THE BROOKINGS INSTITUTION

The Saban Center for Middle East Policy

THE IRAN PHENOMENON IN THE MIDDLE EAST AN ISRAELI PERSPECTIVE

REMARKS BY AVRAHAM "AVI" DICTER

Thursday, October 19, 2006 12:30 p.m. - 2:00 p.m.

Washington, D.C.

CONTENTS

INTRODUCTION AND MODERATOR:

MARTIN S. INDYK, Senior Fellow, and Director, The Saban Center for Middle East Policy The Brookings Institution

Featured Speaker:

AVRAHAM "AVI" DICTER
Minister of Public Security
Government of Israel

* * * * *

PROCEEDINGS

MR. INDYK: (In progress) -- position that he now holds, and it is in that capacity that he is visiting Washington for the first time for meetings with Michael Chertoff, the head of Homeland Security, the National Security Council, the FBI, and other related agencies. But for those of you who know Avi, he is much more than just the Minister of Public Security. If that were not enough, he is also one of the leading politicians in Israel today, and it is in that context that we thought it would be very useful to ask him to speak about how he as a leading figure in Israel sees the challenge of Iran and give us his perspective on that. We are delighted to have you back, Avi. It is really a pleasure to host you again, and it is good to see you here.

The floor is yours.

MR. DICTER: Thank you, Martin, and thank all of you. It is a great pleasure coming back after less than a year, if I may say, coming back home. During the last 35 years since I left my parents and went to the Army, I had only three or maybe four houses to live in. One was my family's, the second was the IDF, then the Shin Bet, and for 3 months, Brookings. I really felt at home and I really feel at home now, and I am glad to all the Brookings employees who are here. Part of them I understand left, but it is a great pleasure having you back. It is really a great privilege to come and to talk here in front of people who come to Brookings conferences or meetings, and some of you I remember from last year, so I am glad that it is almost the same audience which increases my feelings that I

really am back at home.

It is true that since I left Brookings on December 22nd and went back home, it has been one of the most intensive, if not the most intensive years in my life, and I have done things during my 53 years, because when I left Brookings and left Washington and went back home, I was about to join the Kadima Party headed by Prime Minister Ariel Sharon. I left Washington 3 days after his first event, and when I landed in Israel January 4th it was the second event, he lost consciousness, and since then he is with us and not with us. So for myself, as someone who had to arrange everything from the beginning, and with the Kadima Party, and then go into the Israeli elections which is not like here - which is very simple with two parties, in Israel it is 32 parties, that is how superpowers deal with

politics. And the results were not that good from our point of view, so we had the coalition which we had to compromise and, first of all, to confirm the Israeli budget in June instead of January. It starts with a "J," but it not the same month.

A month and a half alter, we launched a battle in Lebanon against Hizballah which is another huge event in terms of Israel in terms of the Middle East and I think in terms of the entire world because it is for the first time that a battalion within the Iranian Army, and that is the way I prefer to call Hizballah, unlike some other people who call them a terror organization, from my point of view, Hizballah is not a terror organization. Hizballah is an army of terrorists — and an Army because they are well equipped with a large variety of means of warfare. It is a structure of an army, a

training of an army, training whether in
Lebanon or in Iran. Whenever it is needed,
guided by the IRGC, the Iranian Revolutionary
Guard Corps, whether in Lebanon or in Iran,
supplied all the time by the best equipment
from Iran via Syria into Lebanon. Or what we
have found recently, supplied by Syria by their
own means of warfare including heavy rockets
that were launched during this battle,
including CBU bombs towards Israel which is not
something regular that we can expect from a
state like Syria and of course, I will
elaborate on it during my talk.

So that is the reason why I call them an army, an army of terrorists due to the fact that terrorists or terrorism is a way of carrying out terror attacks, whether it is launching of rockets or missiles, but while it is being done, from villages, from within or

among civilian houses, trying to protect
yourself or to surround yourself with the
protection of innocent civilian people in order
to prevent any fighting back by the Israeli
troops. And that is a system we all know, that
is the system how terrorists are behaving, and
we have it in Israel from the P.A. land,
whether it is from the West Bank or the Gaza
Strip, and during the last years we have
suffered thousands of Qassam rockets that are
being launched from within Palestinian
villages, and that is why I combined it
together an army of terrorists.

It is very simple but incorrect to analyze today the situation in the Middle East in terms of how between Israel and the Hamas terrorist organization in Gaza or between Israel and the P.A. in general, the Palestinian Authority, or to analyze the situation between

Israel and Lebanon as if it has no connection and no trail backward East up to Iran. Here I think that you deserve, and my responsibility is to try to clarify the way that I see the situation in the Middle East especially during the last years, and especially since during this last year before, during, and after the battle against Hizballah in Lebanon, because to analyze it just with the neighboring countries, it will be inaccurate and not a professional analysis.

Iran for many years tried to export its Islamic regime system to other countries.

They failed to do so against or towards the Gulf countries, and the first country they succeeded after let's say more than 10 years of trials was Lebanon, and since the beginning of the 1990s, Hizballah represents Iranian interests within Lebanon and from Lebanon

towards the State of Israel.

channel that goes North through Lebanon by the Hizballah army of terrorists using the Syrian land as a platform to smuggle and to bring into Lebanon all kinds of weapons, building the Iranian army front in Lebanon, Hizballah. That lasted for a few years until Hizballah decided to carry out terror attacks and kidnapping Israeli soldiers. They have tried it three times during the last year. In the two first times they talked, and they succeeded in their eyes in the last terror attack of July 12th.

I think that the best indication of the results of this war, although we all understand whether in Israel or in other countries that this war could be conducted a bit better from the State of Israel in general and by the IDF in particular, but I would take

with your permission just one statement said by Hassan Nasrallah to get the right impression from my point of view about the current situation in Lebanon. Nasrallah right after the war gave a statement and said that, "If I, Hassan Nasrallah, knew that that is going to be the response or that is going to be the tough response of Israel, I would not have given the order to kidnap the two soldiers." It is a unique statement. I have never heard such a statement from Hassan Nasrallah before that. I doubt that we are going to have such a statement afterwards. But it indicates part of the Israeli response towards Hizballah in Lebanon, and it is very essential to respond you that Israel did not wage a war against Lebanon, we opened the battle against Hizballah in Lebanon and all kinds of attacks, air strikes and the others, were headed towards

Hizballah although some of the Lebanese infrastructure was damaged and destroyed, but it was only infrastructure that has any kind of connection directly and indirectly to assist or to prevent any assistance from Hizballah, whether it is from Syria via the Bekaa Valley towards the South part of Lebanon, or from Beirut towards the South part of Lebanon, and of course in the South part of Lebanon itself.

Those of you who have watched the ceremony at the first Friday of Ramadan in Lebanon 4 weeks ago, I am sure that you noticed that for the first time Hizballah in Lebanon had a ceremony. It was the first appearance by Hassan Nasrallah in public after the war. Hundreds of thousands of people attended the ceremony, but not even one man or woman was equipped with any piece of weapon. I watched it for 3 hours on Al-Jazeera and I have not

seen them, so trust me, there was no weapon in this ceremony, unlike many other ceremonies in the past.

Tomorrow we are going to see or to watch probably the second ceremony. Tomorrow is the last Friday of Ramadan, and every year we used to watch a parade in Beirut, a parade by the Hizballah troops, a parade like we all know in Red Square or in any other country that is still keeping the tradition of parades like I am not close to the information now, but I believe that tomorrow in Beirut we are not going to see a military parade, and the new level of deterrence achieved in Lebanon by the Israeli troops and the new system of live achieved in Lebanon by the United Nations Resolution 1701 are probably the main issues that might result from this last battle in Lebanon. We all understand that the United

Nations resolution, even though it was achieved unanimously by 15 countries in the United

Nations, but we still have a long way ahead of us to see how it is going to be implemented, and we all remember that in the Middle East, papers, whether they are signed or not, there is a huge difference between signing and implementing, especially when we deal with terror organizations.

This is only one channel that Iran created towards Israel. I know that they were assured that their strategic weapon that was deployed all along Lebanon, especially in the Southern part of Lebanon, this strategic weapon came out during the war against Hizballah from my point of view is everything, but not a strategic weapon: 4,000 missiles and rockets were launched towards Israel, 70 percent that hit open areas, and those 4,000 rockets and

missiles killed 53 Israelis. It is a huge number of losses, but unfortunately, in our experience, especially during the last 6 years, we know that it can be identified as everything but not a strategic weapon because we have seen in the past some suicide bombings that if you gather two suicide bombings, it causes the same number of losses during the last 6 years. And I am sure the same as we understood it, that Iran and maybe Hizballah understood it, putting in Lebanon such a number of rockets and missiles is not an insurance guarantee to anyone, that it is going to cause such harm or such damage to Israel that it might be even close to a strategic threat, let alone if we analyze the reason why Hizballah launched such a number of rockets and missiles from Lebanon. So if you look through it very carefully, you find that the only reason why Hizballah opened

this session of launching of Qassam and Katyusha rockets and missiles is in fact to release one prisoner in an Israeli jail called Samir Kuntar that led for the former deal that we had with Hizballah. That as a matter of fact was the reason, because that was the reason why they launched the terror attack and kidnapped the two soldiers, and just to close the circle, the statement given by Hassan Nasrallah, that is from my point of view the best and probably the unique indication what is the bottom line of this combat against Hizballah in Lebanon, and all the rest is anyway getting debriefed now by the IFD itself in Israel by the inquiry committee that was legislated by the government, and we all have to wait and see what is coming out of it. is the Northern channel I mentioned coming from Iran or being built against by Israel.

with the Hamas terror organization. Hamas used to be an independent terror organization until 2001, and in that year they decided to increase coordination with Iran. It was led by Khalid Meshal from Damascus, and Damascus, I am sure you are familiar, for 8 years the headquarters of Hamas is situated within Damascus in Syria. The PIJ, the Palestinian Islamic Jihad, headed by Ramadan Shalah, is there also. From there it is the headquarters that the orders or the strategy of terror organizations like Hamas and PIJ is getting launched against Israel.

I know that we are getting used to it, but it still sounds very strange even to me because I am just trying to imagine what another country would have done, whether it is the United States or a European country, if let's say that the headquarters of the Global

Jihad or the headquarters of al-Qaeda would have opened an office in Damascus and from there the commands will leak down to the field in order to carry out terror attacks. So that is the situation that we have concerned with Hamas and the PIJ.

But since 2001 and until today at an increasing pace from year to year, the coordination between Hamas and Iran increased. By the way, Iran offered Hamas to have this connection indirectly which meant Hizballah will be in the front and Hamas will be coordinated by Hizballah, same as is being done with the Palestinian Islamic Jihad since 1994. Hamas refused that suggestion, they did not want to be beneath Hizballah, they wanted to be parallel to Hizballah, and that is the reason why Iran has direct coordination and direct guidelines given to Hamas through headquarters

in Damascus.

Until 2004 when Sheikh Yassin left us, Hamas had two leaders. One was the external, Khalid Meshal in Damascus, and Sheikh Yassin in Gaza, and nobody said who is number The day that Sheikh Yassin left us, the same day, Rantissi, his deputy, announced, "I am number one." In less than 8 hours he received a message from Damascus, "You are not number one, " and Halid Meshal is the leader of Hamas, and the leader in Gaza without mentioning even the name Rantissi is number That for the first time indicated the structure of Hamas which means who is the leader and who are the others. By the way, Rantissi left us later, and I cannot remember an event that caused such happiness among so many people in Gaza, because Rantissi was a real man that many people loved to hate.

Since then, it is well known how Hamas works. Khalid Meshal in Damascus coordinated steps with Iran and sends the messages, the commands, the directions, to the leadership in the Gaza Strip. And although in the Gaza Strip the leader of Hamas is Ismail Haniyeh, a special assistant to Sheikh Yassin, it is well known that he is not the strongest person in Hamas in the Gaza Strip, and there are some other leaders who are stronger than him, but there is a controversy about their character, so whether it is the Minister of Foreign Affairs, Mahmoud Zahar, who is another person that they love to hate, the Minister of Interior who just returned last week from Tehran, Said Siam, who is in charge of the security apparatus who is probably the main minister in the Palestinian administration, he is also a very well-known person that they love to hate. So as a compromise they put Ismail
Haniyeh as the leader, and he is now the Prime
Minister after the last elections last January.

So from now on or during the last year, we have seen that two channels were built by Iran in order to attack or to cause harm, losses, damage to Israel, whether it is Hizballah from the North or Hamas and the Palestinian Islamic Jihad in the South.

In the West Bank I would say that the problem is less difficult than we have from the Gaza Strip, because in the West Bank during the last 4 years, since Israel has changed the strategy and we have launched the Defensive Shield operation, we have succeeded in, I would not say destroying, but causing a very, very difficult situation for the terror organizations like Hamas, like PIJ, like the Fatah's al-Aqsa Brigades, but especially to the

Hamas terror organization and the infrastructure of Hamas in the West Bank was heavily destroyed. The last fugitive that lasted 8 years started to be a fugitive when Ami Ayalon was head of Shin Bet, continued in my term and was caught by my successor which means that the younger generation is much better than the old one. But that just gives you an indication of what it means, an 8 years' fugitive who is responsible for hundreds of Israelis who got killed and injured, he was the last and the main fugitive who was caught. So when I speak about Hamas as a front channel of Iran against Israel, it refers more to the Gaza Strip than the West Bank.

So that is, we deal about the huge role that Iran is playing against Israel via Lebanon or via the Palestinian Authority in general, and the Gaza Strip in particular. By

the way, Iran tried a third channel 4 or 5
years ago when they recruited Israeli-Arab
extremists who belonged to the extremist
Islamic movement in Israel. Thank God we
caught them after we had been tracking them for
2 years. They were caught and put in jail, and
this channel was blocked, so we remain with the
two channels I mentioned before.

about the conventional way that Iran is acting against Israel, and acting with terror attacks against Israel is an essential principle in the Iranian system because there is nothing that can gather Arab countries, maybe Muslim countries, but for sure Arab countries, around one consensus is the hatred towards Israel which can be explained easily and they need it for recruiting more and more countries, especially a country like Syria which is a non-

Shia country, unlike Lebanon which is 40 percent Shia. But Syria, because it is 80 percent Sunni and 10 percent Alawite who are controlling the country for many years, in order to recruit their support, there is no better way than to recruit them against Israel which is the best message probably in the Middle East to unite some countries with different agendas, and nobody suspects Syria and Iran to have the same agenda except when they deal with the State of Israel.

The other perspective to look at about Iran which is a global perspective, and I would like to share it with you although I am not sure that I am the one to do it whenever we come to details, but in general I think that once Iran decided that they are going to develop and build nuclear bombs, they are so determined to do so, and I just heard from

Martin about how it sounds from Mahmoud

Ahmadinejad's mouth in New York a week or 2

weeks ago. When was it? September?

MR. INDYK: Three weeks ago.

MR. DICTER: Three weeks ago. I am not surprised about it. I spent many years as the director of the intelligence service, and I can see here around the table some other people who have spent some of their years in serving in intelligence services, and we all remember that you are ready to pay a fortune in order to get information as to what is in your enemy's mind, especially what is in the leader's mind, whether it is a terror organization's commander or a leader of another country like Iran.

What Mahmoud Ahmadinejad did is put it on the table free of charge, and it is a unique opportunity to listen and to try to understand what it means. When he speaks about

the State of Israel, that its citizens should go back to their homeland, in my case it is Poland, it is not my plan anyway, and when he speaks about the system - that Iran is working systematically to enrich uranium - all kinds of intelligence services worldwide, whether it is here at the CIA, the MI6, the Israeli Mossad or any other, everybody shared the same assessment that Iran within 5 years from now is going to have a nuclear bomb and capabilities to launch it if it is not going to be stopped in one way or another, and 5 years from now, I think we can say tomorrow they are going to have it.

Iran having a nuclear bomb is probably the second anchor to gain sympathy and support from the Islamic world. As we all understand, Iran is a non-Arabic country and gaining the support of Arab countries so one anchor or very essential, and that is the

anchor of attacking Israel or Israeli
interests. The second anchor is to gain
Islamic support is by having this nuclear bomb
which is going probably to enable Iran to
succeed better in the tough competition that
they have with Egypt about who is going to lead
the Muslim world, or especially the Arab world.
Egypt for many years was the leader in the Arab
world, and we know for sure that Egypt, Saudi
Arabia and many other Arab countries are scared
to death of the possibility that Iran is going
to have a nuclear bomb tomorrow, which means in
less than 5 years from now.

The last point if I am trying to combine together the intentions expressed by Mahmoud Ahmadinejad and the capabilities that Iran is developing and trying to get, some people try to talk about Mahmoud Ahmadinejad and his aspirations to become the new and the

modern Salah al-Din Ayubi. I suggest another example, and I do not think we have to go hundreds of years ago. I suggest to go only 70 years ago to Adolf Hitler when he started to build his military capabilities and when he developed his ideology writing "Mein Kampf" and when he translated his intentions into action items we all have seen and suffered from what happened.

I am just trying to imagine what would have happened if Adolf Hitler in addition to what I have mentioned before had a nuclear bomb. So that is the way I suggest you to take the example of what we call Mahmoud Ahmadinejad. It is a phenomenon that from my point of view we have never seen such a phenomenon. Not even the North Korea phenomenon is like Iran. In North Korea there is more than one superpower that is interested

in what is going on there, whether it is China in addition to the United States, but China and Russia are much closer to the North Korea issue, and North Korea as far as I know is concentrated in looking inside itself, unlike Iran which looks towards other countries, and we the State of Israel are only one. We have a series of country, like I said, Saudi Arabia and some other countries really have to worry about it because Iran globally is not only responsible for 11 percent of the oil in the world, that is one way to look at it. But in controlling the Straits of Hormuz, we speak about a third of global oil that goes through these straits which gives them a completely different anchor to express their ideas and maybe to reach where they are trying to reach with their nuclear bomb. Thank you very much, and we will open it to questions.

MR. INDYK: Thank you, Avi. I appreciate the way that you have covered the waterfront here.

The question that naturally arises is what to do about the challenge that comes from Iranian, and in this town I would say that there are in a sense two arguments. One says that there is an emerging common interest between the Sunni leaders, as you explained, they are threatened by not only Iran's nuclear program but its interference in their affairs, whether it is in Iraq, Lebanon, or in the Palestinian area, and that the strategy should be to build a counter-compact between the West, the Sunni Arab leaders of the Arab world and Israel, with the Palestinian issue and progress on the Palestinian issue being the cement for this virtual alliance.

The second school of thought says

that the best way to counter Iranian, Syrian,
Hizballah, Hamas or the Meshal-Hamas alliance,
is to split Syria off from it by trying to make
peace with Syria.

I wonder what you think about these two approaches and whether from an Israeli perspective you would prefer one over the other.

MR. DICTER: I think that trying to build an axis of good, not of evil, that Israel as part of it will not work once we are trying to do it with the Western countries, the Sunni countries, or shall we say the Arab countries, because I do not think that the Arab people in those countries in general are well prepared to the fact that Israel is going to be one link in this channel. We can do through other countries, through other allies whether the United States or the European relevant

countries behind the curtain I do not suggest that Israel will be put because I can imagine that whenever the flags of those countries of the axis will be put in front of the Arab world of the Sunni countries, I think it is going to be a disadvantage and not an advantage.

But I do know that Israel has a lot to do and can assist with many issues, whether it is intelligence or some other elements in order to support this axis built by the Western countries and Arab countries, because as I said, the threat coming from Iran is an irregular threat and we have never seen such a threat towards the Middle East since the State of Israel was established 58 years ago. By the way, to Israel it is the first time that we can see that an existential threat is going to be ahead of us in the few years if the nuclear bomb is going to be built.

You are right, Martin, Syria is a strange link in this axis of evil led by Iran because Syria is a country with no Shia at all. In Iraq I think it is 60 percent, but Iraq is not only 60 percent Shia, Iraq contains the most holiest places to the Shia in the world, more than in Iran. So I think that talking about entering a peace process with Syria is a very good idea, but there are three preconditions that must be put on the table between us and Syria, by between us I mean not only Israel, and the preconditions are not about the peace talks themselves, it is about entering the corridor to the peace talks. my point of view, the first precondition, as I mentioned, it cannot be a state like Syria to host the two headquarters of Hamas and PIJ in Damascus, responsible for all terror attacks launched by those terror organizations against

Israel, and we shall open a discussion about the peace process with Syria while those two headquarters are operated from Damascus. That is one precondition.

The second precondition is the supply of weapons from Syria and via Syria to
Hizballah in Lebanon, although it says loud and clear in the 1701 Resolution that any country that is going to enable or to smuggle weapons into Lebanon for Hizballah is going to suffer sanctions and so on and so on. So I think that is the second precondition.

The third one has nothing to do with Israel, but it has to do with the Western world, and that is enabling terrorists crossing from other countries or from Syria itself to Iraq to fight the United States troops or the other allies in Iraq. So I think those three conditions are inevitable ones that without

obeying them there is no way to get into the peace talks or into trying to set up peace talk sessions with Syria. I stated it several times in Israel that we do understand how it is going to develop when we enter the corridor of peace talks with Syria, and it is not going to be dramatically different than we have done with Egypt or Jordan or the way that we are going to do it with Lebanon whenever we will decide that it can be done. With Lebanon, by the way, it seems to be the simplest issue because after the last battle against Hizballah in Lebanon it seems that there are no demands neither from Israel to Lebanon nor from Lebanon to Israel. So it is a question of time. I do not know if Lebanon is going to do it by itself or there are going to wait to see what will happen in Syria. But we are still young and we have time to wait about it.

MR. INDYK: Questions or interventions, please.

MR. DEKEL: Yaron Dekel from Israeli television. I have two questions. First of all, I think this is really new that Israel should have preconditions with Syria because I do not remember that Prime Minister Rabin, Prime Minister Netanyahu, or Prime Minister Barak ever had preconditions before, and we knew that all the headquarters were there but they still negotiated with Syria either openly or discretely. My question is, do you see any option that Israel might differ from the United States in terms of Syria that the interests of the United States with Syria might not be exactly the interests of the State of Israel? Is it possible? Is it always together?

My second question is if you could tell us what is your government agenda. We

know that you had an agenda during the campaign after realignment. It is not valid anymore, and since there are no talks with the Syrians or with the Palestinians, is there any agenda, or, as the Prime Minister said, sometimes governments do not need any agenda, they just have to run the country? Do you agree? Thank you.

MR. DICTER: Thank you for the question, Yaron. I notice sometimes there are differences between the way that Israel views the situation against Syria and between Israel and the United States. Just to remind us, the most quiet line between Israel and any other country surrounding the State of Israel since 1974 was the line with Syria. From Jordan we suffered some terror attacks and smuggling of weapons. Egyptian border we suffered and we still suffer many crossings, part of them in

order to smuggle into Israel means of warfare, whether it is through the Israeli Negev which is 200 meters from the Gaza Strip to the Red Sea, and to the Gaza Strip to Hamas and other terror organizations in huge amounts. Just to give you an indication, from Egypt to the Gaza Strip, during the last year, we speak about close to 19 tons of explosives. Of course, antitank rockets, missiles, antiaircraft missiles, and some Palestinian trainers that came from Beirut which it is very easy to cross through Egypt legally because the crossings are not any more under Israeli supervision. once you have a border with Syria for more than 30 years that it is a quiet border, you really have to decide if and when you are trying to change that situation.

During the last battle in Lebanon, we had some alerts that maybe Syria has some

intentions to launch attacks against Israel, and we took precautions in order to face it. I personally was not worried about the fact that they are going to do it because Syria knows very well that once they wage war against Israel by attacks, Israel will wage war against them, and once you wage war against a country, all kinds of attacks are permitted and the accurate way that Israel can hit targets in Syria can hit them back to a very bad situation. It is not to say that Syria is in a good situation now. I think that the Syrian economy is bad, the GDP in Syria I think is close to the GDP in the Palestinian Authority, which means if they are smart and they know exactly what kind of capabilities Israel has, I am sure that opening another front will be from the Syrian side will be a huge mistake, and Syria is not a country to make mistakes

whenever they do not believe that it is going to succeed. They had done it in 1973 a huge mistake, attacked Israel together with Egypt in the Yom Kippur War, and we all remember the end of this war. It was 40 kilometers from Damascus and 30 kilometers east of the line that was created in 1967, and they need a real good reason to attack back the State of Israel. Therefore, I think that using the so-called opportunity that we had in Lebanon to open a front with Syria, I heard it from some people in Europe and in America, and of course in Israel, but I think that the decision not to attack Syria in our initiative was the right decision.

About the agenda of the Israeli government, Kadima ran on the ticket of realignment in the West Bank after the disengagement from the Gaza Strip, and this is

a good opportunity to mention that unlike many people who believe that disengagement from the Gaza Strip caused an increase in the number of terror attacks and losses, just to remind us, we are a year and a quarter after the disengagement, the number of terror attacks declined dramatically and are concentrated, almost all of them, around launching Qassam rockets. We have lost three soldiers since then, two of them at the kidnapping of the soldier Shalit in June, and once of them a month ago in a side bomb near the Gaza fence, and a year and a quarter with three fatalities from terror attacks from the Gaza Strip, that is something that we have never seen before, especially during the last 6 years.

So when we ran as the Kadima Party and then the government, the coalition, under the ticket of the realignment, during this

battle in Lebanon, due to the complexities that we had in the coalition, and especially due to the needs that were well understood much better after the war in Lebanon, that the need to build the north part of Israel, the Galilee, in addition to former decisions about to do so in the Negev, is probably the main issue that we have to concentrate now, and the realignment will have to wait until we finish our term, whether it will be in 4 years or less than 4 years.

So now the focusing of the current government, I do not know if it is being called by the Prime Minister as a governmental agenda, but I can assure you that the government established a cabinet for the north part of Israel and there is a huge initiative now in Israel concerned with rebuilding the north for many reasons, but one of them is to try to make

sure that the State of Israel is not going to be concentrated between what we call in Israel -- which are two cities, compared to the States it is to neighborhoods, from South Tel Aviv and North Tel Aviv that creates a huge problem in the way that we are living in Israel and maybe the way that we are facing some existential threats that might be against us in the coming years. So that is probably going to be the main issue that the State of Israel is going to concentrate on.

We will have to see what will happen in Lebanon concerning the post-1701 Resolution. I heard yesterday or this morning a statement given by Nabih Berri in Lebanon about the need to reopen peace talks with Israel. Nabih Berri is not a side person in Lebanon. He is the main one of the Shia in Lebanon. He is the Chairman of the Parliament for many years, the

Speaker of the Parliament for many years, and he represents and represented according to Hizballah's request the negotiations during and after the war. He, by the way, was the leader of the Amal before Hizballah became stronger. He used to be the leader of the Amal Shia movement in Lebanon. So I do not know if his statement is a real new approach, but we have to listen very carefully to it.

With Lebanon it might be easier than with Syria, but in the Middle East we always used to say that Lebanon will be the second country to create a peace agreement with Israel. I am saying since I remember myself as a teenager. Meanwhile, we had a peace agreement with Egypt, the second one was not Lebanon, it was Jordan, so I do not know if Lebanon is now ready to get into such a process, but if they are, I am sure that they

are going to find a partner on the Israeli side, but it is to early to answer such a question. Thank you.

MR. INDYK: Let me just follow-up on Yaron's first question, because if you really wanted to get into a negotiation with Syria, then you would not set preconditions because if you set preconditions, then of course they have a precondition which is that you have to publicly commit to full withdrawal to the June 4, 1967 lines. So your preconditions will not be met by them, and their preconditions will not be met by you, so there will be no negotiations. So wouldn't it be better if this is a strategy rather than a tactic to say we are ready for no preconditions, but they should set no preconditions, and we will deal with the terrorist organizations later which was Rabin's approach?

MR. DICTER: Sorry to disappoint you, Martin, no. I wouldn't say it when I was a Fellow here at Bookings, but when I mentioned the three preconditions, it has nothing to do with the peace talks that are supposed to start because returning to the international line, it is something that belongs to the peace talks themselves, but hosting and activating terror organization headquarters, it is something different. Even with Egypt, the peace talks started after all kinds of clashes on the ground ended. Of course, it is not only my own decision, and Yaron mentioned former Prime Ministers that each one of them was a giant compared to me, but nevertheless, that is my way of thinking.

I think that Syria cannot get into this corridor of peace talks about how this peace agreement is going to look like, what

kind of borders we are going to have, what kind of guarantees Israel is going to have to decide that we are withdrawing until the international line. But that is the second level of discussions, and that is why I say it is a precondition. You cannot start peace talks or you cannot start looking for a corridor to the peace talks while you are being attacked, and it is not indirectly, it is directly. I am sure that we are going to confirm such preconditions with the other ministers in the government. I am sure that Prime Minister Ehud Olmert is going to back it, and we will have to wait.

MR. MITCHELL: Gary Mitchell from
"The Mitchell Report." I want to ask I think a
simple question, but it does not mean that the
answer is necessarily simple. You perspective
about Iran and Ahmadinejad is pretty clear.

The reference to Hitler I think is effective shorthand.

The question that it generates is, given that perspective and given the fact that, as you said, he has put his agenda out on the table at no cost, what do we do? Who leads the parade? And while you are thinking about that, I just want to add that we are less than 3 weeks away from an election in which I think that the mood of the American public appears to be increasingly clear about its dissatisfaction not only with this President and with the party of which he is a member, but with Iraq, with I am tempted to say all things Middle East. So with that as background, let me come back to the simple question of what do we do?

MR. DICTER: I agree with you that that was a very simple question.

(Laughter.)

MR. DICTER: But thank you for the question, because I think it is a very essential question because it is a very complicated situation when we deal about it from the Israeli perspective.

I would say that Israel cannot lead an adventure, such an effort for many reasons, and I think I mentioned it once here in one of the meetings, when I came a few years ago to the States to meet with my counterparts and targeted killings was a term that was used very often, and someone from the American administration told me, "Avi, you have to take care in those targeted killings." So I told him, "But we have learned it from you in Afghanistan, Yemen, et cetera." He said, "Yeah, but you have to notice that there is a difference between a superpower and a state."

said, "A superpower can do almost everything she wants to do." So I asked him, "And a state?" He said, "A state can do a little bit more than the superpower allows it to do." So I checked with the United Nations and we are a state, I understood our limits, and it is true.

We are asked many questions why

Israel did not launch the defensive operations
in both the West Bank and Gaza Strip, because
if you want to launch those two operations, we
need to recruit all of our reserves and to
freeze our economy for a while, which is
impossible. We were attacked in the Yom Kippur
War by Syria and Egypt, so it was not our
decision, it was not our choice.

Therefore, when we come to the

Iranian problem, of course we are taking

precautions whenever it is against Israel and

we are trying to build our system to make sure

that whenever they will have the capability, we will be able to stop it, to block it, or to foil it, or anyway to prevent it from happening against the State of Israel. I hope that we succeed, but in such a game, you cannot be sure that it is going to work. We hope that it will work.

So all preventive attempts can be done by a state whenever the intentions of Iran are headed towards Israel, but in order to prevent it not from happening, from being developed, it is something completely different. Israel can suggest no sanctions against Iran. We have no trade with Iran, and we do not sell them anything. We do not buy anything from them. And the only option to have real sanctions can be led by superpowers whether it is under the United Nations umbrella or directly by superpowers, it is a completely

different situation.

To destroy the capability before
being finished is something that the State of
Israel should not be the leader, never mind if
it can be or cannot be the leader. In the Yom
Kippur War, it is a heated debate until today -

(tape interruption)

MR. DICTER: (In progress) -- when we knew on Yom Kippur morning that it is going to be a strike by Egypt and Syria, especially by Egypt, and I was a soldier at that time. We have done nothing in terms of preventive acts, and we could do it. Here sites Rani Falk, he was a commander in the Air Force, a Brigadier General, and he knows better than me the capabilities that we had, and we didn't do it, and some people said that it was a huge mistake. Nobody knows how many Israelis lost their lives because we have not done it. Some

people say it was the best and the smartest decision not to attack as a preventive attack, like in the Six Day War in 1967. And they said that they we would not get the sympathy and support from the whole world if we were the first to attack. I think it is going to remain a heated debate in Israel, and unfortunately, in Israel you just add some more and more heated debates and you don't get rid of one of them. But I think that there are enough superpowers in the world, especially the United States, that do understand the threat coming from Iran.

The sanctions, no doubt about the fact that it is the best and the immediate thing to be done, but the question is always "what if," and for such a question, I do not think that Israel should lead it. We should support and assist with intelligence, with

information, you always get information about things that bother you, and it really bothers us.

 $$\operatorname{MR}.\ \operatorname{NIR}\colon$$ I am Ori Nir with Americans for Peace Now.

Ambassador Indyk asked his question diplomatically, and I would like to offer a translation into Israeli English, and say the following. I am sure you are familiar with the Palestinian saying -- what I am wondering is, if I understood correctly what Martin was saying, is that there are two schools in Washington. One is saying Israel could help in the confrontation with Iran by engaging with the Palestinian, and in the other he is saying it can help by engaging with the Syrians. In Israel, between not engaging with those and not engaging with the other seems to be not making any kind of diplomatic contribution to the

West's confrontation with Iran. So my question is, what kind of contribution can your government make? And as a derivative of that, what kind of a political horizon can you offer to Israelis?

MR. DICTER: I hope that you all understood the saying -- which means it is a story about someone who was married with two women and he had -- one of them with black hair, and the other part of it black and part of it white, and Hana loved the white one and hated the black. And Mana loved the black and hated the white hair. So every night according to the arrangement, he should sleep in another house, so whenever he slept at Hana, she took out the black hair, and whenever it was the other, she took out the white ones. And so between Hana and Mana, between those two wives, he lost his -- but I do not think that is the

situation. It is a good saying, but from my point of view, that is not the situation between us and the Palestinians.

I believe that here in the States there is a group of frustrated people who tried to negotiate between us and the Palestinians.

Since the beginning of the *intifada*, you were involved with "The Mitchell Report"?

MR. INDYK: Different Mitchell.

MR. DICTER: I remember the meeting at Sharm El Sheikh in October 2000 when President Clinton was there, King Abdullah was there, President Hosni Mubarak was there, Kofi Annan was there, from Russia the Foreign Minister came.

MR. INDYK: Javier Solana.

MR. DICTER: Solana of course was there, and Prime Minister Ehud Barak and Yassir Arafat.

MR. INDYK: And Avi Dicter, and George Tenet.

MR. DICTER: Avi Dicter, George Tenet, and Jibril Rajoub, not to forget, were brought when the discussions show after a few hours that there is no way to reach any understanding, and I remember we were sitting in Sharm El Sheikh, the Egyptians, George Tenet, the Israeli side, and the Palestinian side, trying to reach some security understanding. It was the first time. that first time, I remember the only demand that we had is to put back in jail 114 terrorists who were released by the Palestinian Authority since the beginning of the intifada, and they insisted that all of them are in jail and we insisted that all of them are released, and the debate lasted for an hour until I suggested that we put \$100 on each name, those

who are in jail we are going to pay it, and those who are not in jail, they are going to pay it. And Yassir Abed Rabbo who was there looked towards Jibril and Jibril looked towards Yassir abed Rabbo and they knew that they are going to lose, and that's it, and so on and so on. I think that George Tenet in June 2001 when he came and wrote the Tenet War Plan, General Zinni, John Wolf and so on and so on, a group of frustrated people who came with goodwill and left with nothing.

I remember General Zinni, and I am sorry that the answer is too long, Ori, but I think it is inevitable to put it in front of the people that I am not sure that all of us do remember what really happened. General Zinni, when he came after George Tenet in order to implement the Tenet War Plan, and he spent a few months in Israel, we had a meeting on March

26, 2002, and he asked us and asked the Palestinians to give our positive answer to his plan. At 1 o'clock after midnight we called him, we woke him up, and we told him, "General, Giora Eiland and myself succeeded to convince Prime Minister Sharon to give a positive answer." And we woke him up and gave him a positive answer, and he said, "Very well. first thing in the morning we are going to get the positive answer from the Palestinians and the new Middle East is going to rise." So I told him, "General Zinni, don't wake up too early." So he said, "What do you mean? Aren't they going to give a positive answer?" I said, "No." "So they are going to give a negative answer?" I said, "No." He said, "What do you mean?" I told him, "In the Middle East there is a third option, not to give an answer," and they didn't give an answer. And on the 27th at night, Passover night, the horrible terror attack at the Park Hotel in Netanya, 30

Israelis got killed, a hundred got injured, and that opened the defensive field operation.

between us and the Palestinians. We penetrated the West Bank, and we have not done it in the Gaza Strip, which means the P.A. during the last 4-1/2 years was divided into two segments. One is the West Bank and we are there until today. We are responsible for security because they do not have any security apparatus. And the Gaza Strip which is an independent Palestinian Authority, they have an open gate to Egypt and we are not there, and we are not responsible for what is going on with 40 percent of the Palestinians.

So I think that the new horizon to the Palestinians, or if I may say the light at

the end of the tunnel, is not -- to smuggle the weapons to the Gaza Strip, but the light at the end of the tunnel starts in the West Bank because in the West Bank Israel created the new situation for our own interests but it serves the Palestinian Authority's interests as well. So if Abu Mazen decides to build his security apparatus in the West Bank and that security apparatus is going to do what they are supposed to do and what we are expecting them to do, to stop violence from the West Bank towards Israel. Once this is going to happen, by the way, it was supposed to happen in August 2003 when they were supposed to get the responsibility for some of the Palestinian cities in terms of security and civilian affairs. In August 2003 it exploded with the explosion of a bus in Jerusalem where 23 kids got killed, and we did not hand over

responsibility because they did nothing in terms to foil it.

So now if Abu Mazen decides to build, as a matter of fact, they are built, but they are built according to the salaries, because Abu Mazen is paying every day, every month salaries to, I don't know today the number, but it is supposed to be more than 60,000 security men that do nothing in terms of their job to foil terror attacks against Israel or to foil terror attacks against themselves. So in the Gaza Strip it is almost a lost case scenario because Hamas there is very strong compared to Fatah, and in the West Bank it is completely different. In the Gaza Strip when we had recently the clashes between Hamas and Fatah, Hamas attacked Fatah people including some of the administration and Fatah hit back in the West Bank. When Hamas understood that they are going to pay the price in the West Bank they stopped their clashes which means some kind of deterrence Fatah can create in the West Bank.

When I say Fatah I mean the Palestinian administration, so that is the chance of Abu Mazen, and if he is starting to create what from my point of view and I think from his point of view as well what should be created in the West Bank, there you can start to see a new horizon to the P.A. Once we hand over responsibilities to the P.A. in the West Bank, it might create a new situation that is probably going to assist quite a lot the P.A. to show the people in the Gaza Strip that there is another option to what is going on when Hamas is leading the P.A. It is a long way, but even a long way has to start somewhere, and from my point of view, it has to start in the West Bank.

MR. INDYK: It is now 2 o'clock, and I promised Sam the last question. Some people may need to leave, but I am sure you will excuse them.

QUESTION: I would like to go back to the beginning to the Iran issue which is where this session was headed. Everybody now seems to agree that the Iranians are after a nuclear weapon. There is not much disagreement about that in the West or between Israel and the United States. There is enormous disagreement among Iran experts all over the world as to what really goes on within the Iranian power structure. Ahmadinejad clearly is a very provocative spokesman and maybe he reflects the ideology of everybody else. He certainly is permitted to say what he says, but no Iran expert thinks he runs the show at all and that there is quite a different complex of forces in

the clerical leadership which historically has been very conservative expect with respect to Hizballah, but conservative with respect to taking on major military ventures in its environs.

So I would like to ask you from your intelligence point or view how do you assess the real objectives or at least the arguments within and the power situation in the Iranian leadership?

MR. DICTER: Unfortunately, I am not the one to talk about the leaders in Iran concerned with the different powers because that was not my former job. I was in charge of the Internal Security Agency. But I remember that in many cases over the last 5 years I heard from my counterparts in Israel and in other countries the assessment that Iran is about to be changed even through a revolution

led by Khatami in one case, led by students in another case. I remember the program of Christiane Amanpour 3 years ago I think or 4 years ago that showed a very optimistic approach that it is going to happen. I do not remember myself reading in any of the pieces of information that was concerned about Iran that it is really going to happen.

Because in order to have such a change, such a revolution -- the present leadership, he is not by himself. He represents the ideology of not only Mahmoud Ahmadinejad, and not only Ali Khamenei, there is a group which is called the Revolutionary Guards, and it is well known that some people say that a democratic country is a country that has democratic elections. From my point of view, elections is not a lead to democracy, it is one of them, but it is not the main one.

Iran has so-called democratic elections, but it is well known that the IRGC, the Revolutionary Guards, conquered the democracy, they conquered the elections. I can assure you if we talk about the P.A. after the surprise that Hamas, and Hamas themselves was surprised by winning the last elections, but they cannot lose the next election. So concerned with the Gaza Strip, I am sure that there are going to be all efforts needed in order to make sure that they are going to win, and they are going to win.

So in Iran, it is not the question about one person or one leader, it is one system, and Mahmoud Ahmadinejad, he is the one to express this system for his own reasons.

The tactics of Mahmoud Ahmadinejad are interesting. It is different than all other countries. But when he mentions what he has mentioned, you cannot say as a country or as an

individual that he does not mean it, that he is not serious in his saying it. Because from all kinds of pieces of intelligence we all understand as I said before that Iran is about to reach a nuclear bomb within 5 years.

And if you join together bad intentions and bad capabilities, predicting something less than a disaster will be irresponsible from my point of view, and when I said about Mahmoud Ahmadinejad when I said that I see like Adolf Hitler in the way that he expresses his ideas, the way that he is building it, I think that we have to take care about it and not neglect it and not saying, well, you know, the Middle East, you don't charge tax for words. I think it is serious. I think that Mahmoud Ahmadinejad is serious in his thoughts, in his expressions, and that is the way I suggest us to treat it. Thank you

very much.

MR. INDYK: Avi, you have brought a good deal of clarity and perspective to this presentation in your answers, and I think we have all learned from that. Thank you again, and this is your home away from home, so I hope you will come back and visit often. Thank you.

MR. DICTER: Thank you very much.

(Applause.)

(END OF RECORDED SEGMENT.)

* * * * *