



## ISRAEL NEWS

*A collection of the week's news from Israel  
From the Bet El Twinning / Israel Action Committee of  
Beth Avraham Yoseph of Toronto Congregation*

### Commentary...

**No Moderate Palestinians** By Shaul Rosenfeld

*The time has come for Israelis to relinquish their unattainable peace dream.*

On Tuesday we saw the opening of Fatah's sixth convention. With the kind assistance of Israel, which as always believes that Palestinian moderates are good for it, thereby granting Abbas' request to allow the entry of representatives from Lebanon and Syria; perhaps so that they imbue the convention with their moderation and vision in respect to the notion of a new Middle East and the Jewish State's place within it.

The fact that the draft decision to be submitted to the convention calls for objection to defining Israel as a Jewish State, the opening of a strategic channel vis-à-vis Iran, a tougher struggle against the settlements, the security fence, and the Judaization of Jerusalem – through limited violent means – and the implementation of the right of return is apparently not supposed to weaken the resolve of those who work day and night to secure an agreement with the Palestinians.

After all, for the past 15 years we were required, time and again, to recite the spirit of the verse: "Where there is no peace and revelation, the people cast off restraint." Yet "as destiny would have it," Israel had been haunted by calamities precisely when it put its faith in Scandinavian peace visions and Palestinian swindlers, who did wonders with false promises custom-designed for their innocent Israeli interlocutors.

Against this backdrop it would be good to recall the words uttered by Abbas, who back in 1999 said in an interview with al-Sharq al-Awsat that "all the conflicts within Israeli society were exposed in the wake of the peace process...all we need to do is prompt the Israelis to fully believe that we, the Arabs, really want peace...that will bring them out of their tanks and fortresses." And complete faith, as we know, is an essential ingredient around here. Especially for some Israelis who are regularly called upon to interpret the "peace language" of our "moderate partners," which as we know are very different than the radicals.

As we recall, first there were Shimon Peres and the Oslo apprentices, who found it difficult not to endorse Nobel Prize Laureate Yasser Arafat's dedication to "peace of the brave." Regardless of his speeches and learned explanations about the deception inherent in the deals with Israel, the illegitimacy of the Jewish State, his loyalty to the way of the martyrs, his commitment to the phased elimination of Israel, or the importance of the armed struggle, Arafat's defense attorneys in Israel ceaselessly kept on clearing up the Palestinian leader's name.

"He wants to help us curb terror. Hamas and Jihad are getting in his way," said Peres at the time, even if this interpretation of events was fir for superb raw material for a sad parody on the new Middle East.

"What, don't we have dreams? So they can have dreams too," Peres said at the time when he could no longer face up to the Palestinian denials, thereby granting a kosher certificate to the not-so-hidden desires of the Palestinians in respect to us. However, the Palestinian president was a man of action too, and between hate speeches about Israel he also directed attacks, winked to Hamas terrorists, smuggled arms and wanted suspects in his private helicopter, and turned the revolving door policy into a glorious Palestinian vision.

Only after he went too far, and the reports about this partner's "peace acts" accumulated into a pile that could no longer be swept under the rug, Peres agreed to make a far reaching statement for his standards, arguing that Arafat is wrong. As if Arafat's activity did not constitute an authentic

expression of his worldview, but rather, an error that happened to taint his acts and speeches.

And when the first president bid us farewell in 2004, and was replaced in Ramallah by the second president, many of Arafat's tireless defense

attorneys were willing to admit that it was indeed difficult to deal with him, and perhaps he wasn't the ideal partner, with the bold ones among them even "daring" to shift him to the group of the "bad guys."

Of course, all of this did not prevent them from mentioning in the same breath that with Abbas it's a whole different story, as an agreement can be finalized with him. The tiny problem is that even without a kaffiyeh and a handgun, and with a new president filled with great "moderation" and "goodwill," the Palestinian demands remained the same as during the first president's era.

"The Palestinian Authority rejected an Israeli offer for an agreement that included Palestinian concessions on the issues of Jerusalem and the refugees," Abbas said in November 2008, not before pledging allegiance to the way of the martyrs and a few years after declaring that "Israel made its' gravest error by signing the Oslo Accord."

So now, upon the opening of the new Fatah convention, with the organization's most moderate figures such as Mohammad Dahlan admitting that "the Fatah Movement never recognized Israel," and with the basic demands of most of its members being impossible even for many within Israel's leftist camp – we would do well to ask whether it isn't better to reconcile ourselves already to the shattered peace dream, instead of yet again subjugating ourselves to its unattainable mirages.

*The writer is a philosophy lecturer. (Ynet Aug 4)*

**A Jewish and Non-Legitimate State** By Mordechai Kedar

Israeli Prime Minister Netanyahu has set out five conditions for the conclusion of an Israeli-Palestinian peace deal involving establishment of a Palestinian state alongside Israel. The first, and the hardest for the Arab world to accept, is Palestinian recognition of Israel as a Jewish nation-state, or as the rightful homeland of the Jewish People. In fact, it is close to impossible, because Islam is intrinsically incapable of according legitimacy to the State of Israel for the embedded ideological reasons detailed below.

According to Islam, the Jewish religion was invalidated by the birth of Christianity, which in turn was invalidated by the arrival of Islam. This concept was set down in the Koran: "Surely the true religion with Allah is Islam" (Chapter 3, Verse 19). Thus Allah does not recognize any other religion besides Islam. Islam - according to its own perception - brought the message of truth to the world, after the Jews and Christians changed and distorted the word of Allah given to them. In light of their conduct, Allah removed their religious role and theological message and passed it to the Muslims, who are the sole "believers." Thus, Islam's basic approach is not that it came to the world to exist alongside other religions as equal among equals, but to replace them.

A conclusion from this is that Judaism as a religion has lost its significance and role in the world. If so, how could one establish a Jewish state? And how could one claim that land can be holy to Judaism after this religion has been declared null and void? And since when do Jews - members of a meaningless religion - have the right to a state in any land, after they betrayed Allah and refused to accept Din al-Haqq "the religion of truth," Islam? In practice, Islam recognized the Jews as "people of the Book" and not as infidels, although on condition that they live under Islamic rule as "dhimmis" - protégés of Islam, and "pay the Jizya (per capita tax) with willing submission." (Koran Chapter 9, Verse 29). However, once they conquered land, and killed and deported Muslims, they lost the privileges granted to them by the "Pact of Omar."

Therefore, Israel's demand that Islam recognize it as a state for the

Jewish People contradicts the most basic tenets of Islam, which view Judaism as null and void. Israel's demand actually requires Islam to recognize Judaism as a legitimate religion even though God himself stated in the Koran that "whoever seeks a religion other than Islam, will never be accepted" (Chapter 3, Verse 85).

Judaism is perceived in the Islamic world as a communal religion, without either an ethnic or national basis. There are other instances of this. The people living in Iraq consist of many religious groups: Muslims, Christians, Sabais, Mandeans, Yazidis, and Jews. They are all members of the Arab nation, all sons of the Iraqi people and they all have a place in Iraqi land. There are Arab Iraqi Muslims, Arab Iraqi Christians and Arab Iraqi Jews, all members of religious communities which are part of the Iraqi people. The same goes for Yemen - which has Arab Yemenite Muslims and Arab Yemenite Jews, and for Morocco and the rest of the Islamic states, which have Jewish, Muslim, and Christian communities. Furthermore, from an Islamic perspective this is a way to view other countries: the Jew in Poland is Polish from an ethnic perspective and Jewish from a religious perspective. The French Jew is a member of the French nation who practices Judaism. Thus, there are no ethnic Jews in the world, just as there are no ethnic Christians or Muslims.

Suddenly, Jewish communities declare that they are one people, sharing the same ethnic background, as if all the Jews in the world look alike, speak the same language, share customs and cuisine, and dress in similar fashion! This is the "great lie" of the Zionist movement, according to Islamists: creating a Jewish people out of nothing, and trying to convince the world at large that a Jewish People does indeed exist. Even worse, these Jewish communities have decided to migrate to Palestine, to "displace" the original inhabitants and to establish a state, whose name has no connection to the Jewish people but to the mythological Sons of Israel. So, from the Islamic perspective, how can one recognize this state as the "State of the Jewish People" - an ethnic group that does not really exist?

Palestine was sanctified as Muslim land by two acts. The first was its conquest during the period of Khalif Omar bin al-Khattab in the third decade of the seventh century. This placed Palestine within the group of countries which were under Islamic rule, like Spain, Sicily and part of the Balkans, and which must be returned to the bosom of Islam. The second act was the Islamic tradition which claims that the Khalif Omar declared Palestine, from the sea to the Jordan, as Waqf (holy endowment) land, consecrated for all Muslim generations forever. So how can the Jews - whose religion is illegitimate and who are not an ethnic people - demand that the Muslims recognize the conquest of the land of Palestine which is holy to Muslims alone?

Thus, according to Islam, the State of Israel is not legitimate. From a religious point of view, Judaism is void. The Jewish nation is an invention of the Zionist movement. The land called "Israel" is considered Islamic Waqf land, consecrated for Muslims.

Netanyahu's insistence on recognition of the state as a Jewish nation-state contradicts the Islamic faith, and questions the very essence of Islam, whose relevance is based on the invalidity of Judaism (and Christianity as well).

Therefore, there is no escape from the conclusion that Israel's struggle for survival is religiously based, even if externally it assumes the form of a territorial struggle. It does not matter what its size, Israel will never gain recognition by the Arab and Muslim world as a legitimate state. Similarly, international documents which legitimize the "Jewish State," such as United Nations General Assembly Resolution 181 of 29 November 1947, are viewed by Muslims as illegitimate.

Many say: "You are turning a territorial conflict into a religious one," when they mean to say that territorial concessions would facilitate the recognition of the Arabs and Muslims in the legitimacy of the State of Israel. Such a statement assumes that the Arab and Muslim world is as secular as our own, and shares our concepts, values and priorities. This is the result of Israeli and Western ignorance of all that is related to Islam and the Arab world, derived from the fact that Westerners do not understand Arabic and Arab and Islamic culture. Israelis and Westerners alike are not exposed to the harsh truths which are expressed in the local tongues, and are well-concealed by spokesmen of "inter-religious dialogue."

Recognition of Israel as a legitimate Jewish nation-state has no hope or chance as long as Islam perceives itself - and itself alone - as "the true religion with Allah." (BESA Center July 28)

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## **Z Street** By Lori Lowenthal Marcus

There is a chilling scene in the 2002 movie "The Pianist." In it the train was already chugging along on the path to insanity and destruction, but before all was destroyed. The family of the protagonist has been moved into the Warsaw Ghetto and the head of the family is sitting at a table, reading a newspaper. He looks up and says, "I blame the American Jews."

He was talking to me.

At least, that's how I heard it. I resolved then not to be our time's analog of a World War II American Jew — you know, the ones who read the newspapers, see what is happening to Israel, mutter "tsk, tsk" and turn the page.

Others have had similar epiphanies, but the light from our bulbs going off is obscured by the clouds of appeasement and apologies, dressed up as tolerance and even-handedness.

For several years we have agonized over the gathering storm of hostility towards Israel, and the organizational human shields which eagerly validate those positions. Finally we decided that action — an immediate, decisive, in-your-face facts war, was imperative. Allyson Rowen Taylor and I spent a few hours on the phone and created Z (Zionist) Street.

Z Street is based on these ironclad positions:

The right of the Jewish people to a state, and the right of Jews to live freely anywhere, including inhaling oxygen in areas the world insists are reserved for Arab Palestinians;

Relishing the terms "Jewish State" and "Zionism" — ones currently derided as shameful instead of sources of pride;

- Circulation of facts — not deceptive "Palestinian" narratives — about the Middle East, Israel and terrorism;
- Condemnation of those who revile Israel for actions they ignore when taken by Israel's enemies and virtually all states throughout history;
- Categorical rejection of agreements with, or concessions to, terrorists (or their supporters) who are dedicated to Israel's destruction.

Unlike other organizations that claim to be pro-Israel, Z Street will not pander to politicians who invite us to their offices and pay attention to our pocketbooks but ignore our positions. For those who do not embrace our principles, there are plenty of other organizations to join. This catalyzing organization seeks to change the way discussions about Israel are crafted and viewed.

A fuel source previously untapped has been released: within days of the launch thousands clamored to our site, asking how to join and how they can help. Z Street already includes members from five continents and more than twenty states. News articles are being written about Z Street from the far right and the center, and we have been viciously denigrated and cartooned from the far left — all of which is gratifying.

The rising groundswell is in part a response to organizations whispering into the ear of this US administration that pervert the meaning of "pro-Israel." Their ultimate loyalty is to left-wing principles including a secular Israel and tolerance of terrorism only when directed at Jews. They are ashamed of an avowedly Jewish State, yet completely comfortable with 22 Muslim ones, and are actively seeking the creation of a 23rd, based in Jerusalem, whose governing documents call for the destruction of Israel.

The idea that weakening Israel, either because of ideological conviction, animosity towards a strong Jewish State, cowardice, or the grossly misguided belief that compromise or dialoging with committed terrorists will lead to Middle East or global peace, is obscene.

A very few World War II Jews acted as catalysts for those who refused to be cowed. They adamantly, sometimes theatrically, demanded action to prevent the incineration of millions of European Jews, along with millions of members of other minority and political groups.

This band of warriors, led by Peter Bergson and Ben Hecht, staged marches, rallies and theater events. They refused to mimic the Jewish leaders who shrank from their moral duty to demand the US government face the irrefutable facts of the plans, and then the execution of those plans, to murder millions. It would be an honor for Z Street to be compared to the Bergson Group. Others should join so that the present horrors, and worse, are prevented. The policy implications are profound and the time is now.

I sleep better knowing that when my grandchildren ask me what I did to help prevent the destruction of Israel, I can tell them about Z Street with a clear conscience and a sense of pride. What will you say?

*The writer is a Z Street co-founder.* (The American Thinker Aug 2)

### **The Med's Best-Kept Secret** By Willy Stern

*Had a Thai herbal massage in Israel lately?*

Perhaps nowhere else on the globe does there exist a greater discrepancy between perception and reality than Israel. The press portrays the country as a savage land racked by war and terrorism, and many outsiders have the impression that Israelis live their daily lives cowering amongst endless cycles of violence. The reality, though, is a country of 7.4 million people whose stock market and economy are humming along quite nicely (at least in contrast to the rest of the globe) and whose citizens revel in their chic Mediterranean lifestyle.

Anita Blum can't remember the last time her deluxe 100-room resort wasn't fully booked for the weekend. The Hotel Mizpe Hayamim is a well-appointed spa in the Galilee, two hours north of Tel Aviv, and suites go for \$500-plus-a-night. Blum charges extra for the therapies--a Thai herbal massage runs \$100--and enjoys a 75 percent occupancy rate year-round unchanged by the recent hostilities in Gaza and the world economic crisis.

As you wander around the luxurious grounds and drop \$75 on a lunch of beef carpaccio and veal entrecôte with organic vegetables, it's hard to think of Israel as a nation at war. And the guests aren't just the latest batch of Israeli high-tech millionaires. While Blum sees her share of the very rich--she has a helicopter pad, after all--she counts soldiers, schoolteachers, and university students, among her legions of happy clients.

In Israel, life goes on. The Western newspapers just don't notice. They follow instead on a few hackneyed storylines:

- Policemen dragging unwilling Israeli settlers out of their homes.
- Hamas (or Hezbollah) terrorists in menacing black scarves waving machine guns, a subset to the lingering "Palestinian issue."
- Yet another rocket landing near a primary school in Sderot.
- Noisy--and often corrupt--politicians trying to form a coalition amidst a dysfunctional, if vibrantly democratic, government system.

These narratives are real, important, and poignant, but they are only part of the story of a country that has seen 20 years of uninterrupted economic expansion. (Well, mostly uninterrupted. The 2001-02 Intifada and the current economic meltdown took their toll.)

Israel, of course, faces tremendous obstacles. It's tiny, surrounded by enemies, and lacking in natural resources. It has a growing and undereducated Arab population of some 1.45 million whose meager earnings add little to Israel's annual GDP of \$199 billion. (Even with its mostly unskilled Arab workforce, Israel's per capita income is around \$27,000, on par with those of New Zealand and South Korea.) And there are the 700,000 or so in the ultra-orthodox Jewish community who generally don't pay much in taxes or serve in the army but shamelessly mooch off government welfare. Then there are Israel's major trade partners, who have taken a beating in the global economic crisis, exacerbating Israel's chronic trade deficit. There's also been a notable slowing in Israel's high-tech sector in the last two years. And, with Iran threatening to go nuclear, Israelis fret about their very existence.

But these stories miss the bigger point: Israel today has become a vibrant, functioning jewel of a nation tucked into the eastern flank of the Mediterranean. Tel Aviv looks more like San Diego or Barcelona than Baghdad or Kabul. On a recent five-mile run along Tel Aviv's Gordon Beach, I saw Israeli yuppies cycling the boardwalk on \$1,500 Italian mountain bikes, teenagers in full-body wetsuits surfing the breakers, a deep-cleaved Russian model (nobody seemed to know her name) doing a photo shoot in a skimpy bikini whilst middle-aged Israeli men with potbellies and hairy chests shamelessly gawked, rows of high-priced yachts

docked at the Tel Aviv marina, an endless stream of private planes on final approach to small Sde Dov Airport, and two Israeli soldiers in drab green uniforms making out in the sand and drinking Heineken. A nation at war? It seemed more like high season at Coney Island.

"Some first-time visitors are certainly surprised when they don't find tanks and camels in the streets," reports Hanna Munitz, general director of the Israeli Opera. Israel has a world class cultural scene. Want to see Franco Zeffirelli and Daniel Barenboim? No problem. The Alvin Ailey Dance Company visits. The opera plays to audiences at 97 percent capacity. "Just once, another opera manager told me she wouldn't bring her company to Israel because we were 'babykillers' or some nonsense," says Munitz, "but, even at lower pay, we attract the best talents from around the globe. They love coming here!"

It's not only culture. Israel enjoys top universities, upscale restaurants, million-dollar homes, hoity-toity architecture, and the like. Take the economy. In the fourth quarter last year, when the global economy went all to hell, Israel's annual, quarter-over-quarter rate of GDP was only off 0.5 percent, the best figure in the industrialized world. (The United States was off 6.3 percent and Japan 12.1 percent.) "Think about the resistance of our economy in recent times," suggests Zvi Eckstein, deputy governor of the Bank of Israel. "Our prime minister [has a stroke]. The war in Gaza. The war in Lebanon. The government gets replaced. But we've maintained a stable macroeconomic structure and a strong high-tech sector."

What's the secret? Ayelet Nir, chief economist at IBI, an Israeli investment firm, lists six major reasons Israel's economy has done well of late:

- A very conservative banking system--without most of the complex and problematic financial instruments found in the United States.
- No mortgage crisis in a country where putting 50 percent down isn't unusual, and banks often ask for guarantors.
- A current account surplus since 2003.
- Negligible inflation.
- Prudent governmental fiscal policy.
- Healthy integration into the world economy.

Last year, 483 Israeli high-tech companies raised a whopping \$2.08 billion from local and foreign venture capital investors. (Only U.S. companies raised more.) All the major tech players--Google, Microsoft, IBM--have large research centers in Israel. They go where the talent is.

Take the case of Isaac Berzin, an Israeli inventor and chemical engineer named by Time magazine last year as one of the world's 100 most influential people. He's an MIT-affiliated scientist who discovered a process to extract renewable energy from seaweed and could live anywhere in the world. He and his wife, along with their three daughters, chose Jerusalem. Berzin still has to do his annual stint in the army reserves--where, he complains, he knows the "smell of every dirty sock" in his unit. But Berzin thinks the mandatory military service is very positive for Israel. Virtually every high school senior in Israel takes a battery of tests before being assigned to a military unit. Israel's best and brightest are tapped at this early stage and sent to elite units. Alumni from these elite units form a natural pipeline into Israeli high-tech firms. Think of it as a mixture of Harvard Business School and the Marine Corps.

"Everybody knows everybody else's business," explains Elisha Yanay, the cigar-chomping president of Motorola in Israel. "That leaves no room for B.S. Résumés mean very little in our country. In a few phone calls, you can strip anybody bare--how they did in kindergarten, their military service, whatever. Pretending in our country is just not possible." Israel is today "the third-hottest spot [after Silicon Valley and Boston] for high-tech venture capital in the world," adds Yanay. "We have only 7 million people but make enough noise for 70 million."

Not all of Israel is noisy. The Tel Aviv stock market, in particular, seems one of the world's best-kept secrets. In the last 12 months, amidst the global meltdown, the Tel Aviv-100 has slumped only 15 percent. (By contrast, the U.K.'s FTSE 100 Index is down 24 percent, Japan's Nikkei 225 is off 28 percent, and the S&P 500 Index is down 31 percent.) Some of the Israeli market's resiliency is certainly driven by the continued success of Teva Pharmaceuticals, the massive Israeli generic drug firm, market cap near \$42 billion. (Teva's former CFO Dan Suesskind jokingly refers to what he calls the "regret curve"--that is, people who look at the chart of Teva's share price over time and regret not buying the stock.)

"Most countries I know would be happy to trade positions with us, at least on the economic front," reports Ben-Zion Zilberfarb, professor of economics at Bar-Ilan University. "Our recession ought to be milder."

And it's not just Israelis who are taking advantage of the boom. A year ago, Carlos Arroyo was whipping passes to Dwight Howard and leading the Orlando Magic into the NBA playoffs. Now it's approaching midnight on a Monday night; Arroyo is just off a nifty 17-point, 4-rebound, 4-assist outing. He's chatting in the bowels of the Nokia Arena about his new life. He's glad to be out of Orlando. "What I really like about this place is the chic, cosmopolitan lifestyle. You go the supermarket, you find amazing food." What city is he talking about? Los Angeles? Toronto? Try Tel Aviv.

Last year, Arroyo accepted a multimillion-dollar offer to play for Israel's best basketball team, Maccabi Tel Aviv, when he could have been suiting up against LeBron and Kobe. Earlier in the year, he told a visiting reporter, "The restaurants [in Israel] are fantastic. There is this one particular Italian restaurant my wife really likes." (Much as he likes Tel Aviv, Arroyo will probably be moving on during the offseason as he and the Maccabi coach didn't mesh.)

Chloelys Restaurant in Tel Aviv is typical of the culinary boom Arroyo's wife so admires. The restaurant's wood flooring is imported from Brazil, its bricks from Belgium, and chef Victor Gloger keeps 7,000 bottles of wine in his cellar. The businessman's special (gilt-head bream fillet on grape leaves with Bulgarian cheese filling) runs \$32. On a Monday, the place was jam-packed with wheeler-dealers in open-necked shirts, staid Brooks Brothers-clad business types, college students apparently fortified with Daddy's credit card, and the wife of the Belgian ambassador.

As religious Jews congregate in and around Jerusalem, hip Israelis flock to Tel Aviv. They joke that it's "the new city that never sleeps." Just ask Baltimore-born black rapper Joel Covington, a self-professed Jew--go figure--who performs under the stage name Rebel Sun: "I can take you out on Monday night at 8 P.M., bring you home at 8 A.M., and you'll never see a dull moment. If you want to party in Tel Aviv, just bring a toothbrush and an extra pair of underwear--you never know what you'll find."

One thing that Tel Aviv residents can't find is a cheap place to live. Forget about popping over to Israel to find a bargain apartment. There aren't any. A 3-bedroom flat in a classy high-rise like the Alrov Tower in Tel Aviv will set you back \$2 million. What's the asking price for a 1,200-square-foot villa, with pool, on nearby Rehov David Smilansky--roughly akin to Bethesda, but with a shorter commute downtown? Try \$4 million. The upside, of course: Buy the villa, and you can walk to the Gucci and Armani shops on nearby Kikar Hamedina Square. Israeli residential real estate prices are off a modest 5-10 percent since the global downturn hit, reports Adina Haham, CEO of Anglo-Saxon Real Estate in Tel Aviv. And prices are already inching back up.

High-tech millionaires own a lot of these homes. "The Israelis you find on the slopes of Aspen, those are mostly high-tech guys," explains Bar-Ilan University's Zilberfarb. How has Israel managed to do so well in high-tech? Every Israeli high-tech player can recite the national data like a bleacher bum spitting out baseball statistics:

- Israel produces more science papers per capita than any other country.
- Israel lags behind only the United States in number of companies listed on NASDAQ.
- Twenty-four percent of Israel's workforce has a university degree; only the United States and Holland have a higher number.
- Israel leads the world in scientists and technicians per capita.

Why has this produced a tech boom? There are as many theories as there are Israelis, it seems, but the most cogent is put forward by Haim Harari, retired president of the Weizmann Institute of Science:

If the science Olympics were held in Europe, we'd be second to none. I claim our success has to do with the national character of Israelis. The Israeli--or Jewish--character--is ambitious, chaotic, undisciplined, unorganized (we don't have a pope), often brilliant, and we think we know better than everybody else all the answers. These are the exact same skills you need in a high-tech start-up, but, of course, we have none of the skills to run a big company.

An alternative theory, espoused by many serious Israelis, is that the prototypical pushy Jewish mother is driving the high-tech boom. Study hard! Make something of your life!

Israeli technology has certainly been a big part of the Internet age. The cell phone? Developed in Israel. Ditto for most of the Windows NT operating system and for voice mail technology. Pentium MMX Chip technology? Designed in Israel. AOL Instant Messenger? Developed in Israel. The list goes on. Firewall security software originated in Israel. The latest breakthrough is the "PillCam," a video camera that can be swallowed and aids physicians in diagnosing intestinal cancer.

"There was a suicide bomber in this very café during the Intifada," says Jonathan Medved over thick coffee at Caffit Café in Jerusalem. He's a transplanted American, prone to loud Hawaiian shirts, and one of Israel's leading venture capitalists. "They managed to get him over there, across the street, and he didn't detonate. That's how we live. And here we are today. Improvisation is our national plan. We are a nation of risk takers." Successful risk takers, by and large, and not just in high-tech.

Take the case of Eli Ben-Zaken. Twenty years ago, he was a smalltime farmer in charge of a chicken shed. He dabbled in wine, then risked all. Today, he's the proud owner of Domaine du Castel, a winery nestled on a gorgeous mountaintop in the rolling Judean Hills. His wine is sold from Hong Kong to Brazil. Walk into Zachys in Scarsdale and a bottle of his 2006 Grand Vin Kosher will set you back \$89.99. "I always say, thank God for the snobs," says the understated Ben-Zaken. "They started drinking wine for the wrong reasons, but stayed because they learned to appreciate good wine."

Some Israelis point to the country's unresolved tensions with its Arab neighbors as a factor in its success. "Conflict is also a very strong source of artistic creation," reports Hanan Pomagrin, a well-regarded Israeli architect. "An area in conflict is not always negative; it keeps people alert. I'm not saying that I would not want to see resolution to this conflict, but it also contributes to the huge energy felt when visiting Israel."

That self-same energy has pushed Israelis of all stripes onto the world stage. One is Bar Rafaeli, the shapely Israeli model who appeared on the cover of the latest Sports Illustrated swimsuit issue and who's been romantically linked to Leonardo DiCaprio. Another is Michael Arad, a former soldier in the elite Golani Brigade; in 2004, he won the design competition for the World Trade Center Memorial. And there's Ronen Chen, the Tel Aviv-based designer, whose high-end women's clothes at prices secretaries can afford are found in chic boutiques all around the United States. Then there's the Batsheva Dance Company, an Israeli cultural icon that performs to packed audiences around the globe. And you can't wander into the faculty lounge at an Ivy League school without bumping into a transplanted Israeli.

But Israelis love their home, and with good reason. "You try to find someplace in Tuscany that's as nice as the Galilee," says the Bank of Israel's Eckstein. Wake up in Tel Aviv, and you can be skiing down the slopes at Mt. Hermon after a lovely, if winding, three-hour drive. That's a far sight easier than the haul from the Upper West Side to Stowe. Finish the workday in Jerusalem, and you can be scuba diving in Eilat, on the Red Sea, after a quick flight.

Of course, not all Israelis can afford weekend getaways. There are sordid slums in the country. Among those still struggling mightily: Palestinians and the recent waves of immigrants from Russia and Ethiopia. Even successful Israelis have their issues. Forget about a service industry; Israelis proudly jest that their nation produced the cell phone but not a single decent waiter. It's a nation where rudeness, reckless driving, cheating on your tax returns, and cutting in line are national art forms.

Yet none of this is evident at the beautiful spa at Mizpe Hayamim. The resort may have no bigger fan than Dita Kohl-Roman, who's been vacationing there for more than two decades--since her mother-in-law first took her. "My daughter--a student in physics and Latin at Hebrew University--continues the tradition today," says Kohl-Roman, a director of resource development at Kishorit, a community for those with special needs. "She goes with her boyfriend!"

Anita Blum, the ever-gracious spa owner, is vigilant about the confidentiality of her guests, but her employees can't help but boast about two of the many goats at Blum's magnificent organic farm. One is named "Sharon." The other is named "Stone." Yes, it seems the other Israel--the land not of terrorists but of milk and honey and goats--may finally be being discovered. (Weekly Standard Jul 27)

*The writer, a Nashville-based writer, has reported from six continents.*