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Research Service**

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Israel: Background and U.S. Relations in Brief

(name redacted)

Specialist in Middle Eastern Affairs

October 25, 2017

Congressional Research Service

7-....

www.crs.gov

R44245

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U.S.-Israel Relations: Current Status

For decades, strong bilateral relations have fueled and reinforced significant U.S.-Israel cooperation in many areas, including regional security. Nonetheless, at various points throughout the relationship, U.S. and Israeli policies have diverged on some important issues. Significant differences regarding regional issues—notably Iran and the Palestinians—arose or intensified during the Obama Administration.¹ Since President Donald Trump’s inauguration in January 2017, he and Israeli Prime Minister Binyamin Netanyahu have discussed ways “to advance and strengthen the U.S.-Israel special relationship, and security and stability in the Middle East.”²

A number of issues have significant implications for U.S.-Israel relations. They include

- Regional security issues (including those involving Iran, Hezbollah, Syria, and Hamas) and U.S.-Israel cooperation.
- Various controversies regarding Israeli-Palestinian issues and diplomatic efforts to address them, including recent tensions concerning Jerusalem holy sites.
- Israeli domestic political issues.

In the Consolidated Appropriations Act, 2017 (P.L. 115-31), Congress appropriated \$75 million in Foreign Military Financing for Israel in FY2017 beyond the \$3.1 billion identified for that year in a U.S.-Israel memorandum of understanding (MOU) covering FY2009-FY2018. Prime Minister Netanyahu reportedly pledged to reimburse the U.S. government for amounts appropriated beyond the MOU amounts for FY2017 or FY2018 as part of the negotiations accompanying the September 2016 MOU that will cover FY2019-FY2028.³ However, in the State Department’s September 12, 2017, press briefing, its spokesperson indicated that Israel would get the \$75 million.

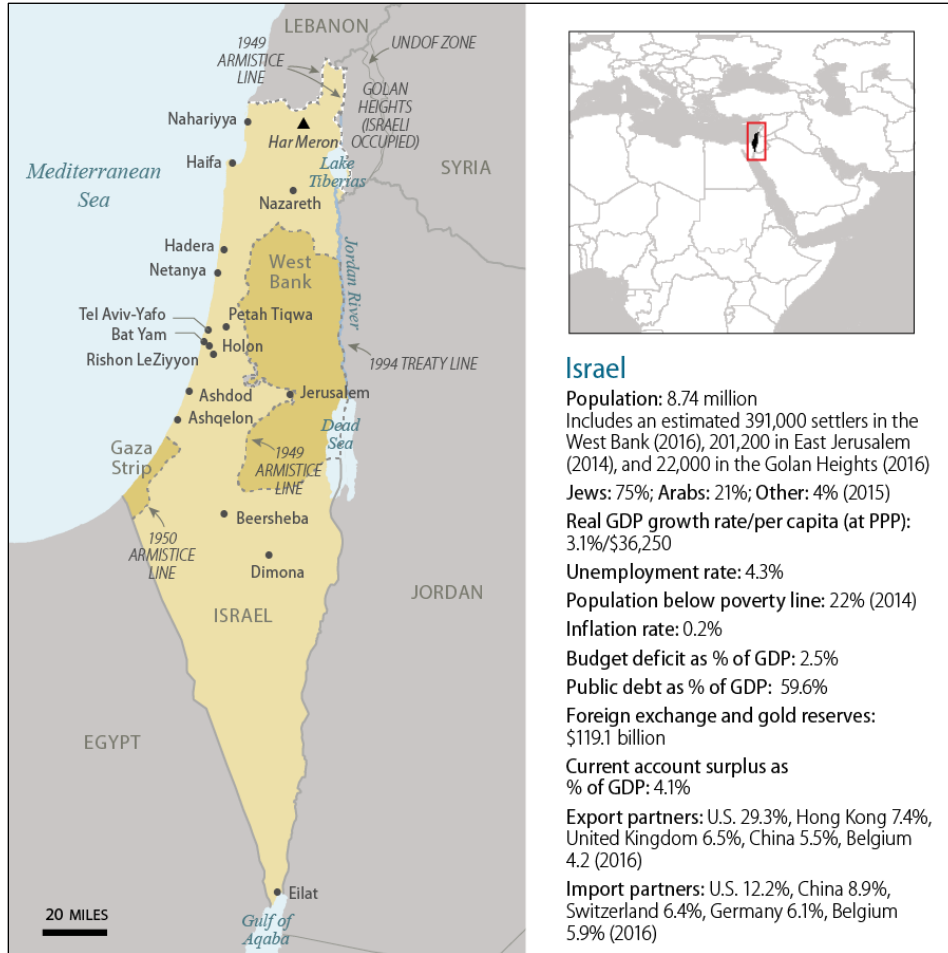
For background information and analysis on these and other topics, including aid, arms sales, and missile defense cooperation, see CRS Report RL33476, *Israel: Background and U.S. Relations*, by (name redacted); CRS Report RL33222, *U.S. Foreign Aid to Israel*, by (name redacted); and CRS Report R44281, *Israel and the Boycott, Divestment, and Sanctions (BDS) Movement*, coordinated by (name redacted)

¹ See, e.g., Jeffrey Goldberg, “The Obama Doctrine,” *The Atlantic*, April 2016; Jason M. Breslow, “Dennis Ross: Obama, Netanyahu Have a ‘Backdrop of Distrust,’” PBS Frontline, January 6, 2016; Sarah Moughty, “Michael Oren: Inside Obama-Netanyahu’s Relationship,” PBS Frontline, January 6, 2016.

² White House Office of the Press Secretary, “Readout of the President’s Call with Prime Minister Netanyahu of Israel,” January 22, 2017. See also Aron Heller, “After Obama, Israel’s Netanyahu relishing in Trump love fest,” Associated Press, October 19, 2017.

³ “U.S.-Israel Deal held up over Dispute with Lindsey Graham,” *Washington Post*, September 11, 2016.

Figure I. Israel: Map and Basic Facts



Sources: Graphic created by CRS. Map boundaries and information generated by (name redacted) using Department of State Boundaries (2011); Esri (2013); the National Geospatial-Intelligence Agency GeoNames Database (2015); DeLorme (2014). Fact information from CIA, *The World Factbook*; Economist Intelligence Unit; IMF World Outlook Database; Israel Central Bureau of Statistics. All numbers are estimates and as of 2017 unless specified.

Notes: United Nations Disengagement Observer Force (UNDOF) withdrew to Israeli-controlled territory in the Golan Heights in September 2014. The West Bank is Israeli-administered with current status subject to the 1995 Israeli-Palestinian Interim Agreement; permanent status to be determined through further negotiation. The status of the Gaza Strip is a final status issue to be resolved through negotiations. Israel proclaimed Jerusalem as its capital in 1950, but the United States, like nearly all other countries, retains its embassy in Tel Aviv-Yafo. Boundary representation is not necessarily authoritative.

Regional Security Issues

For decades, Israel has relied on the following three perceived advantages—all generally considered to be backed or countenanced by the United States—to manage potential threats to its security and existence:

- overwhelming regional conventional military superiority;
- undeclared but universally presumed regional nuclear weapons capability;⁴ and
- de jure or de facto arrangements with the authoritarian leaders of its Arab state neighbors aimed at preventing regional conflict.

Israeli officials closely consult with U.S. counterparts in an effort to influence U.S. decisionmaking on key regional issues. Given Israeli concerns about these issues and about potential changes in levels of U.S. interest and influence in the region, some of Israel's leaders and supporters make the case to U.S. officials and lawmakers that

- Israel's security and the broader stability of the region continue to be critically important for U.S. interests; and
- Israel has substantial and multifaceted worth as a U.S. ally beyond temporary geopolitical considerations and shared ideals and values.

U.S. decisionmakers' views on these points could influence the type and level of support that the United States might provide to address threats Israel perceives, or how Israel might continue its traditional prerogative of “defending itself, by itself” while also receiving external assistance. It also could influence the extent to which the United States places conditions on the support it provides to Israel.

The following are significant (and sometimes overlapping) threats facing Israel.

Iran and Its Allies (Including Hezbollah and Hamas)

Although many Israeli officials have accepted the 2015 international agreement on Iran's nuclear program, and some even have characterized it in positive terms, Iran remains of primary concern to Israel largely because of (1) its antipathy toward Israel, (2) its broad regional influence, and (3) the possibility that it will not face constraints on its nuclear program in the future. Netanyahu remains publicly skeptical of the Iranian nuclear agreement, calling in a September 2017 speech before the U.N. General Assembly for the agreement's signatories to “fix it or nix it.”⁵

Netanyahu welcomed President Trump's decision in October 2017 to refrain from certifying (under the Iran Nuclear Agreement Review Act of 2015, P.L. 114-17) that suspension of sanctions on Iran in relation to the 2015 agreement is “appropriate and proportionate” to the measures taken

⁴ Israel is not a party to the Nuclear Nonproliferation Treaty (NPT) and maintains a policy of “nuclear opacity” or *amimut*. A 2014 report examining data from a number of sources through the years estimated that Israel possesses an arsenal of around 80 nuclear weapons. Hans M. Kristensen and Robert S. Norris, “Israeli nuclear weapons, 2014,” *Bulletin of the Atomic Scientists*, vol. 70(6), 2014, pp. 97-115. The United States has countenanced Israel's nuclear ambiguity since 1969, when Israeli Prime Minister Golda Meir and U.S. President Richard Nixon reportedly reached an accord whereby both sides agreed never to acknowledge Israel's nuclear arsenal in public. Eli Lake, “Secret U.S.-Israel Nuclear Accord in Jeopardy,” *Washington Times*, May 6, 2009. No other Middle Eastern country is generally thought to possess nuclear weapons.

⁵ Israel Prime Minister's Office, PM Netanyahu's Speech at the United Nations General Assembly, September 19, 2017.

by Iran to terminate its illicit nuclear program.⁶ Netanyahu and his supporters in government reportedly favor the prospect of a toughened U.S. and international sanctions regime that constrains Iran's commercial links and covers matters not directly connected to Iran's nuclear program, such as Iran's development of ballistic missiles and its sponsorship of terrorist groups.⁷ Media reports indicate that many current and former officials from Israel's military and security establishment may favor the preservation of the nuclear deal because of doubts about achieving international consensus regarding stricter limits on Iran's conduct.⁸

Major Iranian allies with the ability to threaten Israel include Lebanese Hezbollah and the Syrian regime of Bashar al Assad. Hamas (with its main base of operations in the Gaza Strip) is also largely aligned with Iran, but somewhat less so than the others mentioned, perhaps because of its Sunni Islamist and Palestinian nationalist characteristics. In recent years, Israel and Arab Gulf states have discreetly cultivated closer relations with one another in efforts to counter Iran.⁹

Lebanon-Syria Border Area and Israel-Hezbollah Tensions

Hezbollah has challenged Israel's security near the Lebanese border for decades. Various incidents have increased speculation about future conflict between Israel and Hezbollah and potential consequences for Lebanon, Israel, Syria, and others.¹⁰

Israeli officials have sought to draw attention to Hezbollah's weapons buildup—including reported upgrades to the range and precision of its projectiles—and its alleged use of Lebanese civilian areas as strongholds.¹¹ Some media reporting in 2017 has focused on claims that Iran has helped Hezbollah set up underground factories in Lebanon to manufacture weapons previously only available from outside the country, and therefore subject to Israeli interdiction or attack.¹² In August 2017, the former commander of the Israel Air Force (IAF) claimed that Israel had hit weapons convoys for Hezbollah almost 100 times since civil war broke out in Syria in 2012.¹³ In September 2017, the IAF allegedly struck an area in northwestern Syria—reportedly targeting a Syrian chemical weapons facility¹⁴ and/or a factory producing precision weapons transportable to Hezbollah.¹⁵ In October, the IAF acknowledged striking a Syrian anti-aircraft battery that

⁶ For information on President Trump's decision, see CRS Report R44942, *Options to Cease Implementing the Iran Nuclear Agreement*, by (name redacted), (name redacted), and (name redacted) .

⁷ See, e.g., Jonathan Ferziger and Udi Segal, "Netanyahu's Challenge: Help Trump Fix or Scrap the Iran Deal," Bloomberg, October 18, 2017.

⁸ Barak Ravid, et al., "Netanyahu at Odds With Israeli Military and Intelligence Brass Over Whether to Push Trump to Scrap Iran Nuclear Deal," *Ha'aretz*, September 16, 2017; Laura Rozen, "Ex-Netanyahu national security adviser urges US to keep Iran deal," *Al-Monitor*, October 2, 2017; Mark Landler, "Ehud Barak, Israeli Hawk and No Friend of Iran, Urges Trump to Keep Nuclear Deal," *New York Times*, October 11, 2017.

⁹ Neri Zilber, "Israel's secret Arab allies," *New York Times*, July 15, 2017.

¹⁰ One media source asserted that Israeli intelligence believes that an Israel-Hezbollah war in the near future is "unlikely," but the media source questioned whether the status quo could hold for long if Iran expands its territorial influence from Iraq to the Mediterranean. "The endgame in Syria," *Economist*, September 14, 2017. For possible conflict scenarios, see Andrew Exum, "The Hubris of Hezbollah," *The Atlantic*, September 18, 2017; and Michael Eisenstadt and Jeffrey White, "A War Without Precedent: The Next Hizballah-Israel Conflict," *American Interest*, September 19, 2017.

¹¹ Exum, op. cit.

¹² See, e.g., Gili Cohen, "Iran Reportedly Built Weapons Factories in Lebanon for Hezbollah," *Ha'aretz*, March 14, 2017.

¹³ "Israel said to have hit Hezbollah convoys dozens of times," *Times of Israel*, August 17, 2017.

¹⁴ "Israel airstrike hits suspected Syrian chemical weapons plant," Deutsche Welle, September 7, 2017.

¹⁵ Ben Caspit, "Will Russia Tolerate Israeli Actions in Syria?" *Al-Monitor Israel Pulse*, September 11, 2017.

apparently targeted Israeli aircraft flying over Lebanon.¹⁶ Russia's actions could affect future Israeli operations, given that it maintains advanced air defense systems and other interests in Syria.

In line with much of the rest of the region, the area around the previously quiet line of control between Israel and Syria in the Golan Heights has become more unstable since 2012. A June 2017 media report indicated that Israel has provided various means of support to Syrian rebel groups in order to prevent Hezbollah or other Iran-linked groups from controlling the area.¹⁷ Israeli officials have sought to influence developments involving larger powers like a truce brokered by the United States, Russia, and Jordan in July 2017 in southern Syria. Israel apparently has insisted that Iranian-backed militias remain farther from Israeli-controlled territory than some reports indicate might eventually be the case.¹⁸

Israeli-Palestinian Conflict

The threat to Israel from the unresolved conflict with the Palestinians may have less destructive potential in immediate military terms than threats from Iran's and Hezbollah's missiles and other capabilities. However, if the conflict remains unresolved, it could have long-term political implications that fuel wider regional or global problems for Israel. Three major conflicts between Israel and Palestinian militant groups in the Gaza Strip (most prominently, Hamas) have taken place in 2008-2009, 2012, and 2014, and some analysts have speculated about the possibility that conflict could resume.¹⁹

General Regional Instability

Since late 2010, a number of countries in the region have experienced significant turmoil, leading to heightened uncertainty with regard to situations on or near Israel's borders that involve non-state groups and flows of people, goods, and weapons. To some extent, these developments may have reduced the conventional military threats facing Israel.

Israeli-Palestinian Issues

Context and Diplomatic Efforts

President Trump has stated aspirations to help broker a final-status Israeli-Palestinian agreement as the "ultimate deal." The President's advisors on Israeli issues include his senior advisor Jared Kushner (who is also his son-in-law), special envoy Jason Greenblatt, and U.S. Ambassador to Israel David Friedman.²⁰

¹⁶ "Israel Carries Out Air Strike on Syrian Anti-Aircraft Battery," Reuters, October 17, 2017.

¹⁷ Rory Jones, et al., "Israel Gives Cash, Aid to Rebels in Syria," *Wall Street Journal*, June 19, 2017.

¹⁸ Amos Yadlin, "How to Understand Israel's Strike on Syria," *New York Times*, September 9, 2017.

¹⁹ See, e.g., Nathan Thrall and Robert Blecher, "Stopping the next Gaza war," *New York Times*, July 31, 2017.

²⁰ Friedman's nomination and Senate confirmation (which took place via a 52-46 vote) attracted attention because of his past statements and financial efforts in support of controversial Israeli settlements in the West Bank, and his sharp criticism of the Obama Administration, some Members of Congress, and some American Jews. At Friedman's February 16, 2017, nomination hearing before the Senate Foreign Relations Committee, he apologized for and expressed regret regarding many of the critiques he previously directed at specific people.

At a February 2017 White House press conference with the President, Netanyahu voiced support for an effort to involve “newfound Arab partners in the pursuit of a broader peace and peace with the Palestinians”²¹ that Israel had previously proposed and that the Administration is reportedly exploring. In 2016, then-Secretary of State John Kerry reportedly made some initial efforts aimed at securing Israeli, Palestinian, and Arab state participation in a regional peace initiative.²² Nevertheless, it is unclear whether Arab states would be willing and able to facilitate a conflict-ending resolution between the two parties or accept normalization in their relations with Israel beforehand. At the White House press conference, Netanyahu insisted on two “prerequisites for peace”: (1) Palestinian recognition of Israel as a Jewish state,²³ and (2) an indefinite Israeli security presence in the Jordan Valley area of the West Bank.

Since Netanyahu’s February visit, some developments suggested that President Trump might seek a resumption of Israeli-Palestinian negotiations, including Trump’s own visit to Israel and the West Bank in May, shortly after a May visit by Palestinian Authority (PA) President Mahmoud Abbas to the White House. Abbas signaled a willingness to return to negotiations using the 2002 Arab Peace Initiative as a starting point.²⁴ Presidential envoy Jason Greenblatt has met with leading officials of both sides and of various Arab states during travels to the region. A May media report indicated that Arab Gulf states may be willing to normalize some economic relations with Israel in exchange for overtures on its part. Such overtures might include limits on settlement construction or loosening restrictions on imports into the Gaza Strip.²⁵

However, Israeli-Palestinian tensions during summer 2017 and various political developments since then have raised questions about whether and when a new U.S.-backed diplomatic initiative might surface. Additionally, some of President Trump’s statements have fueled public speculation about the level of his commitment to a negotiated “two-state solution,” a conflict-ending outcome that U.S. policy has largely anticipated since the Israeli-Palestinian peace process began in the 1990s. Trump did not reference Israeli-Palestinian issues during his September 2017 speech to the U.N. General Assembly.²⁶

Other possible presidential or legislative initiatives could address these.

²¹ White House Office of the Press Secretary, Remarks by President Trump and Prime Minister Netanyahu of Israel in Joint Press Conference, February 15, 2017.

²² Barak Ravid, “Exclusive-Kerry Offered Netanyahu Regional Peace Plan in Secret 2016 Summit With al-Sissi, King Abdullah,” *Ha’aretz*, February 19, 2017.

²³ Although the Palestine Liberation Organization (PLO) explicitly recognized Israel’s right to exist in 1993, PLO leaders have been reluctant to publicly accept that Israel is the “nation-state of the Jewish people” because of concerns that doing so could contribute to negative effects for the Arab citizens who make up approximately 20% of Israel’s population, as well as undermine the claims of Palestinian refugees to a “right of return” to their original or ancestral homes in present-day Israel.

²⁴ White House Office of the Press Secretary, Remarks by President Trump and President Abbas of the Palestinian Authority in Joint Statement, May 3, 2017. The Arab Peace Initiative offers a comprehensive Arab peace with Israel if Israel were to withdraw fully from the territories it occupied in 1967, agree to the establishment of a Palestinian state with a capital in East Jerusalem, and provide for the “[a]chievement of a just solution to the Palestinian Refugee problem in accordance with UN General Assembly Resolution 194.” The initiative was proposed by Saudi Arabia, adopted by the 22-member Arab League (which includes the PLO), and later accepted by the 56-member Organization of the Islamic Conference (now the Organization of Islamic Cooperation) at its 2005 Mecca summit. The text of the initiative is available at <http://al-bab.com/documents-section/arab-peace-initiative-2002>.

²⁵ Jay Solomon and Gordon Lubold, “Arab States Make an Offer to Israel—Gulf states set to take steps toward better relations in return for move by Netanyahu,” *Wall Street Journal*, May 16, 2017.

²⁶ Mazal Mualem, “At UN, Netanyahu uses Iran threat to sideline Palestinians,” *Al-Monitor Israel Pulse*, September 20, 2017.

- U.S. aid to Israel and the Palestinians.
- U.S. policy on a two-state solution and other issues of dispute.
- U.S. contributions to and participation at the United Nations and other international bodies.²⁷
- U.S. approaches to other regional and international actors that have roles in Israeli-Palestinian issues.

Some aspects of the Israeli-Palestinian conflict appear unchanged by recent diplomatic developments. Israel maintains overarching control of the security environment in Israel and the West Bank. Palestinians remain divided between a PA administration with limited self-rule in specified West Bank urban areas, led by the Fatah movement and PA President Abbas, and de facto Hamas control in the Gaza Strip. Both the PA and Hamas face major questions regarding future leadership.²⁸

In October, Fatah and Hamas reportedly reached an Egyptian-mediated agreement that might allow the Fatah-led PA greater administrative control over Gaza and its border crossings.²⁹ It is unclear whether this initial step and possible additional steps toward uniting the West Bank and Gaza under PA rule can be implemented, or might mirror past situations in which Fatah-Hamas agreements have remained unimplemented.³⁰ As in those situations, the current case appears to center on Hamas's willingness to cede control of security in Gaza to the PA.³¹ PA President Abbas has insisted that he will not accept a situation where PA control is undermined by Hamas's militia.³²

Some observers have asserted that because of Egypt's leading role in the Fatah-Hamas talks, Israel has not been inclined to oppose the effort more robustly.³³ However, after the initial agreement was announced, Israel's security cabinet announced that it would not "conduct diplomatic negotiations with a Palestinian government that relies on Hamas"³⁴ unless that government meets the following conditions.³⁵

- The PA government recognizes Israel and desists from terrorism.
- Hamas disarms.

²⁷ The United States withdrew from the U.N. Educational, Scientific, and Cultural Organization in October 2017, largely owing to its actions in the Israeli-Palestinian sphere. CRS Insight IN10802, *U.S. Withdrawal from the United Nations Educational, Scientific and Cultural Organization (UNESCO)*, by (name redacted). Israel subsequently withdrew from UNESCO. Additionally, Section 7048(c) of the Consolidated Appropriations Act, 2017 (P.L. 115-31), prohibits funding in support of the U.N. Human Rights Council unless the Secretary of State determines "that participation in the Council is important to the national interest of the United States and that the Council is taking significant steps to remove Israel as a permanent agenda item."

²⁸ See CRS In Focus IF10644, *The Palestinians: Overview and Key Issues for U.S. Policy*, by (name redacted)

²⁹ CRS Report RL34074, *The Palestinians: Background and U.S. Relations*, by (name redacted) and Teddy Morris, "Rival Palestinian factions Hamas and Fatah reach unity plan after 10-year split," *Washington Post*, October 12, 2017.

³⁰ Grant Rumley and Neri Zilber, "Can Anyone End the Palestinian Civil War?" *foreignpolicy.com*, October 16, 2017.

³¹ Ibid.; Saud Abu Ramadan, et al., "Hamas Deal to Cede Gaza Control Sets Up Showdown Over Guns," *Bloomberg*, October 2, 2017.

³² Rory Jones, "Palestinian Talks Hit an Impasse," *Wall Street Journal*, October 4, 2017. For additional background, see Avi Issacharoff, "Sick of running Gaza, Hamas may be aiming to switch to a Hezbollah-style role," *Times of Israel*, October 1, 2017.

³³ See, e.g., Akiva Eldar, "Why Hamas should thank Netanyahu," *Al-Monitor Israel Pulse*, October 10, 2017.

³⁴ Israel Prime Minister's Office, Security Cabinet Decision, October 17, 2017.

³⁵ Ibid. (the source for the stated conditions)

- Hamas returns the Israeli civilians and the bodies of Israeli soldiers that are in its custody.
- The PA exercises full security control in Gaza, including at the crossings, and prevents smuggling.
- The PA continues to act against Hamas terror infrastructures in the West Bank.
- Hamas severs its ties with Iran.
- Funds and humanitarian equipment continue to flow into Gaza only via the PA and the mechanisms that have been established for this purpose.

Some observers question whether Israel can maintain this stance given that the Trump Administration appears to support the Egyptian-mediated negotiating process between Palestinian factions.³⁶ During an October trip to the region, U.S. special envoy Jason Greenblatt voiced support for the PA to “assume full, genuine, and unhindered civil and security responsibilities in Gaza”³⁷ while reiterating the importance of the following principles that the international Quartet (the United States, European Union, Russia, and U.N. Secretary-General’s office) established in 2006:

any Palestinian government must unambiguously and explicitly commit to nonviolence, recognize the State of Israel, accept previous agreements and obligations between the parties—including to disarm terrorists—and commit to peaceful negotiations. If Hamas is to play any role in a Palestinian government, it must accept these basic requirements.

There has been little or no change in the gaps between Israeli and Palestinian positions on key issues of dispute since the last round of direct talks broke down in April 2014. Since 2011, Arab states that have traditionally championed the Palestinian cause have been more preoccupied with domestic and other regional concerns, and many have built or strengthened informal ties with Israel based on common views regarding Iran and its regional influence.

Settlements

To date, the Trump Administration has been less critical than the Obama Administration of Israeli settlement-related announcements and construction activity. However, in February 2017, the White House press secretary released a statement with the following passage:

While we don’t believe the existence of settlements is an impediment to peace, the construction of new settlements or the expansion of existing settlements beyond their current borders may not be helpful in achieving that goal. As the President has expressed many times, he hopes to achieve peace throughout the Middle East region.³⁸

Also, at his February 15 White House press conference with Netanyahu, President Trump told Netanyahu that he wanted to see Israel “hold back on settlements for a little bit.”

Subsequently, Administration responses to Israeli settlement-related announcements have mostly taken the form of general statements of policy rather than specific reactions focused on the announcements’ details. In September 2017, Netanyahu told settler leaders that U.S. officials had told him privately that the Administration was prepared to tolerate limited settlement building and would not distinguish between settlement “blocs” (generally closer to Israel proper) and so-called

³⁶ Ben Caspit, “Can Netanyahu say ‘no’ to Trump?” *Al-Monitor Israel Pulse*, October 23, 2017.

³⁷ U.S. Embassy in Israel, Statement by Special Representative for International Negotiations Jason Greenblatt on Hamas-Fatah Reconciliation Efforts, October 19, 2017

³⁸ White House Office of the Press Secretary, Statement by the Press Secretary, February 2, 2017.

isolated settlements.³⁹ October media reports indicated that new construction approvals would include units in places relatively remote from Israel proper,⁴⁰ and one report suggested that Israel may be coordinating settlement plans to some extent with U.S. officials.⁴¹ A State Department spokesperson said in an October 10 press briefing that President Trump has clarified privately and publicly “that unrestrained settlement activity does not advance the prospect for peace,” and also that “past demands for settlement freezes have not necessarily worked.” According to one media source, as Netanyahu tries to “balance the demands of his pro-settlement coalition partners with the opposition from the international community,” settlement opponents’ concerns focus on the remoter areas as well as possible preparatory moves to develop a geographically sensitive area of Jerusalem known as Givat Hamatos.⁴²

Jerusalem

Tensions over Holy Sites and with Jordan

The status of Jerusalem and its holy sites has been a long-standing issue of political and religious contention between Jews and Muslims. Since 2014, various incidents related to the Temple Mount/Haram al Sharif [“Mount/Haram”] have contributed to rounds of violence and political tension. In fall 2015, such tensions contributed to a wave of mostly “lone wolf” attacks by Palestinians against Jewish Israeli security personnel and civilians that intensified for several months, tailed off in 2016, and have periodically resurfaced since then.⁴³

In July 2017, a succession of events at the Mount/Haram led to a crisis involving Israel, Jordan, and the Palestinian Authority (PA). After three Arab Israelis shot and killed two Israeli Druze police officers on the Mount/Haram on July 14, Israeli officials closed the Mount/Haram and later reopened it with newly installed security measures (including metal detectors) for Muslim visitors. In response, the Jordanian *waqf* (or custodial trust) that administers the Mount/Haram and the PA encouraged Muslims to worship outside the Mount/Haram rather than enter through the security measures. The situation fueled Muslim concerns that Israel was altering the long-standing “status quo” arrangement for the Mount/Haram that it had agreed to uphold after taking control of East Jerusalem in 1967.⁴⁴ Disagreements over Mount/Haram access implicate questions of security, religion, and sovereignty.

Some violence ensued on July 21. Three Palestinians died in clashes between protestors and Israeli security personnel, and a Palestinian stabbed three Israelis to death in a West Bank settlement. Then, on July 23, a security guard at Israel’s embassy in Jordan was reportedly attacked with a screwdriver and defended himself by shooting and killing the alleged attacker. The guard also killed another Jordanian, possibly as an unintentional consequence of self-

³⁹ Jacob Magid and Alexander Fulbright, “PM to settler leaders: US told Israel not to be a pig on settlement building,” *Times of Israel*, September 27, 2017.

⁴⁰ “Israel to approve almost 4,000 new West Bank homes—report,” *Times of Israel*, October 8, 2017.

⁴¹

⁴² David M. Halbfinger and Isabel Kershner, “Israel Presses Forward on West Bank Settlement Plans, but Guardedly,” *New York Times*, October 17, 2017.

⁴³ More than 40 Israelis and 270 Palestinians have been killed as a result of that violence. “Israeli Police, Palestinian Militants Deny IS Claim in Fatal Stabbing of Policewoman,” *Voice of America*, June 17, 2017.

⁴⁴ For more information on the “status quo,” see CRS Report RL33476, *Israel: Background and U.S. Relations*, by (name redacted)

defense.⁴⁵ It is unclear whether the incident was connected to the Jerusalem tensions, but the two became connected in the public narrative due to the timing.

Although details have not been confirmed publicly, it appears that Israel may have removed the metal detectors from the Mount/Haram access points to defuse a crisis with the Jordanian government, which sought to prevent the Israeli security guard and other embassy staff from leaving Jordan.⁴⁶ Israel subsequently removed the other security measures it had added, and Muslims returned to the Mount/Haram.

Jordan allowed the security guard and all other embassy staff (including Israel's ambassador to Jordan) to return to Israel, where they remain as of October 2017. After the guard received a public welcome from Netanyahu upon his return to Israel, King Abdullah II of Jordan demanded that Israel take "all measures to ensure the trial of the killer."⁴⁷ An Israeli police probe of the shooting is ongoing, prompting a Jordanian government spokesperson to respond, "We think this is a step in the right direction.... We expect judicial action to follow in line with the international laws relevant to these cases. Justice must be served."⁴⁸

Jordan and Jerusalem

Perhaps more than any other Arab state, Jordan has a significant stake in any development affecting the status of Jerusalem. As mentioned, above, Jordan and its king, Abdullah II, maintain a custodial role—recognized by Israel and the Palestinians—over the Old City's Temple Mount/Haram al Sharif and its holy sites. This area is the third-holiest in Islam (after Mecca and Medina in Saudi Arabia). Also, Palestinians make up a large portion (probably a majority) of Jordan's population, so any situation involving possible discontent or unrest among Palestinians has the potential to affect Jordan.

Location of U.S. Embassy

The Jerusalem Embassy Act of 1995 (P.L. 104-45) provided for the relocation of the U.S. embassy to Israel from Tel Aviv to Jerusalem by May 31, 1999, but granted the President authority, in the national security interest, to suspend limitations on State Department expenditures that would be imposed if the embassy did not open. Presidents Clinton, George W. Bush, and Obama consistently suspended these spending limitations, and the embassy has remained in Tel Aviv.

As a candidate, Donald Trump—like Bill Clinton and George W. Bush when they were presidential candidates—pledged to move the embassy to Jerusalem. After the election a number of Trump's top aides reportedly stated that Trump intended to follow through on the pledge,⁴⁹ and Trump himself said in response to a question on the subject shortly before his inauguration that he does not break promises.⁵⁰

However, Trump appears to have reconsidered the embassy move in light of concerns reportedly raised by Arab leaders, particularly Egyptian President Abdel Fattah al Sisi and Jordanian King

⁴⁵ Itamar Eichner and Tova Zimuki, "Israeli security guard Ziv presents his version on Jordan shooting incident," *ynetnews*, July 27, 2017.

⁴⁶ Avi Issacharoff, "Netanyahu turns capitulation into personal triumph," *Times of Israel*, July 25, 2017.

⁴⁷ Suleiman al-Khalidi, "Jordan's king demands Israel put guard on trial for killing Jordanians," Reuters, July 27, 2017.

⁴⁸ "Jordan Cautiously Welcomes Israel Probe into Embassy Killings," *Jordan Times*, August 5, 2017.

⁴⁹ Daniel Estrin, "Trump Favors Moving U.S. Embassy to Jerusalem, Despite Backlash Fears," NPR, November 15, 2016.

⁵⁰ Ian Fisher, "Netanyahu Says U.S. Should Move Its Embassy," *New York Times*, January 30, 2017.

Abdullah II.⁵¹ On June 1, 2017, President Trump signed a determination that suspended the P.L. 104-45 limitations on State Department spending for another six months. In June, the Senate passed S.Res. 176, which reaffirmed P.L. 104-45 and that “it is the longstanding, bipartisan policy of the United States Government that the permanent status of Jerusalem remains a matter to be decided between the parties through final status negotiations towards a two-state solution.”

Domestic Israeli Developments

As 2017 has progressed, a legal probe of Prime Minister Netanyahu turned into a criminal investigation—in connection with allegations of various types of corruption—that some observers speculate could threaten his term of office.⁵² Netanyahu has dismissed the allegations. In the meantime, a number of controversial domestic developments have taken place in an overall environment where public figures debate the implications of various political, societal, and economic trends.⁵³ Contention surrounding these issues may be greater given the possibility of early elections (legally, elections are required by 2019) if the governing coalition splits over Israeli-Palestinian negotiations, the criminal investigation into Netanyahu’s conduct, or some other issue.

- In February, the Knesset passed the Regulation Law. The law authorized the Israeli government to expropriate private Palestinian property in order to provide a basis for the legality (under Israeli law) of perhaps more than half of the approximately 100 settlement outposts.⁵⁴ However, in August, the Israeli Supreme Court froze the law’s implementation pending the government’s efforts to justify it.⁵⁵
- Also in February, Sergeant Elor Azaria, a former military medic, was sentenced by an Israeli military court to 18 months in prison for manslaughter for shooting and killing a Palestinian (in March 2016) who had attacked an Israeli soldier minutes earlier but had been disarmed, was wounded, and no longer appeared to present a threat. The case, verdict, and sentencing generated enormous controversy domestically and internationally.⁵⁶
- In March, the Knesset passed the Amendment Law, which prohibits foreigners from entering Israel if they have publicly committed to boycott Israel or areas it controls.⁵⁷
- In May, the Knesset Ministerial Committee on Legislation placed the Nationality Bill on the legislative agenda. If passed, the bill would define Israel as the

⁵¹ “Trump likely to sign waiver keeping U.S. embassy in Tel Aviv for now,” CBS News, May 17, 2017.

⁵² Ben Caspit, “Netanyahu versus Israel,” *Al-Monitor Israel Pulse*, September 20, 2017; Ronen Bergman and Holger Stark, “Submarine affair’s secrets are coming to the surface,” *Ynetnews*, October 17, 2017. A separate investigation implicates Interior Minister Aryeh Deri, who was previously convicted for corruption-related actions while serving in the same post two decades ago. Eliyahu Kamisher, “Deri questioned, 14 detained in corruption investigation,” *jpost.com*, May 29, 2017.

⁵³ See, e.g., Mazal Muallem, “Knife fight at the Knesset,” *Al-Monitor Israel Pulse*, October 24, 2017

⁵⁴ Joe Dyke, “Clashes as Israel evicts wildcat settlers,” *Agence France Presse*, February 1, 2017.

⁵⁵ “Israeli Supreme Court freezes controversial law legalizing some West Bank outposts,” *Jewish Telegraphic Agency*, August 17, 2017.

⁵⁶ “Israeli soldier gets 18 months for fatal shooting of Palestinian attacker,” *Associated Press*, February 21, 2017.

⁵⁷ Ruth Levush, “Israel: Prevention of Entry of Foreign Nationals Promoting Boycott of Israel,” *Global Legal Monitor*, Law Library of Congress, March 17, 2017.

national homeland of the Jewish people and establish Hebrew as the only official language (downgrading Arabic to a special status). Although its direct effect would be largely symbolic, some observers are concerned that the bill might further undermine the place of Arabs in Israeli society.⁵⁸

- In June, the Netanyahu government froze a plan it had agreed to in 2016 to establish an “egalitarian” space where men and women could pray together at the Western Wall. Freezing the plan forestalled its possible enforcement via court action. This action and the government’s accompanying proposal of a bill that would limit authority over religious conversions to Israel’s chief rabbinate have been roundly criticized by large segments of the Jewish diaspora (including many U.S. Jews).⁵⁹ The government has stated that discussions will continue toward a compromise on the issue of egalitarian space at the Western Wall.⁶⁰
- In September, the Supreme Court struck down a 2015 law seeking additional limits or delays on mandatory military conscription for ultra-Orthodox (Haredi) Jews, and tasked the government with implementing a legally acceptable conscription framework for Haredim within one year.⁶¹
- Controversial legislation may be forthcoming in late 2017 regarding
 - efforts to limit the Supreme Court’s power of judicial review over legislation;⁶² and
 - possible Israeli annexation of West Bank settlements (currently under military administration) located near Jerusalem.⁶³

If elections take place in the near future, Netanyahu could face challenges from figures farther to the right of the political spectrum (including Education Minister Naftali Bennett, Defense Minister Avigdor Lieberman, former minister Gideon Saar, and the previous defense minister Moshe Ya’alon), or nearer the center or left (former finance minister Yair Lapid and new Labor Party leader Avi Gabbay).

Author Contact Information

(name redacted)
Specialist in Middle Eastern Affairs
[redacted]@crs.loc.gov 7-....

⁵⁸ See, e.g., Mazal Mualem, “Does Israel really need the Nationality Law?” *Al-Monitor Israel Pulse*, May 9, 2017.

⁵⁹ The government’s actions are largely seen as an effort to placate demands by ultra-Orthodox political parties that belong to the current government coalition. According to one observer, “To the chagrin of Reform, Conservative and more moderate Orthodox Jews, neither the Western Wall nor the issue of conversion to Judaism has the same importance in Israeli public life as it does among the Jewish Diaspora, where both are more closely connected to matters of personal identity.” Shalom Lipner, “Bending at Israel’s peril,” *New York Times*, July 1, 2017.

⁶⁰ “Israel freezes Western Wall compromise that was to create egalitarian prayer section,” Jewish Telegraphic Agency, June 25, 2017.

⁶¹ “High Court strikes down law that postponed ultra-Orthodox draft,” *Times of Israel*, September 12, 2017.

⁶² See, e.g., Marissa Newman, “Shaked, Bennett propose constitutional law to circumvent Supreme Court,” September 15, 2017.

⁶³ Peter Beaumont, “Netanyahu backs annexation of 19 West Bank settlements,” *theguardian.com*, October 3, 2017.

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