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READER EDITION

July 7, 2026

ISRAEL BRIEF

Tuesday, July 7

Hamas sheds Gaza's government and keeps the gun, Tehran stages its mourning in red, and the cabinet walks back its own court defiance by lunch.

◇ URIEL ZEHAVI

THE BOTTOM LINE The hostility is aimed, and it stays put while the ambient kind recedes. “Baby killers” screamed at families leaving Shabbat in Barcelona is the blood libel with a keffiyeh over it. The masked column chanting through Washington the same July 4 weekend closes the perimeter from the other flank — the street every European community already reads, now with an American dateline. And the count is a floor: a federal tally whose coverage fell below a fifth of the country by June undercounts by design, while the state with the largest Jewish population outside Israel reported to the FBI a fraction of what its own largest city logged [the counting runs through a mayor who spent day one scrapping the very definition of the thing he now fails to count].

CLASSIFICATION

Reader Edition

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THE loudest moves today are costumes worn by hands too weak to play straight. Hamas dissolved Gaza's government and kept the guns. Tehran buried Khamenei under six days of red pageantry while the heir it calls its future stayed a corpse it will not produce. And the cabinet staged a defiance of the courts it disowned by Monday afternoon. Underneath each show the real holding sits untouched — the gun, the guild, the target folder.

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FLASH BRIEF

- **Gaza:** Hamas dissolves Gaza's government and keeps the weapons, handing technocrats the debt and the sewage. *See The War Today.*
- **Lebanon:** An American general opens the first pilot withdrawal zone as the air force levels eleven villages overnight. *See The War Today.*
- **Iran:** Trump renews the strike threat as Tehran demands a Hormuz toll and buries Khamenei in red. *See The War Today.*
- **AG split:** Rothman moves to end the attorney general's advice monopoly as five former court presidents warn of anarchy. *See Inside Israel.*
- **October 7:** The coalition's politically-appointed inquiry clears first reading 59-0, surviving the mid-July dissolution. *See Inside Israel.*
- **Shin Bet:** Zini redirects half a billion shekels at Arab-sector crime and reviews interrogations of Judea and Samaria residents. *See Inside Israel.*
- **Turkey:** Netanyahu fights the F-35 sale to Erdogan on Fox as Paris opens its air-defense line to Ankara. *See Israel and the World.*
- **Iran's diaspora:** Anti-regime Iranians fly Israeli flags at US embassies, telling Trump not to negotiate with Tehran. *See Israel and the World.*
- **Am Yisrael:** Hate crime falls 43 percent nationwide while the anti-Jewish share holds and a mob chases Jews in Barcelona. *See Israel and the World.*
- **Senate races:** An assault allegation upends the anti-Israel Democrat in Maine's Senate primary. *See Briefly Noted.*
- **Brussels:** The Commission tables its Judea and Samaria trade-curb next week as the UAE floats a water-for-solar summit. *See Developments to Watch.*

Watch what each actor keeps, not what it announces. Hamas, Tehran, and Aoun are all staging surrenders or continuities they cannot back, and the disarmament, the succession, and the sovereignty that actually hold are the ones imposed on them from outside the announcement. At home the move runs in reverse: the cabinet's court-defiance is the sideshow, and the substance is Rothman ending the attorney general's monopoly, Zini turning the Shin Bet his predecessor pointed elsewhere, and a first reading that plants an October 7 inquiry in the next Knesset.

The War Today

Hamas Sheds Gaza's Government and Holds Its Weapons

Hamas dissolved the Emergency Committee that has run Gaza since 2007, its chief Mohammed al-Farra resigned, and the group declared itself ready to hand administration to the Cairo-based technocrats of the National Committee for the Administration of Gaza. The announcement said nothing about the weapons. Every ministry and every civil servant stays in place. Israeli and American officials called it spin and stalling, a resignation in which no one loses a job. Sa'ar named the move a bid to run the "Hezbollah model" —

a technocratic office left to collect garbage while the armed wing keeps the political and practical power. The Board of Peace said it would judge actions, not promises, and repeated its terms: one authority, one law, one weapon. Underneath the paper, the enforcement ran as usual. Overnight the air force killed Fadi Daghmash, the Hamas commander who trained the Nukhba for October 7, and hit five operatives rebuilding tunnels west of the Yellow Line. Israel holds close to 70 percent of the Strip. Behind the ceasefire, Hamas taxes aid trucks by up to a third, smuggles tobacco, sells power siphoned off hospital generators, and recruits the young men the Strip leaves jobless, rearming for a next round its own commanders no longer deny is coming.

ASSESSMENT

Dissolving a committee costs Hamas nothing it values. It keeps the rifles, the tunnels, the cut of every truck, and the men it executes for getting in the way, and it hands the technocrats the debt, the sewage, and the salaries [the parts of running Gaza that photograph badly]. The only disarmament anyone enforces still arrives one target folder at a time west of the Yellow Line, because Washington quietly stopped making it a condition of reconstruction, and a Board of Peace that grades promises has no way to collect on them.

Israel Starts the Pilot Withdrawal and Keeps Striking the South

An American general, Joseph Clearfield, arrives in Beirut this week to open the first pilot zone, where Lebanese army units are to replace the IDF around Zotar in the Nabatieh district. Aoun, who called the framework less than ideal, said he will not meet Netanyahu in Washington and would walk out of any room the two shared, and blamed the occupation for keeping the Lebanese army from deploying. The strikes did not pause for the diplomacy. The air force hit some eleven villages overnight, leveling buildings in Kafr Tabnit, Houla, Aitaroun, and Bint Jbeil and running drone strikes on Nabatieh al-Fawqa and the Ali al-Taher ridge. A drone struck a vehicle near the Al-Aqida zone that the army said carried four suspects threatening its troops. Lebanese media claimed the dead were a school principal, her mother, a domestic worker, and a Syrian laborer checking a family home. Hezbollah, which still rejects the framework, buried sixty more of its own in the Tyre district.

ASSESSMENT

Aoun performs a sovereignty he cannot deliver — refusing the photograph with Netanyahu while asking Washington to keep standing behind him — and the pullout waits on a Hezbollah disarmament no court or rifle in Beirut can compel. Tehran has now folded an end to Israel's southern operations into its demands in the Hormuz talks, which leaves the man in the zone hostage to a bargain settled three capitals from the ridgeline he holds.

Trump Renews the Strike Threat as Iran Projects Revenge

Trump told reporters the United States would either reach a deal with Iran or “finish the job,” and it would not be hard — the Navy could knock down Iran's bridges in an hour and erase its power plants “in a small part of an afternoon,” every plant gone. He said the blockade had sunk 159 Iranian

ships, that Tehran had no money left, and that Washington would take custody of Iran's enriched uranium. Iran's security-council secretary Zolqadr called the threat delusional and told Washington to speak to Iranians with respect "or we will respond in another language." Parliament speaker Ghalibaf reportedly called the ceasefire difficult but achievable while insisting Iran has no peace with America and will never recognize Israel. Khamenei was buried Sunday after six days of ceremony staged in red, the color of blood and vengeance, and his designated heir Mojtaba never appeared — an absence read as the strongest sign yet that the man the regime calls its next Supreme Leader is dead. Talks are said to resume in Islamabad on July 11, with Tehran now demanding an end to Israel's Lebanon operations and Western officials putting the odds of a full deal low.

ASSESSMENT

A regime that stages its mourning in the color of blood, and whose named successor is most likely a corpse it will not produce, bargains from a weakness the pageantry is built to hide. It demands a Hormuz toll it cannot enforce, fires on a strait it cannot hold, and answers an American ultimatum with funeral placards. Trump's threat lands as the floor Jerusalem was made to write for itself — the standalone strike order Katz disclosed is what a country keeps when it is told it may not read the deal drawn over its own border. Whether the regime is defiant or merely loud is the question the next round in Islamabad will not settle.

Inside Israel

The AG Split Fast-Tracks as the Court's Old Guard Warns of Anarchy

The cabinet's Sunday declaration that it will not recognize decisions by the reduced Second Authority broadcasting council — the regulator weighing a critic-led buyout of Channel 13 — drew a joint warning from all five living former High Court presidents, Aharon Barak among them, that refusing to obey court orders is "the final nail in the coffin of democracy." By Monday afternoon Miki Zohar and cabinet secretary Yossi Fuchs were walking it back, insisting the government would comply and had only criticized the court. Underneath the broadcasting fight, Rothman is moving to pass his bill ending the attorney general's monopoly on binding legal advice. It would free the government to override Baharav-Miara's opinions while she stays obligated to defend the state in court. Ten more petitions wait at the High Court, among them the Judicial Selection Committee amendment, the Ben-Gvir dismissal, and the October 7 commission. Smotrich named the attorney general as the only party manufacturing a crisis. Karhi's own Communications Law stalled the same day, Shas and UTJ refusing it a safety net over Shabbat and modesty objections.

ASSESSMENT

The “constitutional crisis” is the guild’s framing, and the coalition half-built it for them. The cabinet’s non-recognition declaration was pre-primary theater, disowned by its own ministers within a day, and the loudest alarm comes from the five jurists who built the judicial-review expansion the reform exists to reverse. The move that matters is Rothman’s. Ending the attorney general’s monopoly on binding advice is the rebalancing the reform was written for, and the broadcasting quarrel is the show the base wants.

The Coalition’s Own October 7 Inquiry Clears First Reading

The Knesset passed in first reading the coalition bill setting up a politically appointed committee to investigate the October 7 massacre in place of a state commission of inquiry. The vote was 59 to nothing, the opposition boycotting. Clearing the first reading triggers legislative continuity, so the bill survives the mid-July dissolution and resumes in the next Knesset instead of restarting. The revised text lets the committee operate with three coalition-appointed members if the opposition stays out, and bars the state comptroller from filling the empty seats. Kallner’s bill is moving as part of Netanyahu’s deal with the haredi parties. The October Council, representing bereaved families, called the vote a “second tearing” and vowed the next government would dissolve the committee on its first day.

ASSESSMENT

The continuity trigger is the point of a first reading the coalition cannot finish before dissolution. Passing it now plants a bill the next Knesset resumes rather than restarts. The families’ grief is earned, and the state commission they are pointed toward is no cleaner: its chair is the High Court president’s pick, which hands the accounting to the same judicial-legal establishment that shares the October 7 failure with the government it would sit in judgment of. No untainted hand is left, so the panel that can be seated beats the one built to indict the hand that appoints it.

The New Shin Bet Chief Redirects Its Budget and Its Interrogators

The cabinet moves Sunday to approve a dedicated half-billion shekels for the Shin Bet to enter the fight against Arab-sector crime, NIS 567 million with the police share. The money is drawn from the Bennett-Abbas 550 Plan that had routed it through Mansour Abbas without oversight. David Zini, the coalition’s new agency chief, has mobilized the service for a mission Ronen Bar refused. Zini is also reportedly weighing the removal of his Investigations Directorate head and a review of the interrogation methods the Shin Bet uses on Jewish residents of Judea and Samaria, which he considers disproportionate. Ben-Gvir and May Golan claimed the budget as their win.

ASSESSMENT

The Arab-sector crime wave the state let run for a decade now draws the Shin Bet’s attention, and the Jewish residents of Judea and Samaria who drew its hardest interrogations get a second look. The through-line is who controls the institution, the same question running under the fight over the attorney general and the courts. Bar spent his tenure as the guild’s holdout, and Zini is what the appointment power looks like once it is used.

Israel and the World

Netanyahu Fights the Turkey F-35 Sale on Fox as Paris Arms Ankara

Netanyahu spent yesterday working the case against arming Turkey, twice on Fox. The interviews ran as Trump headed into his Ankara meeting with Erdogan. Withhold the F-35 and the F110 engines Turkey's KAAN fighter needs, he argued. He named a regime "infected by the Muslim Brotherhood," one that "chants Death to America." Its president, he said, occupies half of Cyprus, menaces Greece, and talks "openly about conquering Jerusalem." A bipartisan House letter presses the same refusal. Trump has signaled the reverse. The administration moved to push a \$700-million-plus engine sale past congressional objections, and Trump promised to arrive with "a big gift bag." The salesman is Tom Barrack, Trump's ambassador to Ankara, who calls the seven-year ban "insane" and treats the S-400s Turkey never surrendered as paperwork to be workshopped — handed to some third party or stripped of parts and declared "inoperable." The supply is no longer only American. Paris has reportedly opened its Franco-Italian SAMP/T air-defense line to Ankara — a shift the Elysee disputes but will not detail.

ASSESSMENT

Netanyahu is lobbying the patron on Fox because Israel holds no seat where the sale gets decided, locked out here as it was from the terms of its own Iran war. The reported SAMP/T opening in Paris points the same way: the arming runs on Europe's defense-industrial appetite and will outlast this week's summit. That leaves the Greek and Cypriot counterweight as the one lever Jerusalem builds for itself. And the gift bag is an announcement, not a jet: the sale must still clear a two-year gauntlet of sanctions waivers and congressional disapproval before Turkey even joins the back of Lockheed's years-long queue, and US law obliges Washington to preserve Israel's qualitative military edge — so no F-35 reaches Anatolia before 2030, and Jerusalem has both the time to build roadblocks and a statutory claim to the compensating tranche.

Iran's Anti-Regime Diaspora Flies Israeli Flags Against Washington's Deal

Reza Pahlavi called for worldwide protests to run through the regime's week-long funeral for Ali Khamenei. The anti-regime diaspora answered at U.S. embassies across dozens of cities, flying pre-revolution "Lion and Sun" banners alongside American and Israeli flags in London, Rome, Berlin, Madrid, and Brussels. The signs aimed at Washington as much as at Tehran: "No Appeasement," "Do not negotiate with terrorists," and, addressed to Trump, "Iranians didn't risk their lives for corn and wheat" — a reference to the tens of thousands killed putting down last winter's uprising. In Berlin, activists staged a mock signing between caricatures of Trump and Mojtaba Khamenei. Across from Trump Tower in New York, placards told the president to "finish the job."

ASSESSMENT

The regime staged a week of funeral pageantry to project continuity. Its own diaspora answered by flying the flag of the state Tehran vows to erase. The banners hit Washington's deal as hard as they hit the mullahs, because the Iranian street reads the MoU as Tehran does, a lifeline to a regime its people were dying to topple last winter. An anti-regime Iranian holding an Israeli flag outside a U.S. embassy is a perception win no hasbara budget buys, and no ministry could have staged it.

Hate Crime Falls Everywhere Except Against the Jews

Federal crime data for the first half of 2026 records overall hate-crime offenses down 43 percent, even as Jews were targeted in 15 percent of every hate-crime incident in the country and stood at 525 percent above their share of the population — the most-targeted group by a margin no other faith approaches, with Sikhs, Muslims, and Arabs each drawing 1 to 2 percent. California logged 158 anti-Jewish offenses, New Jersey 102. New York City on its own recorded 178 in six months, more than New York State reported to the FBI for the entire jurisdiction. The street ran ahead of the tally. A group of French Jews in kippot leaving Shabbat services in Barcelona were chased through the beachfront by a mob on bikes and scooters shouting “baby killers” and “Jews are not welcome in Barcelona.” They were penned in for close to an hour until hotel security blocked the crowd. It was the latest entry in a run that already includes the desecration of the Montjuïc Jewish cemetery. At London Pride the same weekend, a Jewish bloc marching under a Star-of-David rainbow flag was told to “go back to your Zionist homeland” and asked “how many babies did you kill,” with 650 officers deployed and at least two filmed standing by. The Met has opened an investigation. And in Washington, hundreds of masked Patriot Front members marched on the Fourth, the group the ADL calls the country’s largest purveyor of antisemitic material, its signature banner reading “No Zionists in Government.”

ASSESSMENT

The hostility is aimed, and it stays put while the ambient kind recedes. “Baby killers” screamed at families leaving Shabbat in Barcelona is the blood libel with a keffiyeh over it. The masked column chanting through Washington the same July 4 weekend closes the perimeter from the other flank — the street every European community already reads, now with an American dateline. And the count is a floor: a federal tally whose coverage fell below a fifth of the country by June undercounts by design, while the state with the largest Jewish population outside Israel reported to the FBI a fraction of what its own largest city logged [the counting runs through a mayor who spent day one scrapping the very definition of the thing he now fails to count].

Briefly Noted

Frontline & Security

- *Times of Israel*: Prosecutors indicted a Tajik national for photographing Haifa Port, an Elbit facility, and missile-impact sites for Iranian handlers who found him on Telegram and paid him in crypto. Part of his tasking was

seeding fake job ads in migrant neighborhoods in Ashdod and Tel Aviv to recruit more agents for the same handlers.

Diplomacy & Geopolitics

- *Times of Israel*: The UN Working Group on Arbitrary Detention branded Israel's detention of Gazan doctor Hussam Abu Safiya 'arbitrary' and demanded his release and compensation. Abu Safiya is a colonel in Hamas's Military Medical Services who ran Kamal Adwan Hospital as a military facility.
- *Arutz Sheva*: An IDF Home Front Command delegation drew up a national reconstruction plan for earthquake-hit Venezuela, mapping some 1,300 damaged buildings for a regime that severed ties with Jerusalem 17 years ago. The delegation also met Venezuela's roughly 5,000 Jews, the first official contact in years.

Public Diplomacy & Media

- *JNS*: Graham Platner, the anti-Israel Democrat running for Maine's Senate seat, is 'reflecting on the best path forward' after a woman accused him of rape and the DNC's Donna Brazile told him to step aside.

Domestic & Law

- *Jewish News UK*: The cabinet approved a three-year package for the roughly 3,600 recognized Nova massacre survivors — trauma care, addiction treatment, a caseworker for each.
- *Ynet News*: Fraud investigators seized NIS 186 million from insurer Menora and five of its executives in the widening Histadrut bribery probe, which suspects the firm paid an agent to steer a medication-policy contract through federation chief Arnon Bar-David.
- *Arutz Sheva*: The Education Ministry issued its first nationwide directive ordering state schools to let students lay tefillin during breaks, ending years of principal-by-principal improvisation.

Economy, Tech & Infrastructure

- *Globes*: Cyera is in advanced talks to buy fellow Israeli cybersecurity firm Oasis Security for as much as \$1 billion, mostly in stock, a month after a \$600 million round valued Cyera at \$12 billion.
- *Jerusalem Post*: Israel opened five new offshore blocks to gas exploration and unveiled plans for a 150-kilometer Ashkelon-to-Haifa power line, most of it undersea and rated at 5.4 gigawatts, that the Energy Ministry calls one of the largest of its kind in the world.
- *Times of Israel*: The Bank of Israel cut its benchmark rate to 3.5%, its lowest since 2022, crediting the US-Iran understanding for easing energy prices and Israel's risk premium. Smotrich attacked the quarter-point move as too timid for an economy whose 33-year-high shekel is pushing exporters and tech firms to cut jobs and shift R&D abroad.
- *Jerusalem Post*: Simad Holdings, the New York summer-camp empire of the philanthropist Shabsels brothers, collapsed into Chapter 11 barely six

months after raising NIS 620 million from Tel Aviv bondholders, one of the fastest crashes the local market has seen. Israel's securities regulator and its rating agencies waved the bond through before the company's owner moved \$32 million into his personal account.

Culture, Religion & Society

- *Israel Hayom*: A Gur councilman wants Jerusalem's mayor to shut a café that opened for Shabbat at the edge of the Haredi neighborhoods, calling the outdoor tables a unilateral breach of the status quo.
- *Forward*: The Venice Biennale's entire jury resigned over Israel's inclusion, refusing to award any artist from a country whose leader the ICC has charged — Netanyahu alongside Putin — as pro-Palestinian marchers worked the streets outside.

Developments to Watch

Judea & Samaria

- **World Cup crowds worry the IDF** — Residents across Judea and Samaria are watching matches all night, and the army is reworking its patrol schedule around them. It expects the summer break to swell the crowds, and is repositioning before they multiply the flashpoints.

Northern Front (Lebanon / Syria)

- **Macron lands in Damascus** — France's president made the first French state visit to Damascus in 17 years, en route to Erdogan in Ankara. Every Western capital crediting al-Sharaa hands him standing to contest Israel's grip on the southern Syrian flank.

Regional Axis (Iran, Houthis, Militias)

- **Rosatom re-mans Bushehr from mid-July** — Russia's Rosatom sends about 200 staff back to Iran's Bushehr plant from mid-July, resuming two units evacuated after February's strikes. The return reseeds the program the war set back, and stations Russians on a site a new strike must work around.
- **Sanaa and Riyadh trade threats** — A Houthi official warned Riyadh it could start a war but not stop one, and the coalition vowed to hit back. Sanaa is now weighing Red Sea moves that would reopen the lane Israel pushed off its board.

Diplomatic & Legal

- **Brussels tables the trade-curb document** — The European Commission confirmed its measure limiting trade in goods from Judea and Samaria reaches member states next week. Jerusalem wants a delay, and Brussels warns the pressure climbs if Ben-Gvir and Smotrich stay in the next government.

- **Abu Dhabi floats a water-for-solar swap** — The UAE has proposed an Israel-Jordan-UAE summit on a new water deal, Israeli water and desalination traded for Jordanian solar. Jerusalem is weighing it, a rare opening on the regional track while every other front escalates.
- **Pakistan's border flares before the Iran round** — Islamabad hosts the next US-Iran round on July 11, and reportedly moved army artillery to its Afghan frontier this weekend. A mediator managing its own border fight is a shakier host for the round Jerusalem cannot see into.

Home Front & Politics

- **Haredi arrest freeze heads for final votes** — The bill freezing arrest and prosecution of haredi draft evaders was published in full ahead of its second and third readings. A temporary order lasting under five months, it is racing final passage before the Knesset dissolves on July 17.

The harder contest is at home, where the prize is possession of the institutions themselves: the attorney general's chair, the Shin Bet's mission, the auditor of October 7. Whoever holds those when the Knesset dissolves on the seventeenth keeps them into the next government, long after the funerals and the handovers have played for the cameras.

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Mitzpe Institute is an intelligence and strategy organization focused on Israeli security, diaspora threat assessment, and the strategic challenges confronting the Jewish people and the West. We produce daily intelligence, forensic analyses, strategic assessments, and tactical briefings read by policymakers, military leaders, and institutional decision-makers across more than 90 countries and all 50 US states — from the Knesset and the US Congress to allied governments, major policy institutions, and Jewish organizational leadership worldwide.

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