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From: Sullivan, Jacob J <SullivanJJ@state.gov>
Sent: Monday, March 12, 2012 10:26 AM
To: H
Subject: Re: H: FYI, article from book, which Bill blurbed. Sid

Fascinating. Didn't like this: When it became clear that the White House was serious about a settlement freeze, Netanyahu told advisers that Emanuel and Hillary Clinton—with whom he had tussled during his first prime ministership in the 1990s—had turned Obama against him. “They want to throw me under the bus,” he fumed. A

From: H [mailto:HDR22@clintonemail.com]
Sent: Monday, March 12, 2012 09:54 AM
To: Sullivan, Jacob J
Subject: Fw: H: FYI, article from book, which Bill blurbed. Sid

Pls read so we can discuss.

From: sbwhoep [redacted]
Sent: Monday, March 12, 2012 09:38 AM
To: H
Subject: H: FYI, article from book, which Bill blurbed. Sid

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<http://www.thedailybeast.com/newsweek/2012/03/11/peter-beinart-obama-betrayed-ideals-on-israel.html>

Peter Beinart: Obama Betrayed Ideals on Israel

The president sacrificed his ideals and misplayed his hand. How Bibi got the better of Barack. By Peter Beinart.

by [Peter Beinart](#) | March 12, 2012 1:00 AM EDT

Bibi was coming again, and the White House was determined: this visit would not play out like the last one. On Prime Minister [Benjamin Netanyahu](#) previous trip to Washington, [Obama](#) had proposed that Israel and the Palestinians negotiate a peace deal based on the armistice lines drawn after [Israel's](#) birth. Netanyahu reacted badly, lecturing the president publicly that “we can't go back to those indefensible lines.”

The encounter enraged Obama, who felt, in the words of one administration official, that “the dignity of the office [of president] was insulted.” Privately, Vice President [Biden](#) reprimanded Netanyahu for his tone. But despite their fury, Obama officials had watched impotently as the Israelis and their American allies controlled the media spin. One administration official even got a call from his sister, a Hebrew school teacher, demanding to know why he was compromising Israel's security.

This time, with Netanyahu coming to discuss a potential attack on Iran, the administration tried a “preemptive” strike of its own. A key target: AIPAC, the influential pro-Israeli government group at whose annual conference both Obama and Netanyahu were slated to speak. Five days before the conference, Chief of Staff Jack Lew summoned AIPAC’s president to the White House. Obama dropped by as well. Their message was clear: AIPAC was not giving the administration enough credit for imposing harsh sanctions on Tehran. With the Israeli government, the administration’s strategy was similar: solicit public praise. After Netanyahu’s last visit, the Obama reelection campaign had begun polling American Jews. It found that the best validators of Obama’s Israel policy were Israelis themselves. In response, the campaign began distributing glowing statements about the president’s performance from top Israeli officials. Now, with Netanyahu about to arrive in Washington, team Obama wanted a positive review of its Iran policy as well.

The White House strategy worked. At the AIPAC conference, executive director Howard Kohr declared that “President Obama and his administration are to be commended. They have—more than any other administration, more than any other country—brought unprecedented pressure to bear on Tehran through the use of biting economic sanctions.” After meeting Obama, Netanyahu—instead of reproaching the president as he had the previous May—declared that “Israel and America stand together.”

But all this camaraderie came at a price. In his effort to win AIPAC and Netanyahu’s favor, Obama committed himself—far more explicitly than before—to taking military action if there was no other way to prevent an Iranian nuclear bomb. It was a far cry from the early days of his presidency, when he told the Iranian people that he would pursue “constructive ties among the United States, Iran and the international community” and that “this process will not be advanced by threats.”

It’s not just on Iran. The story of Obama’s relationship to Netanyahu and his American Jewish allies is, fundamentally, a story of acquiescence. Obama took office with a distinctly progressive vision of Jewish identity and the Jewish state, one shaped by the Chicago Jewish community that helped launch his political career. Three years later—after a bitter struggle with the Israeli government and the American Jewish establishment—that vision is all but gone.

Obama entered the White House after an adulthood spent—more than any predecessor—in the company of Jews. Most of his key legal mentors were Jews (Abner Mikva, for example); many of his biggest donors were Jews; his chief political consultant, David Axelrod, was a Jew; he lived across the street from a synagogue. And for the most part, the Jews Obama knew best were progressives, shaped by the civil-rights movement and alienated from mainstream American Jewish organizations over Israel.

Obama’s initial statements about Israel often mirrored the liberal Zionism of his Jewish friends. Like them, he embraced the progressive aspects of Israeli society and Jewish tradition while critiquing Israel’s occupation of the West Bank. During his 2004 Senate run, Obama criticized the barrier built to separate Israel and its major settlements from the rest of the West Bank. In an interview with the journalist Jeffrey Goldberg, he praised David Grossman’s book *Yellow Wind*, a searing portrait of Palestinian life under Israeli occupation. Before a Cleveland crowd in 2008, he challenged the view that “unless you adopt an unwavering pro-Likud approach to Israel, you’re anti-Israel.” In the words of Rabbi Arnold Wolf, an earlier supporter who ran the synagogue across the street from Obama’s house, Obama “was on the line of [the dovish Israeli group] Peace Now.”

As the presidential campaign wore on, Obama's statements on Israel grew more conventional. But his rise discomfited Benjamin Netanyahu nonetheless. In their two meetings—one at Jerusalem's King David Hotel, the other at Washington's Reagan National Airport—the two men had gotten along well, with each stressing his pragmatism. But privately, Netanyahu told associates that Obama knew little about the Middle East, put too much faith in the power of speeches, and might take Israel for granted while he reached out to the Arab world. In the fall of 2008, the historian and commentator Michael Oren, whom Netanyahu would appoint ambassador to the United States, published a study warning that while “[John] McCain’s priorities are unlikely to ruffle the U.S.-Israel relationship, Obama’s are liable to strain the alliance.” The public and private criticism grew so blatant that prominent Democrats warned Netanyahu’s supporters to stop. Once in office, Obama disconcerted Netanyahu even more. At the behest of Hillary Clinton, his new secretary of state, Obama appointed former Senate majority leader George Mitchell as his envoy for the peace process. It was a telling choice. In 2000, Bill Clinton had asked Mitchell to investigate the causes of the second intifada, an investigation that led Mitchell to write a report calling on Israel to freeze settlement construction. The report also demanded that the Palestinians more aggressively fight terrorism, but by 2009, even Israeli military officials conceded that Palestinian Authority President Mahmoud Abbas and Prime Minister Salam Fayyad were doing just that. In his new job, Mitchell wanted to show Palestinians that eschewing violence brought tangible rewards. The prize Abbas and Fayyad wanted: a settlement freeze.

But the administration's motivation was not only instrumental; it was moral, too. In March 2009, Hillary Clinton, Mitchell, and a few aides traveled from Jerusalem, where they had met Israeli officials, to Ramallah. As they sped through the West Bank, passing boulders that blocked Palestinian villages from accessing settler-dominated bypass roads, the Americans grew palpably uncomfortable. “There was a kind of silence and people were careful,” remembers one former senior State Department official, “but it was like my God, you crossed that border and it was apartheid.” In meetings in Washington, Obama spoke bluntly about Palestinian suffering. One Washington insider noted that in all his years of going to the White House, he had never heard Clinton, Reagan, or either Bush speak the same way.

Inside the Obama administration, the call for a settlement freeze sparked little dissent. After all, Mitchell had proposed a freeze in 2001, and two years later, by accepting the Bush administration's “Road Map” to peace, Israel had actually agreed to one, although it was never carried out. National Security Adviser James Jones had written an unpublished 2008 study that reportedly criticized Israeli policy in the West Bank. Chief of Staff Rahm Emanuel had a record of opposing settlement growth too. In 2003, he had been one of only four Jewish members of Congress to sign a letter endorsing the Road Map. Privately, he told associates that the Bush administration had coddled Israel, and that it was time for Israel's American friends to speak more frankly to the leaders of the Jewish state. When Netanyahu tried to establish back-channel discussions with Emanuel, bypassing Mitchell, Obama's chief of staff refused.

Among the few administration skeptics of a settlement freeze was former Clinton administration envoy Dennis Ross, who considered it unrealistic given Netanyahu's right-leaning government. But Ross was working at the State Department, not the White House, and his job description was restricted to Iran. He had tried to broaden his mandate during

the transition, arguing that in order to effectively craft Iran strategy he needed the freedom to dabble in every aspect of Middle East policy, including the peace process. A statement by Ross's former employer, the Washington Institute for Near East Policy, had even declared that he would be working on a "wide range of Middle East issues, from the Arab-Israeli peace process to Iran." But Jones promised Mitchell that Ross would not meddle in his work, and when a State Department spokesman announced Ross's appointment, he insisted that Ross "will not be, in terms of negotiating, will not be involved in the peace process." Whether Ross abided by that pledge while at the State Department is a matter of sharp dispute. But either way, he did not control the Israel-Palestinian portfolio. Not yet.

If the White House was largely united, Obama and Netanyahu could hardly have been further apart. Not only was Netanyahu a longtime champion of settlement expansion, but during his own election campaign he had refused to endorse the idea of a Palestinian state and made it clear that he considered peace talks aimed at creating one a waste of time. As his top aide, Ron Dermer, explained in May, "There is no way now where you have on the Palestinian side a willingness to make the sorts of compromises that will be required for a deal on the core issues but yet despite that the previous government decided to negotiate and negotiate and negotiate and to focus on that and to bang their head against the wall." Netanyahu's national security adviser, Uzi Arad, added, "It will be difficult to reach a true Israeli-Palestinian agreement that does away with the bulk of the conflict. I don't see that in the coming years."

For Obama officials, ironically, Netanyahu's lack of interest in negotiations bolstered the case for a settlement freeze. Abbas was eager to carry on the talks he had been pursuing with Netanyahu's predecessor, Ehud Olmert, negotiations in which, Olmert would later say, "we were very close." Had Netanyahu agreed to pick up where those talks left off, some former U.S. officials believe, the White House might have convinced Abbas to shelve his demand for a settlement freeze. (Abbas had, after all, been negotiating with Olmert in the absence of one.) But Netanyahu's evident disdain for Olmert's concessions convinced Palestinian leaders that even if the new prime minister did enter negotiations, they would drag on inconclusively, thus giving Israel cover to seize more of the West Bank. So the Palestinians, buttressed by the Arab states, held firm in their insistence on a halt to settlement growth. And the Obama administration, doubting that Netanyahu and Abbas would enter meaningful negotiations in the current climate, decided to link the demand for a settlement freeze to a push for Arab governments to move toward diplomatic recognition of Israel. Together, they reasoned, these moves might build trust and allow serious talks to begin.

On May 18, 2009, after his first meeting with Netanyahu at the White House, Obama declared, "Settlements have to be stopped in order for us to move forward." Netanyahu was livid. Before going to Washington, he had told advisers that he would explain to the president why the Palestinian issue was not central to the problems in the Middle East. And in a bout of wishful thinking, he had predicted that the White House would downplay the settlements issue and instead focus on Iran's nuclear program. When it became clear that the White House was serious about a settlement freeze, Netanyahu told advisers that Emanuel and Hillary Clinton—with whom he had tussled during his first prime ministership in the 1990s—had turned Obama against him. "They want to throw me under the bus," he fumed. Associates of the prime minister believed the United States was

pushing a settlement freeze—something anathema to Netanyahu's pro-settler coalition—to topple his government. One well-placed Israeli heard Ron Dermer, Netanyahu's top aide, and Dore Gold, a close outside adviser, privately refer to the president as Barack Hussein Obama. (Dermer and Gold vehemently deny the charge).

For its part, the Obama team badly underestimated the difficulty getting a settlement freeze. Top administration officials believed that merely by publicly asserting his wishes, Obama would create so much political pressure inside Israel that Netanyahu would have to acquiesce. After all, they noted privately, Netanyahu had lost his prime ministership in 1999—as had his Likud predecessor Yitzhak Shamir in 1992—after alienating an American president. Moreover, they assumed that what Netanyahu cared about most was U.S. support for a hard line against Iran. To ensure that, they reasoned, he would give ground on the Palestinian question, even if it meant shifting to a more centrist coalition.

But this was misguided. Obama was popular in many countries, but not in Israel, where according to one 2009 poll, 39 percent of Jewish Israelis considered him a Muslim. He further damaged his reputation by traveling to Turkey in April and to Egypt in June without stopping in the Jewish state, an affront to Israelis who had grown accustomed to presidential attention in the Clinton and Bush years. As a result, a public standoff with the American president didn't hurt Netanyahu's domestic standing at all.

American Jewish and right-wing Christian groups pushed back hard against Obama's call for a settlement freeze. AIPAC convinced 329 House members to sign a letter urging the administration to work "privately"—in other words, cease making public demands—in its dealings with Israel. Malcolm Hoenlein, executive vice chairman of the Conference of Presidents of Major American Jewish Organizations, warned, "President Obama's strongest supporters among Jewish leaders are deeply troubled by his recent Middle East initiatives."

Still, influential congressional Democrats backed the White House, not wanting to defy a popular president from their own party. When Netanyahu had breakfast with Jewish members of Congress the day after his White House meeting, he was—in the words of Representative Robert Wexler—"taken aback" by members' insistence that Israeli settlement policies had to change. "Most of the Jewish members feel very uncomfortable with the settlement policy and with Netanyahu personally," explains one Democratic strategist. But members of Congress also worried that the administration did not fully grasp what it had gotten itself into. "If you're going to pick a fight with a bully," explained a congressional staffer who works on Israel policy, "you need to win."

The American Jewish groups, recounts one former Obama campaign Middle East adviser, were "scared to death." Another adds that "when the Israelis thought Obama would go to the mat [on settlements] they were terrified." But Obama did not go to the mat. Asked by Mitchell for advice, Daniel Kurtzer—ambassador to Israel during Clinton's first term—said that had he been asked before the president made a public demand, he would have advised against making a settlement freeze including "natural growth" a precondition for negotiations. However, Kurtzer argued, now that the president had announced the policy, he had to succeed. When Mitchell responded that success would be hard to achieve, Kurtzer replied that it might be necessary to examine policy options that had long been considered in private, such as exempting settlement goods from the U.S.-Israeli free trade agreement or closing the IRS loophole that allows Americans to receive tax deductions for money they donate to settler groups. Another outside expert circulated an unofficial

document called a “non-paper” to Obama Middle East officials, which listed a variety of carrots and sticks the administration could deploy, including recalling the U.S. ambassador in Israel for consultations, canceling an Israeli military delegation’s visit to the Pentagon, and letting it be known that the United States would not veto a UN resolution criticizing settlements.

But when challenged by Netanyahu and his American Jewish allies, Obama did what he had done during the campaign: he retreated. His Israel policy would never be the same. Obama’s backpedaling undermined Mitchell. Mitchell’s strategy had only made sense when accompanied by presidential pressure. When Obama refused to apply that pressure, he needed a new strategy, one premised upon his unwillingness to confront Netanyahu. To craft it, in June he brought Dennis Ross to the National Security Council to serve as senior director for the Central Region, which gave Ross the freedom to dabble in every aspect of Middle East policy--Israel and Palestine included—that he had sought when the administration began.

Soon, reports surfaced about a power struggle between Ross, on the one hand, and Mitchell and his chief of staff, Mara Rudman, on the other. It was no contest. For one thing, Ross now worked at the White House, in close proximity to the president, while Mitchell spent most of his time either in the Middle East or at his home in New York. Second, given the weakness of James Jones, Tom Donilon—an old Ross ally from the Clinton administration— had become the de facto national security adviser. Finally, Ross had much closer ties to the Israeli government—which had been trying to bypass Mitchell from the outset—and to the American Jewish establishment. With Obama looking to mend fences, the capacity to reassure American Jewish leaders had become a crucial test of a staffer’s effectiveness, and in that contest, Ross had no equal.

If the settlement freeze had been designed to strengthen Abbas and Fayyad, the Obama administration’s retreat from it had the reverse effect. The accounts of meetings between American and Palestinian officials during Obama’s settlement climbdown are excruciating. Urged on September 16 by Mitchell’s deputy, David Hale, to accept a temporary freeze riddled with exceptions, Palestinian negotiator Saeb Erekat predicted, “this will mean more settlement construction in 2009 than in 2008.” “Let me be candid,” he declared the next day, “you made a great effort to get a settlement freeze and you did not succeed. . . . Therefore, no settlement freeze at all, not for 1 hour. More construction in 2010 than 2009. You know this.” Hale responded, “We cannot force a sovereign government,” prompting Erekat to reply, “Of course you could.”

In November, Israel and the United States agreed to a settlement freeze that exempted East Jerusalem, exempted all public buildings “essential for normal life,” exempted all buildings whose foundations had already been laid, and was set to expire in ten months. Key was the exemption for construction already under way. As Israeli newspapers reported, settlers had spent the months preceding November busily laying the foundations of new houses, which they then built upon during the “freeze.” Then, when the freeze expired, they began laying more foundations. All in all, according to Peace Now, construction began on 1,518 West Bank housing units in 2008. In 2009, the number was 1,920. In 2010— the year of the “freeze”— it was 1,712.

Publicly, Hillary Clinton calling the settlement freeze “unprecedented.” Privately, the mood was darker. As Mitchell told Erekat, “We know what you think of us because we failed.”

Once the administration abandoned its demand for a full settlement freeze, it needed to force the Palestinians to as well. To make that more palatable, American negotiators promised that Israel would not launch high-profile construction projects in areas of East Jerusalem that the Palestinians considered especially sensitive. But having learned that he could defy Obama with impunity, Netanyahu felt little need to be conciliatory. "This government has shown that you don't always need to get flustered, to surrender and give in," crowed Foreign Minister Avigdor Lieberman. Once Netanyahu "realized that Obama was not willing to twist his arm," explained Haaretz columnist Akiva Eldar, "he got more chutzpah. He saw that Obama was a paper tiger."

On November 17, eight days before the partial settlement freeze began, the Israeli government moved forward with the expansion of the East Jerusalem neighborhood of Gilo. On December 29, it issued tenders for new construction in three more Jewish neighborhoods. Finally, under intense American and European pressure, the Palestinians agreed to take part in indirect talks. In announcing the negotiations on Monday, March 8, Mitchell urged both sides "to refrain from any statements or actions which may inflame tensions or prejudice the outcome of these talks." The same day, Vice President Joseph Biden arrived in Jerusalem on a visit that was supposed to herald a new spirit of goodwill between the Obama and Netanyahu governments. While he was there, the Israeli interior ministry announced that it was almost doubling the size of the Jewish East Jerusalem neighborhood of Ramat Shlomo.

Biden, who was accompanied on the trip by Ross and National Security Council staffer Daniel Shapiro, responded mildly. He said he "condemn[ed] the decision," which "undermines the trust we need right now," and as a further protest, he arrived ninety minutes late for a dinner with Netanyahu. But that Thursday, Biden gave a conciliatory speech at Tel Aviv University that mentioned the construction only briefly. The crisis, it seemed, had passed.

While Ross and Shapiro were on a commercial flight back to Washington, however, and thus briefly incommunicado, Hillary Clinton held her weekly meeting with President Obama—with Emanuel, Jones, and Donilon sitting in—and the White House decided that it could no longer tolerate Netanyahu's affronts. On Friday, Clinton harangued the Israeli leader on the phone for 43 minutes. Two days later, on March 14, Axelrod publicly called it "an insult" that Israel had announced the Ramat Shlomo construction during Biden's visit. When Netanyahu visited the White House nine days later, Obama refused him the courtesy of a joint press conference or photo op.

The divergent responses reflected, in part, the ongoing battle between Ross and Mitchell. One administration official complained to Politico that Ross was advocating "pre-emptive capitulation to what he described as Bibi's coalition's red lines." Ross, in turn, waged what one close observer called "a ruthless campaign against George Mitchell," repeatedly suggesting that he was spending too much time at home in New York and not enough in Washington and the Middle East.

But by now, the political wind was strongly at Ross's back. Having largely supported Obama's call for a settlement freeze in 2009, only to see him retreat, congressional Democrats were wary of sticking their necks out once again. It was also an election year, and members of Congress reported that Obama's criticism of Netanyahu, in tandem with his criticism of Wall Street, was hurting donations to the Democratic campaign committees. In April, AIPAC convinced seventy-six senators to sign a letter urging Obama

to “diligently work to defuse current tensions” with Israel. And the Netanyahu government added its own the pressure. In May 2010, at a private meeting at the Council on Foreign Relations, Israeli Vice Prime Minister Moshe Yaalon called Obama the “least pro-Israel president in American history.” The following month, when Robert Wexler, a close White House ally, arranged a meeting between American Jewish officials and Abbas, Israeli officials called American Jewish leaders and urged them not to attend.

The Obama administration’s rage after the Biden trip succeeded in ending the provocations in East Jerusalem. Although he made no official pledge, Netanyahu halted new government construction for the duration of the freeze, which allowed indirect talks to resume, talks that gave way to direct talks that fall. The problem was that in those negotiations, Netanyahu refused to discuss the borders of a Palestinian state, the status of Jerusalem or the problem of refugees. Just about the only issue he would discuss was the security arrangements that would accompany a peace deal.

U.S. officials wanted the two sides to discuss borders and security simultaneously. But the Israelis refused, and as a result, the talks sometimes verged on the absurd. At a September 15, 2010, meeting at Netanyahu’s home in Jerusalem, Mahmoud Abbas tried to hand the Israeli prime minister the position papers and maps that the Palestinians had given Ehud Olmert, documents that envisioned Israel annexing 1.9 percent of the West Bank in return for equal territory inside the green line. Nine days later at the Waldorf-Astoria Hotel in New York, Erekat tried to hand the same documents to Netanyahu’s chief negotiator, Yitzhak Molho. Both times, the Israelis refused to read the documents, or even touch them.

Getting Netanyahu to discuss the borders of a Palestinian state would have required a tougher U.S. stance. But inside the Obama administration, the word had gone out: no more public fights. In fact, the White House launched an apology tour. Rahm Emanuel told a group of rabbis that the Obama team had “screwed up the messaging” on Israel. Dennis Ross said he hoped American Jewish leaders “had seen the manifestations of the change” in the administration’s tone.

By the fall of 2010, with the partial settlement freeze about to expire and the Palestinians promising to break off negotiations once it did, the administration appealed to Netanyahu to extend the freeze. But the Israelis refused. So once again, the White House was rebuffed, and once again it did not seriously consider applying pressure. To the contrary, Ross—now firmly in control of Israel policy— tried to bribe the Israelis. In exchange for a three-month extension of the partial settlement freeze, the Obama administration reportedly offered to sell Israel twenty F-35 jets, to veto a declaration of Palestinian statehood at the UN, to offer long- term security guarantees in the event of a peace deal, and to never request another extension again. Ross’s offer, wrote former U.S. ambassador to Israel Dan Kurtzer, would represent “the first direct benefit that the United States has provided Israel for settlement activities that we have opposed for 40 years.” A White House that had taken office determined to take a harder line against settlements than its predecessors was now offering to reward Israel for them in a way no administration ever had.

Which brings us back to Bibi’s visit last week. On settlements, Netanyahu has won; Obama no longer even publicly raises the issue. And on Iran, there are signs that the same cycle of capitulation is underway. Although his top generals have warned that an Israeli strike would be militarily ineffective and regionally destabilizing, Obama has refused to say so

himself, let alone publicly pressure Israel not to attack. Instead, according to the Israeli newspaper Maariv, he has tried to buy off Netanyahu with the promise that if Israel delays a strike until 2013, the US will sell it the bunker busting bombs and long-range refueling planes it needs to do the job.

Obama may believe he can cut a diplomatic deal with Tehran before then, but the political pressure on him to avoid doing so will be at least as great as the pressure to which he succumbed during the settlements fight. In Obama's first two years, his failure to defend the progressive vision of American interests and Jewish values that he learned in Chicago helped doom the peace process. If he fails this time, the price may be war.

This essay is adapted from Peter Beinart's forthcoming book, The Crisis of Zionism (Times Books).