ISRAEL NEWS FROM DAVID DOLAN

August 29, 2006

Shalom from Jerusalem,

Below is my monthly Israel news review and analysis report covering events during August. It naturally focuses on the intense summer war with Hizbullah forces in Lebanon, and particularly on the political fallout here in Israel following the conflict's inconclusive outcome. Ehud Olmert's four month old government is under heavy pressure in the wake of the war, with its long-term survival now very much in doubt.

I am pleased to announce that my new DVD titled FOR ZION'S SAKE will be airing three times this autumn on the Sky Angel Two satellite channel, based in Florida. As per the networks request, I will be sending out a press release with full details a bit closer to the time of broadcast. The first airing is scheduled for Saturday evening, October 7 at 9:00 PM EST (the second evening of Succot), with additional screenings in November and December. Details will also be posted soon on my web site, <u>www.ddolan.com</u> You can also find information there (under "David's Schedule) about a UK speaking tour sponsored by Christian Friends of Israel beginning on 21 September, followed by a short trip to the United States to speak at a Feast of Tabernacles conference in North Carolina.

THE COST OF WAR

It became increasingly apparent during August that Israel has moved into a new and frightening chapter in its long struggle to survive as a Jewish state in a sea of hostile Muslim countries. As the war with Hizbullah forces in Lebanon intensified, it was evident to most Israelis that the protracted Arab-Israeli conflict had formally mutated into an existential confrontation with at least a significant portion of the larger non-Arab Muslim world. For the first time since the 1967 Six Day War, tens of thousands of Israeli ground forces, including substantial reserve units, were sent into a battle that was not primarily the result of ongoing Palestinian demands for the withdrawal of "occupation forces" from Arab-claimed lands, and related issues like refugees and the re-division of Jerusalem. Instead, the core battle was over the very existence of a Jewish-led state in the mostly Muslim Middle East.

Israel's latest war ended with a United Nations ceasefire on August 14. During the nearly five week conflict, Lebanese Hizbullah militia forces pummeled northern Israeli cities, towns and villages with unprecedented intensity, firing around 4,000 rockets—mostly supplied by Syria—during that time span. Nearly 1,000 landed inside heavily built up areas. Several hundred fell in the Upper Galilee town of Kiryat Shmona and in the coastal town of Nahariya, while 93 landed in Haifa and 81 in Tiberius. The rockets damaged or destroyed over 6,000 apartments and homes. Forty-three Israeli civilians, including over a dozen Arab Muslims, Christians and Druze, where killed during the massive rocket blitz. Over 4,000 others were hospitalized for injuries sustained in the attacks, 33 of them suffering permanent damage such as loss of eyesight, impaired hearing or loss of limbs, with another 68 people moderately wounded.

The IDF lost 116 regular and reserve soldiers during the conflict, over one-fourth of them in the last 70 hours of the 34 day war. Around 400 soldiers were wounded in action, many of them seriously. The two Israeli soldiers whose July 12 abduction triggered the conflict remained unaccounted for as the ceasefire went into effect.

The financial cost of the war was substantial as well. Hizbullah's rocket assaults caused an estimated \$400 million in direct property damage throughout northern Israel. With the northern third of the country virtually shut down for over one month, including 630 commercial factories and many hotels and other businesses, some \$1.4 billion was lost to the economy. Overseas tourism cancellations stretching into next year will add millions more to that financial deficit. The actual cost of waging the war is estimated to have been around \$500 million, said government economists.

Israeli jets responded to the daily rocket bombardments by carrying out several thousand bombing runs over many portions of Lebanon. Some 1,800 buildings were partially or completely destroyed, a majority of them in Beirut's southern Shiite suburbs. The Lebanese government said that well over 1,000 citizens were killed in the war, claiming that most of them were civilians. Israeli officials said at least one third of the Lebanese casualties were Hizbullah militiamen and their commanders, some of whom were said to be from Iran. The IDF said that 309 Hizbullah rocket launchers were destroyed during the conflict, along with 33 tunnels constructed by the rogue militia in the six years following Israel's May 2000 withdrawal from southern Lebanon. Additional tunnels, some of them quite elaborate, were discovered and destroyed after the ceasefire went into effect.

STANDOFF

Although the IDF has fought against the Shiite militants many times before, beginning soon after the militia was formed under Syrian and Iranian tutelage in late 1982, the main declared Hizbullah grievance in the 1980s and 90s was Israel's military control over portions of Lebanese territory. The private militia group claimed that the July 12th cross border infiltration which sparked the latest conflict, which left eight Israeli soldiers dead and two others kidnapped, was also at least partially designed to help "liberate" the Shaba Farms area, a tiny strip of border territory that both Syria and Lebanon claim as their own. However, given that the United Nations certified that Israeli troops had pulled out of all Lebanese territory in May 2000, and that the Lebanese government had signed off on that position, it has been clear to the Israeli government and public for some time that Hizbullah's real goals in heavily arming for war were far more insidious than just obtaining control over a tiny patch of disputed land along the international border.

As fighting intensified in late July and continued into August, warweary Israelis were forced to acknowledge the jarring fact that for the first time in its 58 year history, the Jewish state had actually come under attack from a non-Arab Muslim country—Iran—whose declared goal is to annihilate their country. It is certainly an historic truth that the non-Arab Soviet Union waged fierce combat against tiny Israel in a very real and effective manner stretching over several decades. Still, the Communist giant only did so via military and financial support doled out to Arab countries like Egypt and Syria. The Kremlin never directly called the military shots, nor actually commanded frontline Arab armies, even if its support was a crucial factor in the Arab countries decision to go to war in both 1967 and 1973. Nor did Soviet officials ever declare or expect that their assistance to Egypt and Syria would lead to Israel's complete destruction. However Iran's Shiite Muslim extremist leaders do openly proclaim that Hizbullah's armed assaults, which Tehran is believed to have largely commanded, including ordering the July 12 border infiltration, are merely the opening shots in a jihad war which they are waging to ultimately cremate the detested Zionist state.

Like the Soviet Union, Iran needs frontline Arab allies to help it achieve its diabolic goal. And so a portion of the Lebanese public, backed by the Baathist police state regime based in Damascus, acts as Iran's puppet surrogates. Israelis understand that if their remaining declared enemies were only Arabs located in Lebanon and Syria, along with the ill-led Palestinians residing all around them, it would be relatively easy to achieve a substantial military victory. But adding Iran to the mix sends Israeli government and military officials into fits of despair, considering that Iran is a growing regional superpower possessing vast oil reserves, led by an extremist regime that openly declares its undying determination to eliminate what the late Ayatollah Khomeini called, "the Zionist cancerous tumor in our midst." Given the furious Islamic-based militancy displayed by Iran's theocratic regime, and especially its dogged determination to acquire nuclear weapons, Israeli political and military leaders are slowly waking up to the fact that they are probably facing their most nefarious enemy ever—and that nearly 60 years after Israel miraculously reappeared on the world stage.

POST WAR TRAUMA

As I reported in last month's news review, Hizbullah's unprovoked cross border attack galvanized the nation in a way not seen since the start of the 1982 "Peace for Galilee" operation to push Yasser Arafat's armed PLO forces away from the northern border. However after it became clear that the 1982 campaign would not be the quick and relatively easy one that was widely anticipated, public sentiment began to slowly turn against that war. In the latest conflict, it took barely one month before many politicians and commentators began to question many aspects of the war, especially how government and military leaders conducted it. Most of the controversy surrounding the original Lebanon war fell upon then Defense Minister Ariel Sharon. This time around, the arrows seem to be equally spilt between government and military leaders. In fact, some Israeli commentators say they seriously doubt that the Kadima-led government will survive the growing political firestorm.

Public discontent over how government and military officials handled the war bubbled to the surface soon after UN ceasefire resolution 1701 went into effect on the 10th of August. Just over one week later, Israel's most respected media commentator, Amos Harel, wrote a scathing editorial sharply criticizing the government's handling of the conflict. Under the title "Why Did These Soldiers Die?" the veteran Haaretz commentator focused on the fact that nearly one-forth of the war's IDF casualties, some 32 men and one woman, perished in the 60 hours *after* the ceasefire resolution was approved at UN headquarters in New York.

Like many Israelis, Harel wondered why Prime Minister Ehud Olmert

and Defense Minister Amir Peretz ordered ground forces into the deadliest battles of the war just after Olmert publicly announced on Friday evening, August 7th, that his government would probably abide by the American and French-brokered ceasefire call. Harel's conclusions were not welcomed by Israel's political and military establishment. He wrote that blame should be shared by the Olmert government and by top and mid-range military leaders: "The political leadership's understanding of the battlefront was minimal, but they still sought a victory to wave at the war's end; the General Staff demanded to 'blow off built-up steam' and allow the forces to move forward; while the division command was dying to show what it could do." In the end, he wrote, the army was not able to achieve most of the government's stated military goals due to the short time alloted for them to act before the ceasefire went into effect.

Many Israeli commentators and right-wing politicians echoed Harel in pointing to the fact that the Hizbullah war was fought by political leaders with little or no personal military experience. This led to growing calls for both Olmert and Peretz to immediately resign, along with Armed Forces Chief Dan Halutz, who was accussed af relying far too much on air power to achieve the war's goals. The fact that he previously served as Israel's Air Force commander was said by many to have colored his estimations of just how successful air strikes alone could be in decimating Hizbullah forces. Many military analysts criticized the fact that most of the air sorties were carried out north of the area where Hizbullah rockets were actually being fired daily at Israeli civilian centers. That many apartment buildings were struck in the southern suburbs of the capital city, most of them of questionable strategic value, was also criticized, with many saying the action only provided international media outlets with a plethora of damaging pictures to broadcast around the world.

THE BATTLE IS NOT WON

Both Olmert and Peretz confidently proclaimed early on in the conflict that Hizbullah's offensive power would be quickly crushed by superior IDF forces. Such boasting was echoed by several senior IDF commanders. Many later admitted that their statements reflected an arrogance that was not matched by the facts on the ground. Just how deeply Hizbullah was and is entrenched in Lebanese society (with Shiite Muslims comprising an estimated 35% of the population; growing every year due to the relatively high Shiite birth rate compared to Sunni Muslims and Maronite Catholics) was apparently significantly underestimated by most Israeli political and military leaders, charged various commentators. And given that the militia's main ground forces were stationed in southern Lebanon, and not in Beirut or the eastern Bekaa Valley, it was clear to many military experts early on in the conflict that a major ground operation north of the international border was unavoidable, even if this was apparently not immediately evident to Olmert, Peretz and Halutz.

Defense Minister Peretz claimed after the ceasefire went into effect that military leaders had not adequately briefed him on the overall Hizbullah threat, nor on the strength of the nefarious group. This was dismissed by senior IDF officers, who said they had pointed out to him when he assumed office last April that mushrooming Hizbullah militia forces could not be allowed to gather strength forever without being confronted by Israel. The controversial Peretz statement only added to calls for him to either resign or be quickly replaced by someone with greater military experience and comprehension, especially in light of official security assessments that renewed fighting with Hizbullah and/or Syrian forces could break out again at any time, and amid growing indications that an Israeli military showdown with Iran itself may be drawing near, given Tehran's late August announcement that it will defy the international community and carry on with its nuclear program. Meanwhile Peretz is facing a new internal challenge to his position as Labour party leader, led by disgruntled Labour Knesset members Ami Ayalon and former Tel Aviv University President Avishai Braverman.

In an attempt to pacify calls for his resignation, Ehud Olmert agreed in mid-August to set up an investigative committee headed by one of his political cronies, former IDF chief of staff Amnon Lipkin-Shahak. After that move was deemed insufficient by many critics, the Premier indicated he might turn the matter over to a formal State Commission of Inquiry, headed by a Supreme Court judge, which would be empowered to subpoena witnesses and issue binding judicial conclusions. However this was considered politically risky by senior Kadima politicians, who feared that their new centrist party might disintegrate if such a state commission came down hard on the government's performance, as most expect it would. This prompted Olmert to announce on August 28th that he would not establish a fully independent official state commission, but would instead appoint a beefed up panel to look into the government's handling of the war, and another to investigate the IDF leadership's role. The decision was immediately criticized as insufficient by many opposition politicians, along with several Labour party Knesset members.

Kadima is already reeling from the fact that its leader has felt it politically necessary to back away from the main issue that the party ran on in last March's national election—pushing forward with unilateral civilian uprootings from several dozen Jewish communities located inside of Judaism's biblical heartland, Judea and Samaria. Opinion polls now show that, in the wake or this summer's massive rocket assaults from southern Lebanon and continuing Palestinian Kassam strikes from the evacuated Gaza Strip, a vast majority of Israeli voters are horrified at the likely prospect that such abandoned land would become new launching pads for hostile rocket fire on Israel's nearby central cities. Olmert quickly realized that he would be finished politically if he clung to his controversial withdrawal plan in the face of such understandable public anxiety.

Many political analysts are pointing out that it is unprecedented for an Israeli government that is barely four months old to face so many calls for its dissolution, coming from all political spectrums. That the calls reflect widespread public sentiment became evident when several opinion polls were released in late August. One survey broadcast by Israel's Channel Two showed that the right-wing Likud party and the immigrant Yisrael Beiteinu party would more than double their current Knesset strength if elections were held today, with each capturing 24 seats. That is a huge jump from the 12 seat won by the Likud last March, and the 11 secured by Yisrael Beiteinu. Olmert's ruling Kadima party would drop from 29 seats to just 14, and the once dominant Labour party from 19 to an embarrassing 9 seats. But another poll found that Labour could capture 20 seats if the inexperienced Peretz were replaced by popular former IDF chief of staff Moshe Ya'alon. An Israel Radio survey showed that 29% of the public preferred Ya'alon as defense minister, while 17% named Kadima politician and former defense minister Shaul Mofaz. Only 5% named Peretz as their first choice. All of the opinion polls projected that right of center parties would capture a clear majority of the Knesset's 120 seats if elections were held now, whoever led the parties.

IS THE WAR REALLY OVER?

The question of who is ruling Israel and commanding IDF military forces is obviously highly important even in relatively tranquil times. But with the situation still incredibly unstable in southern Lebanon where over 20,000 IDF soldiers are facing an unknown, but substantial number of armed Hizbullah militiamen—military analysts warn that full-scale fighting could erupt at any time. This is all the more likely given that the Lebanese government is refusing to order its army to disarm Hizbullah fighters, augmented by the fact that the expanded 15,000 man European-led UNIFIL force is taking much longer than anticipated to assemble and move to the region (many analysts said the slow pace was precisely due to the fact that hundreds of Hizbullah fighters, who are intensely hostile to the West, remain in place with their weapons).

Israeli military analysts say the greatest threat to the tenuous ceasefire is Syria and Iran's refusal to halt illegal weapons shipments to their proxy Lebanese force. Although UN resolution 1701 calls for such arms transfers to be frozen, the Assad regime in Damascus is balking at Israel's demand that UN forces assist Lebanese army troops in searching all trucks, ships and aircraft entering Lebanese territory for contraband weapons. This came after Syrian dictator Bashar Assad announced in a fiery post-war speech that he is ready to take back the Golan Heights by force if necessary, probably signaling that Israel's next military challenge—and one that is far more daunting than the battle with Lebanese Hizbullah fighters—is already looming on the horizon.

Although the future looks incredibly bleak in the crisis-plagued Middle East, the God of Israel still rules over all the earth. He knows the plans and purposes that He has for His people, to give us a much brighter future and abundant hope: *"It is He who reveals the profound and hidden things; He knows what is in the darkness, and the light dwells with Him" (Daniel 2:22).*