in Lebanon jump, to a closer more equal relationship, not completely, but more equal. This is in part Syria leaving, it is in part we are dealing with Bashar rather than Hafez, we are dealing with a Hizballah, there are reasons on both sides, but all the arrows are going in the same direction which is Hizballah is stronger and Syria is weaker.

That said, I do think Syria does have considerable leverage left. Part of this, as Rafi said, is there is a weapons conduit. This is Lebanon, and I firmly believe that you can get weapons into Lebanon by a hundred routes, but nevertheless, one of them is through Syria.

But I think more important is a sense of latent violence. As we all know in a low-level way but very important way, Syria was intimidating an influencing Lebanese politics since it withdraw forces by probably a series of assassination and violent intimidation, and that is something that has not really affected Hizballah, but Hizballah is quite aware it could.

In general, Syria maintains influence politically as a result of this. It has tremendous ability to exert violence, and it is much harder for that to be reciprocated. Different Lebanese groups know that if they turn on one another, they themselves will be hurt. Syria does not have that vulnerability. It's the joy of not being in the fray in the same way. As a result, it can, frankly, kill Hizballah leaders, it can influence ones who are on the fence. It also has the possibility to split the movement. I don't think it is going to, and I don't think there is any chance of that in the near term, but

from Hizballah's point of view, there is a logical incentive to try to stay close to Syria. Their interests are aligned, and in particular, right now I would say that Hizballah I think would feel if this conflict stopped tomorrow, it would have won. So Syria going to Hizballah and saying stop this in exchange presumably for a cease-fire and the Israelis withdrawing, Hizballah would feel quite happy with that, and that it would not be a tremendous favor and it would not be something that they would see as a humiliation on behalf of Damascus. Quite the opposite, I think they would welcome Syrian intervention because it would be a way for them to escape this problem with considerable honor in their eyes of doing well. The bigger question to me is will Syria do this, and right now I think there is absolutely no incentive for them to do so. I think there are two traditional ways. You influence states, you scare them, you push them, and militarily that may be an option in the end, and that may be where

Israel goes. The other is inducements, and there seems to be no effort in the short-term to offer inducements to Damascus. So I think that while Syria could have influence, I think Hizballah would listen to it. I think that it is almost certainly not going to happen in the short-term because there is no reason for Syria to do this. Its stature is simply going to grow in Lebanon and in the region as a result of this, and it can sit back and chuckle while the Lebanese suffer, and it is tragic, but it is something that Syria has done remarkably successful in the past, which is the worst the situation got in Lebanon, it was often better for the Syrians. They were able to redeem militarily disastrous positions, politically as a result.

What would their price be? They would not put on the table action against Hizballah in a serious way. For the reasons you outlined, they need Hizballah. They need it in the long-term to keep up as an option against Israel, and they need

it in the short-term, and probably in the long-term to exert influence in Lebanon. So any price Syria demands is not going to include from their point of view shutting down Hizballah. It would simply be a return to the status quo ante where maybe five Katyusha rockets would be ceremonially decommissioned and there would be something really kind of pathetic like that, but it would not be any serious effort.

With that, I think the Syrian price would simply be this broader legitimation and recognition of its role. The regime has suffered tremendously politically because of this isolation, and I think this is a chance for it internally to gain some stature.

In response to Bob's question, I do not see a real chance of a Syrian-Iranian split. In part, right now they just too many interests in common, whether it is resisting the United States in a broader sense, whether it is concerns about Iraq, whether it is anti-Israel sentiment. And I think

importantly and kind of hard to pinpoint, neither one has many allies, and so when you are down to two or three allies in the whole world, if you lose one, it is really a big deal. The United States can lose a few and we will survive, less so I think for Syria, so I think that is a big factor as well.

To end with Martin's thoughts about a cease-fire, I actually think Israel loses politically each day this conflict goes on from this point. I think it has inflicted a very heavy cost on Lebanon. I think it is plausible that Hizballah would hesitate to do this again because of the suffering that Lebanon has had. But as this goes on, I do not think Israel gains much operationally because I believe Hizballah can control the pace and tempo of its own losses, and I think it loses in the world court.

And again, defiance wins for Hizballah. Hizballah does not have to win, it just has to right successfully even it is losing, and it is

doing so. I do not see any chance that all of a sudden Israel's performance at the tactical level is going to skyrocket. I think Israel is doing fine, but it would have to do remarkably well and humiliate Hizballah to reverse the gains Hizballah has already had by resisting the Israelis, and I just do not see that happening.

I will conclude with brief thoughts on the Lebanese government. I wish it well, but in the traditional sense of a government being able to exercise sovereignty over its territory, it never had that ability with Hizballah. Militarily, the Lebanese armed forces were not able to shut down Hizballah. Everyone knew that. The Lebanese government knew that, the Bush Administration knows that.

I cannot imagine what they would be willing to offer Hizballah that would lead Hizballah to disarm. In part, this is due to influence, in part it is due to self-image. It sees itself as a resistance organization. So I do not see the key

as lying with the Lebanese government. It would be nice if it were strong enough. One of the painful ironies of this part of the long-term hope for Lebanon was that each year the government of Lebanon would get a little stronger, and then maybe 20 years from now we would actually be able to treat it as a full partner. But this conflict has weakened it, I don't know how badly, but tremendously, and we have a set-back, so this problem is going to become worse in the future.

MR. LUFT: To the question of what constitutes a victory, I believe that the Israelis have not come to firm answer because when I hear people talking about changing the reality on the ground, what does it really mean? Or things that are not quantifiable, that makes me to believe that there is no consensus of what victory really means, and I don't know if there is a victory in situations like this. So we may come to the conclusion that in the post-9/11 world, there are no longer victories in the sense that we had in

former wars, that somebody sat in a capital and raised the white flag and that was the end. Now, particularly when you are talking about non-state actors, they do not play according to the rules of the game and they do not have a representative in the U.N. and et cetera, and I think that we need to all begin to think about the fact that in the past decade two countries and one state in the making were hijacked by independent jihadist groups, and that is something that I think we need to begin to draw the lines and understand that we are seeing a broader phenomena here that is tied into the overall struggle that the West is facing today vis-à-vis the jihadist movement. And I believe that Hizballah is part of the jihadist movement. I know that some people like to point out the fact that they feed old people, but in my world view, terrorist organizations are not cholesterol, that you can divide them into good and bad, and if they do good things, these are insignificant in comparison to

the chaos that they are imposing on the international system.

Martin asked the question, when do you stop the fire? I read today's--saying that a cease-fire would be a suicide. I disagree with that. I think that the point that you need to decide do you stop the fire does not necessarily have to do with anything that the other side does. It has to be decided at what point, I call it what is the marginal return on your marginal return on your bombing campaign. At the point that your marginal return of your air power and fire power is zero or close to zero, that is the point that you need to declare victory, and I think that Ehud Olmert should address the Lebanese people and tell them what Shelby Foote wrote about the Battle of Gettysburg. He said that Gettysburg was the price that the Confederacy had to pay for having General Lee, and he should say the same, this is the price that you, the people of Lebanon, will pay for having Hassan Nasrallah, and this was a sample.

We ended this because we thought that this was our response, this is what we had to say, and going back to the old days, with the exception that from now on we will not agree to see yellow flags from the other side of the border. If we see Hizballah or anybody suspected, a tank or a missile will be fired at him, but other than that, I think that any configuration that will drag Israel into negotiations on a cease-fire, it will be a mistake. It should be a unilateral decision by Israel not to declare a cease-fire, but just to stop and whenever they feel that they have accomplished their mission of whatever, the military will decide that the mission is over. Rafi asked about the Christians. I am afraid that Lebanon is not as divisible into ethnic groups as it used to be in the past. Even in the past, we had this perception that the Christians are good and the Shiites are this and that. Tom Friedman once wrote about the Christians, they were Christians like the Godfather was a Christian.

(Laughter.)

MR. LUFT: The reality is that we saw even during the good old days of the SLA that the Christians and the Shiites, at one point we had more Shiites than Christians in the South Lebanese Army, and they have their own calculations if they want to participate in something, but I really think that a lot of the Christians are at a point now that they need to take a firm position pro-Hizballah and actually show that they are doing action on the ground against Israel because they understand that when the dust settles, if they do not do it, they are going to be in big, big trouble.

On that equally dismal note, I just wanted you to know that in the mean time while we have been deliberating, George Bush and Tony Blair have announced that they are going to the Security Council together to seek a cease-fire resolution. Dan and Gal, thank you very much for enlightening us and for depressing us, but for enlivening the

discussion and enriching our understanding. I appreciate it very much. Thank you all very much, ladies and gentlemen.

(Applause.)

* * * * *