



Press Release

15th Herzliya Conference

"Anyone who will sanction and boycott us will be boycotted."

The Middle East's leading security & policy gathering continues through June 9th at the IDC Herzliya Campus

At a session entitled "Towards a Two-State Solution or a One-State Eventuality?" held today at the 2015 Herzliya Conference, Israeli Minister of Education and Minister of Diaspora Affairs; and Chairman of "Habayit Hayehudi" party, MK Naftali Bennett, addressed the issue of Boycott Divest Sanctions (BDS) against Israel.

Bennett said: "Let it be clear to any company or organization that is considering boycotting us: we will hit back, we will attack our attackers, and we will boycott our boycotters. The boycott weapon is a double-edged sword. We will no longer remain silent. "

"The Orange incident is a watershed moment" said Bennett. "It is the first time that Israel and its allies fight back. A loud and strong action of Jews and non-Jews around the world resulted in a total upheaval of Orange's policy. Many of our friends cried out against Orange and demanded to disconnect from their services. And the pressure worked. Orange receded and apologized."

Bennett added that "Up until today it was easy to it was very easy to hit Israel, because you didn't pay a price. No longer. The state of Israel has moved from the defense to the offence. There are tens of millions of Israel supporters around the world – Jews and non-Jews, and they have considerable buying power and boycott power, and the way they stood by us this time, so they will in the future."

Bennett continued his speech, addressing the issue of Israel's northern border, considering the recent geopolitical changes in Syria. "I would like to challenge the international community to exhibit morality, values and justice. It can be done regarding the Golan Heights. Up until today the no state in the world has recognized the Golan as part of Israel, including our friend, the United States of America. It is time the world will stand by the right side – the side of Israel."

"I understand that in the issue of the west bank there are disagreements between us and the world. But at the Golan? Who would you like us to give the Golan Heights to? Al Qaida? Jabhat al Nusra? Nasrallah? To Assad who slaughtered his citizens? What reasons are there not to recognize Israel's sovereignty in the Golan?"

"Today we know that, had we listened to the world we would have given the Golan many years ago and ISIS would have been swimming today in the Sea of Galilee. Enough with the double standards. The EU does not

talk about the Sahara or North Cyprus – both conquered regions. Here, the need in holding the territory and the enemies against us are so much clearer."

"I call on the international community to recognize Israeli control of the Golan Height. After 48 years, it's time to do justice and block the insane radical Islam on our northern border. Choose: Israel or ISIS; Either Democracy that elects its representatives, or a barbaric organization that executes by beheading. The only human rights violation is happening on the eastern side of that border."

Bennett concluded, asking why there are only twenty three thousand Jews in the Golan Height. "We must beef up the settlement in the settlements in the next few years. We must prepare infrastructure and incentives in employment and education. We should never forget our goal: 100,000 Jews in the Golan within the next 5 years."

MK Isaak Herzog, Israel's Chairman of the Opposition, at 2015 Herzliya Conference:

At a session entitled "Towards a Two-State Solution or a One-State Eventuality?", held today at the 2015 Herzliya Conference, **MK Isaac Herzog**, *Chairman of the Opposition; Chairman, Labor Party and the "Zionist Union"* discussed the danger of Israel's becoming into a joint Israel-Palestinian state.

"Israel's greatest threat is an Arab-Jewish state between the Jordan river and the sea. Within a decade the Arabs will be the majority in this region. There will be a Jewish minority in the land of Israel. On our watch, a new Arab nation is being formed. We might become a minority in our own state, having to struggle for our independence and freedom like Jews in the Diaspora."

"I have no expectation of the new Netanyahu-Bennett government to do anything to prevent this." said Herzog. "Their slogan of a Jewish state on the entire region is false and misleading. They are lying to themselves and to the people. I would like to separate from the Palestinians. I do not want 61 Palestinian Knesset members in Parliament [Knesset]. I do not want a Palestinian Prime Minister in Israel. I do not want my country's name to be changed to `Isra-stine`. Establishing a separate state for the Palestinians is our own interest."

MK Tzachi Hanegbi, *Chairman of the Coalition (Likud) and Chairman of the Knesset's Foreign Affairs & Defense Committee* said at the session: "If there is no change in Hamas' policy, we might find ourselves in a reality in which Hamas is mistaken in recognizing our determination to face them, and this might result in a military campaign similar to Operation "Defensive Shield" in the West Bank, which Israel has no interest in. But if that happens it will not take too long, and the Gaza strip can become a place from which high-trajectory shooting is irrelevant".

"There will be no one state solution, we have not established a state in order to become an Arab country", added Hanegbi. "The two-state solution is possible, only if the Palestinians will do the hard move of waiving the right of return and the dream of flooding Israel with Palestinian refugees. I believe that the majority of Israelis are willing to get to an agreement under those terms."

MK Moshe Gafni (*United Torah Judaism*), *Chairman of the Knesset Finance Committee*, said: "We need the world. We cannot walk around saying we are right and call the world's nations to join us. The world is motivated by interests. I support advancing the peace process, even if we stand in front of peace-refusers. We cannot avoid the discussion table. I don't think we'll live with our neighbors in brotherhood and love. We need to strive for a situation in which the president of the United States is with us. The most important thing to do after the elections is talking to Obama."

MK Zehava Galon, *Chairman of "Meretz" – Israel's Left* said: "The main reason for the boycott is not anti-Semitism. It was brought upon us by Prime Minister Netanyahu. The settlements and the denial of freedom from the Palestinians cause the boycott."

MK Ayman Odeh, *Head of the Joint Arab List*, said: "The reality is that there is one state that was established, and one that haven't. Is it time to say that the two-state solution is over and find a different one that we can't see the end of? It is an unrealistic position. I cannot say to my brothers: wait 30 more years until reality ripens and a one state might be established. It is an immoral position."

Senior Israeli Defense Official at 2015 Herzliya Conference: Deterrence Working but al Qaida Now on Border

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Israel's security situation is like a weather report that shows sunny skies with threatening storms in the distance, according to Maj. Gen. (res) **Amos Gilead**, Director, Political-Military and Policy Bureau, Ministry of Defense.

Gilead gave a keynote address on Israel's security on the second day of the 2015 Herzliya Conference on Monday.

"Our security situation hasn't been so good in a long time," he said "We enjoying a good deterrence on the northern front, even with 200,000 rockets aimed at us from Hezbollah," he said.

The situation in Syria, however, remains extremely turbulent. "I would like to announce the death of Syria," he said. "Assad still gets a salary as President, but he governs a third of Syria.

"Southern Syria is under al Qaida, Northern Syria is controlled by ISIS. There is nothing there and it has no future. Assad will continue to diminish. But Assad seems like a humanitarian compared to al Qaida, who look like humanitarians next to ISIS."

On the Southern side, the biggest enemy remains Saudi Arabia, but it's more concerned with Iran than with Israel, he said.

The most dangerous threat, however, remains Iran, he said. "Iran is like a Greek god with two heads. One says it wants negotiations, the other is working to build a Shi'ite empire."

"The quiet is pretty amazing compared to all the turbulence around us," he said. "The deterrence factor is stronger than the intimidation and threats we face."

Maj. Gen. **Nimrod Shefer**, Head, planning Directorate, IDF, followed Gilead with an assessment of the specific challenges the IDF faces. He said the IDF must embrace the need to change because the threats continue to change.

"Two years ago we knew that the threat was chemical warfare in Syria," he said. "It was an enormous threat that has mostly disappeared. The Syrian army is now in the margins. Three years ago, it was a major threat, maybe the central threat.

The army now faces irregular armies that use conventional weapons like mortars, and use iPads to fire them from remote locations, he said.

The next major challenge, he said, is finding a solution to the threat posed by tunnels underground that can reach inside Israel. "The underground challenge will have to be cracked," he said. "As we did with Iron Dome, when we found a solution for the missiles, the answer will probably be technological. We will do the same with the underground challenge."

The instability across the Middle East is also making it harder for the IDF to gather intelligence, which also requires new methods.

"Our neighbors are making it difficult on our intel. Our intel sources should be fine-tuned. The cyber world is developing swiftly. We have to invest a lot in the cyber world. Cyber is designed for flexible people. That is why we are a cyber power."

The battlefield will continue to change and the IDF must remain capable of changing with it. "It must be a precise army. We have to be ready to change swiftly. Ready and willing, and that is a challenge that is only going to grow," he said.

Former UK Chief Rabbi Jonathan Sachs at 2015 Herzliya Conference: "If Europe is not safe for Jews, it is not safe for Europeans either"

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At a roundtable discussion entitled "Islam and BDS in Europe: A Strategic Threat?", held today at the 2015 Herzliya Conference, Rabbi Lord **Jonathan Sachs**, Chief Rabbi Emeritus of the United Hebrew Congregations of the Commonwealth discussed the issue of new anti-Semitism and its manifestation with the BDS movement, claiming that "Anti-Zionism is the new anti-Semitism" and calling on Europe to support Jews in opposition against this new form of racism.

Sachs argued that we are facing today a new development of anti-Semitism. If in the past Jews were hated because of religion, and later race, "Today they are hated for the new nation state." said Sachs.

He continued explaining that "The assault on Jews has had to justify itself in highest cannon of authority." In the Middle Ages religion was the highest form of authority, and in the 19th century it was science, argued Sachs. Therefore, "the scientific study, that today we know is a pseudo-science of race and social Darwinism was used to justify hate against Jews."

"Now, human rights are the highest form of authority. For this reason it is used against Israel. The new anti-Semitism has to be spoken in the language of human rights." said Sachs.

Sachs concluded: "We need to make it clear that if Europe is not safe for Jews, it is not safe for them either. It is an assault on freedom. We must not be left to face this battle alone."

Deputy Israeli Foreign Minister, Hotovely, at 2015 Herzliya Conference: Time to End Fixation on Two-State Solution

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Efforts to negotiate a two-state solution with the Palestinians have resulted in a campaign of delegitimization against Israel, according to Deputy Foreign Minister **Tzipi Hotovely**.

Hotovely engaged in a debate with former Justice Minister **Dan Meridor** on the question which road to pursue - one state or two states, at the 2015 Herzliya Conference.

"There is a vision that there should be a separation between the two peoples for coexistence," Hotovely said. "When that didn't succeed, they promised us that the aim of this separation would be an umbrella of legitimization."

"Then they said the partition and separation would be something that could get us by with the other nations," she continued. "Now, in 2015 an entire generation asked and demanded peace and what did it get? Delegitimization"

The more Israel offered the Palestinians, she said, the further they ran away, until finally turning to the political direction of seeking unilateral recognition at the UN.

"The problem is not one state but the idea of two states, and our thoughts have been frozen on this issue," she said.

Meridor countered that a one state solution that would grant equal voting rights to the Palestinians would jeopardize the future of Zionism.

"A Binational state or two states, there is no third option," he said, suggesting that Israel could not remain a Jewish state under a one state solution.

However, Meridor agreed that even a two state solution would not automatically mean the end of the conflict with the Palestinians.

"I agree that today there is no peace agreement, because the Palestinians do not want it." he said. "Two state solution, yes, but the end of the conflict, I don't know. The PLO was formed because of 1948, not 1967.

"You can't solve the conflict, but you can turn Zionism into a just movement," he concluded.

US Deputy Secretary of State to 2015 Herzliya Conference: Nuclear Deal with Iran Closes All Pathways to Nuclear Weapons

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There was no daylight between Israel and Iran on the imperative to prevent Iran from acquiring nuclear weapons, according to **Tony Blinken** U.S. Deputy Secretary of State.

Blinken told a joint session of the 2015 Herzliya Conference and the UJC on Monday that and the best way to get there was a verified, negotiated agreement with Iran. "The deal we are working towards will close each of Iran's four pathways to obtaining enough fissile material for a weapon," he said.

Blinken expressed much of the concern of the emerging deal was misplaced and false. For example, the deal, he said, would not expire at some later date, as many people think. "There will not be a so-called sunset," he said. "Iran's commitment to all of the obligations of the non-proliferation treaty, including the obligation not to build a nuclear weapon, those continue into perpetuity."

Blinken also spoke about America's deep security relationship with Israel, which, he said, has never been stronger. "Despite difficult budgetary times, the United States provided Israel with more security assistance than ever before, \$3.1 billion.

He also noted that the US was set to begin deliveries on the F-35 Joint Strike Fighter, making Israel the only nation in the Middle East with the most advanced fighter in the world.

Nicolas Sarkozy, Former President of France, at 2015 Herzliya Conference: "The Boycott of the Start Up Nation is Unacceptable and Illegal"

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In his keynote address, given at a session entitled "The Quest for Leadership and Vision", held today at the 2015 Herzliya Conference, **Nicolas Sarkozy**, Former President of France and "Les Republicains" President, discussed different issues Israel is facing as a key player and a friend of France in the Middle East.

In his introduction to Mr. Sarkozy's speech, Vice Premier and Minister of the Interior **Silvan Shalom** noted that France joined Israel in condemning boycotts against Israel. Shalom said attempts to boycott Israel had taken many forms in recent weeks, from sports federations to student unions. "All of them have one goal – the destruction of Israel," he said.

On his speech, Sarkozy addressed the topic of BDS against Israel, saying: "This boycott is unacceptable and illegal – today as it will be tomorrow. To boycott the startup nation makes no sense – not political, not moral and not financial sense."

Regarding the holocaust, which he addressed in its Hebrew name, the *Shoah*, Sarkozy said: "The silence of the nations, as to why these crimes were committed, is a blemish on humanity. We all have a debt towards the Jewish people. The only way to do it is to keep up the need for security of the Jewish people. When Jews are attacked for being Jewish the French nation is attacked."

He claimed that anti-Semitism is not only a Jewish problem, saying that "Mankind has not yet understood that the faith of Jews is the forerunner of what will happen. The fight for the security of the Jews is the fighting for all that will happen in the world."

Sarkozy continued in a discussion of anti-Semitism in France: "There is anti-Semitism in France, but it is not an anti-Semitic country. I will not allow demonstrations in France calling to kill the Jews. I cannot accept that one Jew will leave France out of fear. They can leave as a cultural choice. But out of fear – I will not tolerate this. We have to fight that by political means."

He concluded the discussion on the subject of anti-Semitism, saying: "It is too easy to say I am not an anti-Semite but I do not like Israel. That is too easy to hide anti-Semitism behind critique."

Sarkozy then addressed broader regional conflict, and the lack of action on behalf of the international community. He said: "The international community has refused to intervene in Syria. Today we have ISIS, which seized Palmyra. What is the purpose of having an international community, if they do not stop ISIS from seizing Palmyra, one of the Jewels of humanity?"

"Assad is the ally today of ISIS," he said. "Between these two barbarities, we should not have to choose. We should fight both with the same determination and force, because we carry the same universal values. We have to combat assassins with assassins."

"The Christians in the Middle East are the victims of ethnic cleansing," he said. "It is genocide, nothing less than that. They want the Christians to disappear from the region."

On the issue of the Iranian nuclear agreement, Sarkozy expressed his concern and disagreement with the way the agreement was formed, between the US and Iran alone, leaving other players – most significantly Israel – out. He said: "With this agreement I see the international community is recognizing Iran's right to pursue nuclear power. That is total change in policy, which opens the door to a very grave risk. This should be avoided at all cost. If Iran has it, Saudi Arabia and Turkey will want it too. This is about the proliferation of the entire region."

Concluding with the Israel-Palestinian peace process, he affirmed that "This peace you need seems far away. But this peace between Israelis and Palestinians – no one can build it without you, against you. It is up to you. Whatever you do not do for yourself, no one will do for you."

He addressed the issue of Palestinian partners for peace, saying: "I do believe in the right of the Palestinians to have a state of their own. It is important for the world that you reaffirm your commitment of the two state solutions. I do believe that president Abbas is an ally to peace. If not him – who? I believe he should be strengthened and not weakened."

Sarkozy emphasized Israel's need to take initiative in the peace process: Is it the stronger party who should extend their hand or the weaker?

I believe it is the stronger party who should extend their hand to the weaker. The most stable, stronger party has to take activity."

Israel's Minister of Defense at 2015 Herzliya Conference: "Israel's policy is to not intervene in Syria, but we have thoughts."

The Middle East's leading security & policy gathering concludes today at the IDC Herzliya Campus

In his keynote address, given at a session entitled "Israel's National Security", held today at the 2015 Herzliya Conference, Israeli Minister of Defense **Lt. Gen. (res.) Moshe (Bogie) Ya'alon**, analyzed and discussed the geopolitical situation in the Middle East, and Israel's place in it.

Ya'alon said: "**The Israeli policy is not to intervene in Syria, even though we have thoughts on the issue.** We have a clear policy of protecting our interests. Everyone around us knows our red lines and respect it based on determination."

"When looking at the region in an overview, the Iranian region is the factor that is striving the most for hegemony. They are the ones preventing stability in Iraq, the Iraqi Prime Minister, who is a puppet of Iran. **In Syria, it is not Assad who governs and leads, but the Iranian Revolutionary Guards**", he said.

Regarding the Iranian nuclear agreement, Ya'alon expressed his concern about the lack of discussion on the issue of Iranian missiles: "It is clear that the missiles built by Iran in the 1990's were originally designed to carry nuclear warheads, violating international treaties. They cover all of Israel, most of Europe, and **Iran is in the process of developing missiles that can reach the eastern coast of the United States.**"

He added that "Iran's activity as a rouge regime was never discussed in the negotiations. The Iranians are acting in Yemen in order to overthrow a regime allied with the West."

Ya'alon also discussed the broader implications of the Iranian nuclear agreement, discussing the effects of the planned removal of sanctions: "The incoming money to Iran will make it easier to fund Hezbollah, the Houthis, Hamas and the Islamic Jihad. The Middle East will pose a greater challenge to the west as well as to Israel. We have to prepare for that, and we do."

In his discussion of the Israel-Palestine peace process, Ya'alon said that "**he does not expect a peace agreement in his lifetime**", because of the Palestinians persistent refusal to negotiate.

Ya'alon claimed that the Israeli-Palestinian conflict is a source of stability in the region, and not the other way around. "Are the turmoil in Tunisia, Egypt, Iraq, Syria, Lebanon or Yemen related to the Israeli-Palestinian conflict in any sort of way? The answer is: no. Finally, there is stability here that is not based on a status quo, but on attempts to advance on many issues: governance, responsibility, law and order, as well as security coordination."

He explained his vision for the near future, saying: "We have a stable situation here... should we destabilize it because of wishful thinking? **We should thrive for steps that will allow both sides to live in welfare and security, without illusions. We need to create a modus vivendi for both sides with no external imposed short cuts.**"

Ya'alon also commented on Gaza: "Gaza is dependent today on Israel, including human travel. The Raffah passing is closed. Israel is Gaza's only way out. Since Operation Protective Edge, over 700 trucks from Israel unload goods for Gaza, providing all their needs, including what is required to rehabilitate the Gaza strip."

Ambassador Prozor at 2015 Herzliya Conference: Arab Instability Presents Opportunity for Israel at UN

The Middle East's leading security & policy gathering winds up today at the IDC Herzliya Campus

Israel continues to be singled out at the UN at an unprecedented rate but the instability in the region is leading to new alignments that could work in Israel's favor, according to **Ron Prozor**, Ambassador, Permanent Representative of Israel to the United Nations.

Prozor, speaking on the final day of the 2015 Herzliya Conference, said there was "daily terror" directed at Israel at the UN. "No matter what your political views, there is a process of demonization and delegitimization that exists at the UN," he said.

But there is also a change in behavior among several states, particularly in response to Iran and Syria.

"Saudi Arabia's interests, right now, overlap with the interests of the State of Israel," he said. "There is a rope around the neck of Saudi Arabia and others, and it's not connected to the Palestinian issue. We need to take advantage of it for our own purposes."

Prozor also said that Israeli innovations, particularly those related to developing countries, are being recognized at the UN. "There is a curve of supply and demand at the UN, just like in economics," he said. "There is a demand for demonizing Israel, but there is also a demand for Israeli know-how, and we have the supply."

Prozor said that means introducing resolutions, even if the hope of passage is low. He noted that one resolution was eventually passed with a big majority and a delegate stood up and said that while he had much to say about the Israeli-Palestinian conflict, the work that Israel was doing in Africa deserves to be commended.

On Israeli-U.S. relations in the United Nations, the Ambassador was adamant that the cooperation between the two allies continue to remains strong "The Americans are on the frontline with us every day at the UN. They are standing shoulder to shoulder (with us) on a daily basis."

Prozor was followed by **Prof. Stephen Krasner**, former Director of Policy Planning at the U.S. State Department. Krasner said Israel was losing the normative argument on many campuses, and support, while still significant, was fraying at the edges.

He noted that the situation could be improved with a Camp David-like proposal with the Palestinians that would include Palestinian recognition of Israel as a Jewish state and the rejection of a Palestinian right of return.

"It is unlikely any Palestinian leadership would accept this agreement, but some set of proposals for a negotiated proposal would provide some initiative as opposed to ignoring what's happening 'out there,'" he said.

Israel's Minister of Justice at 2015 Herzliya Conference: "The International Department of the Ministry of Justice was instructed to plan Legal Steps against BDS"

The Middle East's leading security & policy gathering continues today at the IDC Herzliya Campus

In her keynote address, given at a session entitled "Israel's Law & Justice", held today at the 2015 Herzliya Conference, MK **Ayelet Shaked**, Israel's Minister of Justice discussed the Justice department's reaction to the BDS, as well as the need of Israel to make new friends in a changing Middle East.

Shaked addressed the issue of BDS against Israel: "These days, the entire government of Israel and the international department at the Ministry of Justice specifically, is fighting against a series of organizations who would like to hurt Israel, its independence, prosperity and just path."

"A mistaken and misleading international media campaign is taking place these days, creating the impression that doing business with Israeli companies operating beyond the Green Line is illegal. This argument is fundamentally mistaken, as time after time it was decided in different judicial bodies in multiple countries around the world that companies conducting business in the West Bank does not violate international law."

Shaked said that "I have instructed the international department at the ministry of Justice to prepare a plan of legal steps against the BDS movement. Also in this arena we will move from the defense to the offense. For every boycott we will fight back. We have the purchasing power to resist boycotts, and we have the legal power."

Shaked's speech discussed also the regional changes and threats on Israel, and suggested a new course of action. "The current reality emphasized moderate actors, which joining them could possibly advance the power balance in the region, making Israel an active, initiative, dominant player."

"The great opportunity we are facing is strengthening the relations with the Kurds. They are democratic, peace keeping people, which have never attacked others. The Kurds and the Jewish people share a long history of relations, based on mutual respect and interests. The interests today are clearer than ever, focusing on fighting extremists and stopping ISIS, a mission which Kurds in Iraq and Syria are risking their lives for.", said Shaked.

"This mission, which strengthens the moderates in the region, is a moral and strategic interest of Israel. We must build political, financial and cultural bridges with the Kurds, and see them strategic partners on a united front. Now is the time to establish a process of cooperation with the Kurds and their brothers in the entire region", Shaked concluded.

Her speech was preceded by Prof. **Amnon Rubinstein**, Radzyner School of Law, IDC Herzliya, who said to Shaked: "I suggest two subjects that should not be touched in your administration: The Human Dignity and Liberty Law, and the status of the Supreme Court. Israel is under attack by an industry of lies, half-truths as well as legitimate criticism. The only sources of light we have in front of the de-legitimization attack on Israel are these two subjects. These are our great assets."

Former Mossad head at 2015 Herzliya Conference: Iran Can Outmaneuver West in Nuke Talks

The Middle East's leading security & policy gathering concludes today at the IDC Herzliya Campus

Iran has a culture of barter and negotiations that goes to the heart of its society, and gives it an advantage in negotiations with America, according to former Mossad head **Shabtai Shavit**.

"Their patience is much greater than the patience of western negotiators," he said. "They will exhaust the Americans, they will squeeze them."

Shavit, Chairman of the International Institute for Counter-Terrorism (ICT), IDC Herzliya, told the 2015 Herzliya Conference that Iran knows President Barack Obama wants a nuclear agreement to be part of his legacy. Therefore, he said, Iran will make every effort to extricate additional concessions.

Iran's patience also extends to the creation of a nuclear weapon. "As time goes by and the world is busy with other problems, there will be less attention paid to them," he said. "A radical Shi'ite leader with his hand on the nuclear trigger is mind-boggling proposition," he concluded.

Prof. **Uzi Arad**, Fmr. Head of the National Security Council and Fmr. National Security Advisor to the Prime Minister, said a nuclear agreement will put pressure on Iran, as all eyes turn to the Islamic Republic to ensure compliance of the agreement.

"The one taking the greatest risk is, in fact, Iran," Arad said. "A few years ago, no one considered attacking it, not Saudi Arabia or any Arab state. Now it is threatened by all of the countries they used to threaten."

Israel's objective in the lead-up to an agreement and immediately after should be to regain its influence with the American government.

"First and foremost, rectify relations with the Americans and take steps to try to improve the agreement," he said. "And if it's already signed, we need a strategic dialogue to reinforce cooperation and renew the memorandums of understanding."

Meir Javedanfar, Lauder School of Government, Diplomacy and Strategy, IDC Herzliya, disputed the conventional wisdom that a nuclear deal that would lift sanctions would give Iran disposable income that it will use for terrorist activity.

Javedanfar pointed out that any new funds would make little difference in Iran's ability to fund terrorist elements. It's total expenditure right now, he said, comes to about \$4.6 billion, which is only 1.4% of its budget.

"Iran will be more aggressive after a deal, but it won't be because of the money," he said.

Dr. Tamara Cofman Wittes, Director and Senior Fellow, Center for Middle East Policy, Brookings, also said that Iran will become more aggressive, whether there is a nuclear deal or not.

She also said she believes that hopes better relations between Israel and Saudi Arabia may be unfounded. She noted that secret talks between Israel and the Saudis were recently revealed in the media, a sign that they were not moving forward. "On the Saudi side, this dialogue was revealed now precisely because it is not getting traction with the current Saudi government," she said. "We have to understand revelation of public revelation as failure of private influence."

Final Press Release from 2015 Herzliya Conference: Israeli Prime Minister Netanyahu Affirms Support for two State Solution at 2015 Herzliya Conference

The Middle East's leading security & policy gathering has concluded

The turmoil in the Middle East presents an opportunity for new alliances that can help bring about a two-state solution to the conflict with the Palestinians, Prime Minister **Benjamin Netanyahu** said in an hour long address at the closing of the 2015 Herzliya Conference.

"I committed to two states at Bar Ilan," he said. "The solution as I see it is a demilitarized Palestinian state that recognizes Israel as a Jewish state," Netanyahu said.

"The Palestinians expect us to recognize a Palestinian state. But they won't recognize a Jewish state for the Jewish people. That's what we want. Mutual recognition," he added.

Netanyahu said the crisis engulfing much of the Arab world presents an opportunity for Israel to form new alliances. "The trepidation of the Sunni states from Iran on the one hand, and Isis on the other, creates potential for cooperation," he said.

"Perhaps it could help resolve the problem we want to resolve with the Palestinians. Because I don't want a one state solution," he said.

He also spoke about danger of an Arab arms race in response to a nuclear Iran. Some states will seek nuclear weapons of their own, he said, while each of them will substantially increase their stocks of conventional weapons.

"It won't make Israel safer," he said, regarding the emerging nuclear deal with Iran. He said he's spoken to Arab leaders, and "no one believes that this deal will block Iran's path to the bomb, or many bombs."

Netanyahu also noted that Iran has been involved in "cyberattacks on Saudi Arabia, and even the United States".

Netanyahu also outlined an economic development program, with the goal of raising Israel growth rate to 5%.

The program is based on developing new markets in areas such as China and India, developing new products in areas such as cyber security, improving telecommunications and transportation for greater connectivity online and between regions of Israel, and developing Israel's natural energy resources.

"There is no security without a strong economy," he said. "And there is no prosperity without growth."

Preceding Netanyahu, Former Prime Minister and Former Minister of Defense Lt. Gen. (res.) **Ehud Barak** discussed the issue of the international legitimacy of Israel and its challenge facing the BDS movement.

Barak argued that only the core of the BDS movement is against Israel for what it is, regardless the actions it takes. "We must today create a barrier between the millions in the free world and the hard nucleus of BDS. A government that operates decisively to separate from the Palestinians shifts the attention to the Palestinians."

"The international legitimacy is fundamental source of power for Israel nowadays. Had Israel been willing to concentrate the building in settlement blocks and stop it outside of it, fundamentally changes Israel's situation. The lack of distinction between settlement blocks and outside them is very dangerous. The building beyond this settlement blocks essentially endangers the settlements themselves."

Barak also called for a regional arrangement, including the moderate Arab countries, The Palestinians and Israel. "Against the Palestinians Israel can mostly give. In front of the entire Arab world, Israel can get a lot. This is the source of a great opportunity of a regional arrangement."

All of the proceedings are broadcast live with a VOD option on the Conference's website: www.herzliyaconference.org/eng.

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