

RELEASE IN PART B5

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To: H
Subject: Fw: (Haaretz) Israeli Labor party expects new settlement freeze as payoff for loyalty oath

From: Hsiang, Margaret E
To: NEWS-NEA; NEWS-Mahogany
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Sent: Wed Oct 06 22:53:57 2010
Subject: (Haaretz) Israeli Labor party expects new settlement freeze as payoff for loyalty oath

(Haaretz) Labor party ministers angered by Prime Minister Benjamin Netanyahu's snap decision to back a controversial citizenship loyalty oath said late October 6 that they expected a new freeze in settlement building as a payoff. Netanyahu neglected to inform his Labor coalition partners that he had approved a right-wing minister's draft of a new oath that would require anyone taking Israeli citizenship to swear allegiance to Israel as a "Jewish and democratic state."

The move paves the way for a vote in the Knesset and was hailed as victory by ultra-nationalist Foreign Minister Avigdor Lieberman's Israel our Home party, Netanyahu's major coalition partner. But the prime minister must perform a balancing act. Allies at both ends of the political spectrum and the Labor party hope that his latest concession is a sop to right-wingers ahead of a decision to renew a ban on settlement building in the West Bank – a key demand of the left.

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