

# **Conclusion: Strategic Assessment and Policy Recommendations**

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This chapter spans four subjects. The first is an assessment of the national security situation in late 2018, as formulated by the Institute for National Security Studies. The second section focuses on core issues for early 2019 that should be debated by Israel's military and political decision makers. The third section examines black swan events, strategically significant turning points that are unlikely to occur, but if they do occur, would be of utmost significance for Israel's political and security situation. It is recommended that the Israeli government examine these extreme events and their potential implications for Israel, and prepare for them. The fourth section of the chapter presents ten core recommendations for Israel's national security policy in 2019 and beyond.

## **A General Situation Assessment**

An assessment of the State of Israel's national security situation in late 2018 shows impressive military, political, technological, and economic strength. At the same time, it reveals the risk of military escalation on multiple fronts, as well as the limitations of the current policy's ability to address challenges and maximize opportunities.

Israel faces a basic tension between its unprecedented military and strategic strength, and its profound difficulty in achieving national security objectives. This is a function of the limited benefit of military actions against

key enemies, as well as the heavy social and economic tolls entailed by war and Israel's high sensitivity to casualties. Indeed, in general, even outstanding military victories do not always translate into political achievements, and dealing with the consequences of "the day after" is often no less complex than managing the military operations themselves. The asymmetry in aims and expectations from war (for the enemies of Israel, non-loss means victory, whereas the Israeli public expects decisive victory), in addition to differences in rules of engagement, makes it difficult to fulfill grand campaign objectives – and therefore requires their formulation in modest terms.

Tension also exists between very strong basic deterrence, which prevents Israel's adversaries from initiating wide scale military action, and the military and security challenges that lie below the threshold of war. These tensions contribute to potential volatility on all of Israel's main fronts: Syria, Lebanon, and the Gaza Strip. In spite of the "mutual deterrence" that exists, these fronts are also characterized by the potential for deterioration into large scale confrontation and outright war, which might occur on more than one front at a time.

In most areas of national security, excluding the challenge of Iranian entrenchment in Syria and the transfer of weaponry to Hezbollah, Israel has chosen to maintain the status quo rather than take a proactive approach aimed at reaching a more secure situation. Domestic political considerations and the impulse to avoid weighty decisions make it difficult to deal with dangerous long term trends. This means that Israel manages to enjoy a reasonable although non-optimal situation at present, but at the expense of the future. Adhering to the status quo in the context of the Israeli-Palestinian conflict, for example, means accepting a negative trend and blocking the option of implementing a two-state solution, thus accelerating the slide into a reality of annexation and one state.

At the same time, it is worth viewing Israel's situation as a strategic window of opportunity for furthering the campaign against Iran and for adopting a better plan of action regarding the Palestinians. These circumstances may vary in the future due to changes in the United States administration, political developments in the pragmatic Arab states, narrowed technological gaps between Israel and other countries, and reduced freedom of military action in arenas in which Israel currently operates relatively freely.

### ***The Iranian Threat***

The Israeli government has defined the Iranian threat as the primary threat to Israel's national security. This threat has two mutually reinforcing components: nuclear and conventional. There is the Iranian nuclear program (which according to information acquired by the Mossad, sought in the past to attain nuclear weapons and retains the option of attaining them, and is gradually and patiently progressing in that direction), which will be a strategic umbrella for the regime in its endeavor to achieve influence and hegemony throughout the Middle East. In tandem, in the framework of its efforts to project power in the region, Iran is conducting conventional proxy warfare and building bases for operations in Lebanon, Syria, and apparently in Iraq as well. Iran continues to fund and arm non-state actors, including Hezbollah, Hamas, and Shiite militias in Iraq and Yemen that advance its strategic goals on the military level and also serve as vehicles for influencing local governments. It has done this successfully in Lebanon, Syria, Iraq, and Yemen, and thereby threatens Israel and other countries in the region from these respective places. Tehran seeks to exhaust Israel and deter it from directing its military capacities toward Iran's nuclear program. Departing from the past, in 2018 Iran used force directly against Israel rather than via a proxy. Similarly, while over the years Israel has focused on fighting against Iran's proxies, in the past year it attacked the Iranian military presence in Syria directly. Israel must internalize the limitations of its strategy of fighting Iran's proxies; such activity will be hard pressed to achieve its objectives without weakening the key party behind the proxies' power: the Quds Force. It is also important to assess Iran's weaknesses and vulnerabilities consistently, including its economic weakness, the erosion of the regime's public legitimacy, and overstretch of the Quds Force over many arenas. All these make Iran more vulnerable, particularly in light of the shifts in US policy.

Donald Trump's election as President brought changes to the United States approach to Iran. In 2015, under the Obama administration, the international community reached a nuclear agreement with Iran, the JCPOA, which delayed most of the Iranian nuclear program and made an Iranian breakout to nuclear weapons more difficult until 2025-2030. Those who formulated the deal also hoped that it would generate a change in Iran's policy in other areas, but this hope has proven false. Iran, strengthened by the resources that it received

as a result of the removal of sanctions, increased its efforts to bolster its position in Syria, Lebanon, Iraq, and Yemen. It was against this backdrop that President Trump adopted a harsher policy toward Iran, and as a central tenet of his foreign policy, his administration is pressuring Iran to change its behavior in all areas where it harms the strategic interests of the United States and its Middle East allies, particularly Israel and Saudi Arabia. The US withdrawal in May 2018 from the JCPOA was accompanied by two stages of sanctions renewal and the imposition of even harsher ones; its declared aim is to renew negotiations with Iran in order to reach an agreement that addresses the twelve demands laid out by Secretary of State Mike Pompeo. Many are convinced that the undeclared aim of the administration's policy is regime change in Iran. For now, the US is engaged in its struggle with Iran on diplomatic and economic levels and is not prepared to engage in military conflict. This policy, which avoids using military tools, resembles President Obama's policy toward Iran, and was echoed by President Trump's decision in December 2018 to withdraw the American forces from Syria that had fought against the Islamic State. Consequently, the question that must be probed with the United States is whether the withdrawal of the US forces from Syria is a first step, to be followed by a withdrawal of forces from Iraq and air and sea power from the Gulf and the Mediterranean. It is in Israel's interest that the US boost its activity against Iranian terror and efforts at regional hegemony, and that its withdrawal from Syria not be perceived as a change in policy vis-à-vis Iran.

It is highly unlikely that Iran will respond affirmatively to the United States demands, as doing so would entail abandoning the ideology and strategy that have guided the Islamic regime over the past forty years and surrendering central principles of the Islamic Revolution, and thus what the regime views as essential national strategic interests. Iran has demonstrated significant stamina in the past in spite of its basic weaknesses. As such, there are several main possible scenarios, which are listed here in decreasing order of likelihood:

- a. Continuation of the existing situation: In other words, Iran will show "strategic patience." It will count on Trump being a one-term president, and on the next administration rolling back policy changes and reentering the nuclear agreement; it will absorb the damage from US sanctions over

the next two years while being assisted by the other partners to the JCPOA – Britain, Germany, France, China, and Russia – in their opposition to Trump’s policy. Iran will neither violate the agreement, nor will reenter negotiations with the United States. In this scenario, Israel must search for ways to deal with the weaknesses of the agreement and prepare for future changes in US policy, and for the years when the limitations imposed by the deal will expire.

- b. Entering negotiations with the US: In this scenario, sanctions imposed by the US and especially by the financial institutions that previously cooperated with Iran create an unbearable economic situation for Iran, and it is compelled to return to negotiations. Even in this case, it is doubtful that Iran would accept all the American demands, or that the US would be willing to sign an agreement in which it would also make compromises, potentially including compromises that come at the expense of Israel’s interests. In such a case, it would be imperative to emphasize the demands that are most urgent to Israel: extending the sunset clause (expiration of the limitations) until 2050, implementing international oversight authority at military and undeclared sites in Iran, limiting the Iranian ballistic missile program, and dealing with components of the weapons program and Iranian subversion and terrorist activities across the Middle East.
- c. Violation of the agreement, mainly by the renewal of large scale uranium enrichment and acquisition of stocks of low grade enriched uranium (3-20 percent), which does not violate the Non-Proliferation Treaty. This scenario could result from an Iranian decision that would reflect the end of Iran’s strategic patience, or from the failure of negotiations with the US. It would not necessarily mean full withdrawal from the JCPOA, as the agreement allows Iran to violate certain clauses in response to similar actions by other partners, and therefore some of these partners would be able to justify continued cooperation with Iran. The principal implication of this scenario would be shortening the time Iran needs to acquire nuclear weapons.

Two additional scenarios are extremely unlikely – Iran’s acquisition of nuclear weapons, like North Korea, with the aim of reentering negotiations from a strengthened position; and the fall of the regime (some claim this

is the US administration's goal), which according to all signs is stable and has the power to suppress any public unrest. Indeed, the fall of regimes is difficult to predict and typically occurs without prior warning.

### ***The Northern Front: The Syrian-Lebanese Arena***

The challenges facing Israel in the Syrian-Lebanese arena have increased over the past year. In early 2018, Iran heightened its efforts to consolidate its independent military capabilities in Syria and give Hezbollah advanced military capabilities; toward the end of the year Israel's freedom of action was reduced, after having expanded in previous years due to the civil war. Russian and Iranian assistance to the Bashar al-Assad regime and to militias that operate on its behalf and with its sponsorship allowed the regime to win the war against divided opposition forces. However, the civil war has not ended definitively, and it is unlikely that the regime will control all of Syrian territory soon. In the northern and eastern regions of the country there are areas that remain under the control of rebels supported by the US and Turkey. The regime faces the challenge of rebuilding its infrastructures. This is a project that will cost an enormous sum, and there is no regional or international party willing to allocate the required hundreds of billions of dollars. The reconstruction, which will necessarily be slow, will take many years, and it is doubtful whether the regime will be interested in the return of most of the refugees who were forced to flee during the war. This is a result of the change in the demographic composition of Syria in the wake of the flight of many Sunni Muslims, which makes it easier for the regime to maintain its control.

Over the past two years Iran has sought to exploit the situation in Syria to advance its strategic interests by consolidating its military infrastructure for operations against Israel. This military infrastructure includes transferring and producing advanced weaponry and development of capabilities for the Shiite and pro-Iranian militias it sponsors. Israel for its part has carried out vigorous military activity against this effort and its attacks have severely damaged Iranian infrastructure, but it is doubtful that Iran will give up on its presence in Syria. Russia does not support Iranian entrenchment, and may even try to impede it, but is unlikely to stop it and certainly will not completely prevent it. Russia and Iran have important shared interests,

chief among them preservation of the Assad regime and efforts to push the US out of the Middle East. Because the US is not militarily active against Iran, including in Syria (US forces were authorized to act only against the Islamic State, and in any event, will soon be withdrawn), containing Iranian entrenchment in Syria falls on Israel's shoulders alone.

The first round of direct Iranian-Israeli confrontation in the Syrian arena ended in 2018 with a total Israeli victory, based on Israeli intelligence and air superiority, in an arena that is comfortable for Israel militarily and intelligence-wise. The Iranians failed to deter or exact a price from Israel in this round. At the same time, Iran has not given up on its aspiration to consolidate its presence in Syria. Furthermore, the downing of a Russian plane by Syrian air defense, which occurred after Israel acted against Iran in western Syria, reduced Israel's freedom of action in this arena. Russia is pressuring Israel on both political and military levels to reduce and perhaps even to cease its actions in Syria. It has provided sophisticated air defense systems to Syria (S-300 and command and control systems), and does not want or is not able to limit Iran's area of operation. The limitations that apply to Israeli activity are likely to become more stringent next year, and Iranian challenges that are of significance to Israel are likely to be seen in Iraq as well.

In light of developments in Syria, Iran has diverted a portion of its military buildup efforts against Israel from Syria to Iraq and Lebanon. Iranian support for Hezbollah buildup is not new, but the quality of the weaponry that has been transferred to Hezbollah over the past two years is worrisome. Primary sources of concern for Israel are the project to convert non-precision missiles and heavy rockets into precision missiles, the improvement of Hezbollah's air defense capabilities, and the supply of long range coast-to-sea missiles to the organization. Israel's attacks prevented most of the transfers of advanced weapons and technology to Lebanon, and it appears that Iran has internalized its military inferiority in Syria and therefore has begun to focus on direct activity within Lebanon. If the capabilities Hezbollah possesses develop further, the organization will be able to attack Israel using a wide array of precision missiles and damage essential military and strategic infrastructure.

Clearly Israel's efforts against the Iranian "precision project" in Lebanon will be conducted under different conditions than those in Syria of the last

few years. Since the Second Lebanon War (2006), a balance of deterrence has existed between Israel and Hezbollah, in which both sides understand that military action in the other's territory is highly likely to lead to a large scale conflagration, which will cause serious damage to both sides. The revelation in late 2018 of tunnels dug by Hezbollah under the Israel-Lebanon border demonstrates the organization's efforts to cause severe damage to Israel, both physically and psychologically, in the event of war. At the same time, the Israeli operation against the tunnels underscores to Hezbollah that Israel maintains intelligence superiority and is determined to foil its efforts in this and other contexts.

### ***The Palestinian Arena***

In the Palestinian arena, Israel faces three military and political challenges:

- a. Instability in Gaza and the potential for escalation, caused by the socioeconomic deterioration in the region; pressure applied by the Palestinian Authority on Hamas in Gaza; and some potential degree of erosion of the deterrence that Israel achieved with Operation Protective Edge (summer 2014). Israel's attempts to stabilize the Strip by regulating relations with Hamas and cooperating with Egypt and Qatar, all with the tacit agreement of the Trump administration, have enjoyed only limited success, and the situation remains fragile and unstable. It is clearly quite difficult to formulate policy and strategy in view of the challenges in this arena, considering the tensions and contradictions between Israel's various interests and policy components: retaining quiet and deterrence vis-à-vis Hamas, stabilizing the situation in the Gaza Strip, preventing Hamas from gaining military strength or political achievements, and not weakening the Palestinian Authority in Ramallah any further or undermining stability in the West Bank.
- b. The "political vacuum" regarding the Palestinians: Israel has stuck to the status quo, which is nothing but a slow crawl toward a one-state reality. In the background is anticipation of the Trump administration's "deal of the century," which is supposed to be made public in the near future. The chances of this deal succeeding hover between slim and none. In the best case scenario, Israel will manage to win the blame game and the Palestinians will be viewed as responsible for failure, having rejected the deal prior to



its unveiling. But Israel will also need to shoulder the consequences of this failure, which inter alia will be expressed by additional challenges to Palestinian Authority stability. These risks join the possible results of the end of the Mahmoud Abbas era. This penultimate atmosphere has affected Abbas's behavior as President of the PA: he has shown rigidity and taken political risks by confronting the US and displayed obstinacy toward Hamas and the Gaza Strip. Senior PA officials are also gearing up for the struggle for succession, and all these developments undermine stability. At the same time, the continued political impasse harms Israel's legitimacy in the international arena and assists the BDS movement in its efforts to promote a boycott of Israel. Finally, in the long term, sliding into a one-state reality will have severe consequences for the future, character, and image of Israel as the nation state of the Jewish people.

- c. New waves of terrorism in the West Bank: The wave of stabbing and car-ramping attacks that took place between 2015-2017, which was marked by attackers unaffiliated with any organization who acted independently, has recently seen a revival, with the addition of shooting attacks. This is a highly lethal mode of attack and emerges from diverse sources – first and foremost Hamas cells, operated from the Gaza Strip or from overseas, marginal Tanzim members, and independent attackers. In its recourse to this mode of attack, Hamas aims at two targets – Israel and the Palestinian Authority. Dealing with these attacks, in the shadow of the political impasse between Israel and the Palestinians and the impending end of the Mahmoud Abbas era, makes it difficult for Israel to continue its security coordination with the PA and causes popular rage among the Palestinians. Israel must be ready for the development of widespread disturbances and for additional waves of terrorism. Terrorism in the West Bank clearly demonstrates the problematic nature of stabilizing relations with the terrorist organization Hamas while maintaining a political freeze with the Palestinian Authority, which ostensibly does not support terrorism, although it continues to compensate families of terrorists after their death or imprisonment.

### ***The Regional and International Arenas***

The international arena continues to be characterized by the return to a world of multiple superpowers, as economic, technological, and military competition between the US and China increases. For its part, Russia is implementing aggressive and adversarial policies. The US is adjusting the central emphases of its security policy from fighting terrorism to competition among superpowers, and shifting its center of gravity from the Middle East to East Asia and the Pacific. Despite ongoing harm to its international status as a result of the political impasse with the Palestinians, Israel still enjoys good standing in the international and regional arenas. This is due in part, and perhaps mainly, to the relations with the Trump administration; some Israelis define this as “the friendliest American administration to Israel ever.” And in fact, in most areas there is no gap between US and Israeli policy, and the supportive President sees eye to eye with Israel on most current strategic issues. Withdrawal from the nuclear agreement, transfer of the US embassy from Tel Aviv to Jerusalem, end of US support for UNRWA, passage of the Taylor Force Act (ending the transfer of funds to the Palestinian Authority for as long as it continues financial support for families of terrorists), and the sweeping American support for Israel at the UN – all of these steps completely match Israeli government policy. At the same time, the administration’s policy regarding the two most significant challenges to Israeli security, Iran and the Palestinian issue, has not fundamentally changed the nature of the confrontations or the threats facing Israel. The situation remains fragile and volatile.

Moreover, the honeymoon between Israel and the US will be short-lived if President Trump is not elected for a second term. In addition, the administration’s policy has generated a robust negative response among powerful elements in American politics and society. Support for Israel has become a partisan issue identified with the Republicans, and the return of the Democratic Party to power could be accompanied by difficulties for Israel. Resentment toward Israel – and with it, distance – has grown among important sectors of American society, particularly in the left wing of the Democratic Party and among minorities, led by African Americans, young people, women, and even many in the Jewish community. Even in the short term, there are still differences between US and Israel basic interests, and

in the US there is a bipartisan consensus that reducing US involvement and military activity in the Middle East is an American interest. The US is not willing to use force against Iran's influence and proxy warfare in the region, and has not demonstrated a genuine interest in influence in Syria, where Russia has achieved predominant status.

Israel has good relations with Russia and conducts effective dialogue with the leadership, but coordination with Russia regarding challenges in Syria is tactical, not strategic. Certain security and military circles in Russia are not sympathetic to Israel and its actions, and Russia's interests in the Middle East are not identical to Israel's. On the contrary, Russia has shared interests with Iran and the Syrian regime. Elsewhere in the international arena, Israel has blossoming economic relations with Asian economic giants China and India, and successfully cooperates in bilateral fields with European Union countries despite difficulties due to differences of opinion on the Palestinian issue.

In the background are changes in the rules of the game in many countries around the world. This change is led by trends of populism and anti-elitism alongside extreme nationalism, and these phenomena are strengthened by the promulgation of false information on social media as well as by politicians. This complex picture is taking place in the age of "post-truth" and fake news, in which it is increasingly difficult to understand unfolding events, and the status of facts as a basis for discourse and policy is dangerously eroding. Although these phenomena are not new, they are steadily increasing, in the wake of the information revolution, the proliferation of information, and changes in the media market, and they create new challenges for decision makers, professionals, and the public at large. The post-truth era is also connected to a series of social and cultural changes that led to the loss of trust in institutions that in the past were perceived as objective and responsible for clarifying reality, such as governments, academia, the legal system, and the press.

Without a doubt, the points of friction and increasing tension among superpowers – in the South China Sea, Ukraine, Eastern Europe, and Syria, as well as in trade wars and wars over public opinion – require Israel's ongoing appraisal of its relations with the three superpowers: the United States, China, and Russia. That said, the US retains its singular status as an

ally whose political, military, economic, and strategic support to Israel over the past fifty years is unequaled, and the bilateral ties differ from partnerships with other powers based on trade and security coordination.

In recent years there has also been a marked increase in Israel's status in the regional arena, due to its improved relations with the pragmatic Sunni states, primarily Egypt and Saudi Arabia. This improvement was made possible by the lower priority placed on the Palestinian issue by these governments, and by the growth of shared interests with Israel, mainly the struggle against Iran and Salafi jihadist forces. Relations and collaborations that were covert are now partly rising to the surface, as evidenced by Prime Minister Benjamin Netanyahu's visit to Oman in October 2018. However, the Arab public across the region still shows sweeping support for the Palestinians, and this is the basis for the Arab states' attitude towards Israel. For this reason, governments in the region view potential escalation in the Israeli-Palestinian arena as a development that would undermine their stability, and therefore see concrete progress toward an agreement as a condition for making relations public.

In other words, the lack of a breakthrough in the political process is a glass ceiling limiting the pragmatic states' freedom of action regarding their public relations with Israel. It is true that these states are willing to encourage political progress, but their practical abilities in this matter are limited by domestic considerations and regional politics. Egypt's mediation between Israel and Hamas and Qatar's assistance in stabilizing the Gaza Strip are outstanding examples of this. The stance of Saudi Arabia and the Gulf states regarding Israel, such as their willingness to interpret the Arab Peace Initiative in a flexible manner, signal future potential. However, the Arab states will presumably not support any political plan, including the Trump plan, that is too close to Israel's position and far from the Palestinian position. Expectations that the pragmatic Arab states would assist in pressuring the Palestinians to take a more flexible stance have proven wrong, as was shown by attempts that have not yet borne fruit by the President's negotiators, Jared Kushner and Jason Greenblatt, to market the "deal of the century" to Arab rulers.

## **Essential Issues**

An evaluation of Israel's political and security situation at the close of 2018 raises ten main issues that must be addressed with a view toward 2019. All

of these issues require in-depth study and discussion in senior military and political forums. INSS has formulated a policy-oriented stance about each of them, based on ongoing research.

1. *Has Israeli deterrence weakened and reached the point at which the chance of a confrontation with Hamas, Hezbollah, and Iran has increased?* It appears that the answer to this critical question is negative. At the present time, Israel does not have an interest in outright war, and its deterrence vis-à-vis its enemies is still very strong at a basic level, with opponents deterred from outright war with Israel and from actions that have a high likelihood of leading to war. Iran did not initiate an escalation in response to attacks Israel carried out in Syria, Syria fired only defensive anti-aircraft missiles, Hezbollah has been deterred since the Second Lebanon War, and Hamas also guards against deterioration in the Gaza area beyond rounds of shooting that are limited in intensity and duration.

At the same time, deterrence is an elusive concept and depends on cost-benefit analysis vis-à-vis the adversary, and therefore great caution is necessary. An incorrect analysis of the other side may lead to war – despite deterrence that is considered effective. Over the past year, Israel's deterrence has eroded somewhat. Its adversaries are developing operational spaces that bypass the scope of deterrence and using force below the threshold of causing war (incendiary kites and balloons sent into Israeli territory from the Gaza Strip, riots and violent popular demonstrations along the Gaza Strip fence, solo terrorist attacks, and activity in the international arena without claiming responsibility). In addition, Israel has not succeeded in preventing them from building advanced and threatening capabilities. The challenge is to balance efforts to reduce expected future damage with the risks involved in these efforts and the increased likelihood of escalation leading to war. Ways must be found to quash these challenges through renewed deterrence and updated tools in accordance with developments.

2. *Is the approach of the “campaign between wars,” which has proven successful in the past few years, mainly regarding Iranian entrenchment in Syria, still relevant?* Is it possible to conduct the “campaign between wars” in Lebanon with the same success as in Syria? Is it possible to control the potential for escalation under new conditions? The same successful

campaign that achieved a significant delay in Hezbollah's military buildup and in Iranian entrenchment in Syria appears to have reached a stage of diminishing effectiveness, or a situation where its results do not justify the risks it entails. Changes in the strategic environment must be identified: Assad has decided the civil war and Russia is determined to achieve stability and calm in Syria; most Hezbollah forces have returned from Syria to Lebanon; and in the Gaza Strip Israel prefers an arrangement with a terrorist organization over a confrontation with it. The enemies of Israel have learned its *modus operandi* and developed operational, technological, and doctrinal answers in response. Iran's transition to building stockpiles of precision missiles in Lebanon and Iraq, as well as the limitations Russia has placed on Israeli activity in Syria, require updating the methods, pace, and arenas of operation, if not the formulation of a new approach that will allow Israel to wage an effective campaign while preventing deterioration toward a full scale confrontation.

3. *Does the future threat from military buildup in the northern arena – with an emphasis on the “precision project” – require an initiated campaign, or can Israel postpone the confrontation with the knowledge that it has the intelligence, technology, and operational capabilities to use in a future confrontation?* As Israel approaches the decision of what to do about the “precision project,” the cabinet must answer the following questions: Does the extent of the threat render it relevant to the “mini-Begin Doctrine,” meaning proactively preventing the emergence of a first degree strategic threat, and perhaps even an existential threat, to Israel? Does Israel have the ability to deal with the threat posed by the “precision project” in a future war, in terms of its protective capacity and ability for active defense (the Arrow, David's Sling, and Iron Dome systems), and does it have the ability to attack this precision system effectively at the outbreak of a war? Have all political and other alternatives for stopping the “precision project” been exhausted, and if so, what is the appropriate time for action? Is Israel prepared for the risk of all-out escalation with Hezbollah on the northern border in the wake of such action? Is the risk of non-action significantly greater than the risk involved in acting now? The discussion of these questions is highly classified, but our assessment

is that a preventive war or operation is not the only possibility, and there are multiple ways of addressing the threat without escalation to war.

4. *Is there an initiative that Israel could take that would improve its situation in the Palestinian arena?* Here INSS has a clear answer, as defined in the fourth recommendation below, which urges adopting the INSS framework on the Palestinian arena that was launched this past October.<sup>1</sup>
5. *Is the strategic “window of opportunity” still open, or is it closing, on at least some fronts?* Israel’s improved situation in recent years resulted from its military, economic, and political strength, the supportive US administration, allies in the moderate Sunni world, the weakness of its enemies, who were busy with the Syrian civil war, and decreased international interest in the Palestinian issue. This window is likely beginning to close – first regarding the northern arena, where Israel’s ability to act has been significantly reduced due to the decisive outcome of the civil war and the change in Russia’s stance. In contrast, in the Palestinian arena the window of opportunity is still open, although it may also close due to the weakening of the Trump administration and the deterioration of US-Saudi relations following the murder of journalist Jamal Khashoggi. Against this background, there is less chance of support from pragmatic Arab states for an independent Israeli initiative in the Palestinian arena.
6. *What are the correct priorities in dealing with the security challenges?* The dispute between former Minister of Defense Avigdor Liberman, who demanded vigorous action against Hamas, and the General Staff and the cabinet, which preferred to focus on the northern arena, relates to this weighty question. It is true that the IDF should be able to handle both arenas simultaneously (especially while the confrontations there are low intensity), but it prefers to fight higher intensity confrontations sequentially. Critical resources in intelligence, airpower, and missile defense have led to prioritize the more dangerous northern front, while completing the above-ground and below-ground barrier on the border between Israel and the Gaza Strip. At the same time, while Hamas has undermined Israeli deterrence, at least psychologically, the chances of a miscalculation in the northern arena increase. If the operation to seal the tunnels in the north ends without escalation and the discussion about the



precision project for Hezbollah-held missiles does not lead to preventive action against it, then Israel must rebuild its deterrence against Hamas and strike a harsh blow against the organization's military wing.

7. *How involved will the US be in the Middle East, and to what extent will the Trump administration lead a policy of isolationism?* In spite of rhetoric that is music to Israeli ears, the Trump administration, like the Obama administration, is not willing to go much beyond political steps and the imposition of sanctions on countries that threaten Israel. The American people are not willing to enter another costly battle in the Middle East, in part because its newfound energy independence, resulting from the revolution in shale oil, decreases the importance of the region to it. No less important is American military, economic, and technological competition with China, which decreases the attention and resources that the US directs toward the Middle East. The sole enemy against whom the US is acting in the Middle East in the kinetic realm is the Islamic State. Neither the US nor Russia will remove Iran from Syria for Israel, and thus stopping Iranian entrenchment by military means is a mission that remains solely in Israel's court. President Trump's decision to remove US forces from Syria does not fundamentally harm Israeli security in the short term, but it strengthens Israel's enemies and makes it easier for them to build up their strength in Syria in the long term. Israel must pay attention to the possibility of more reversals in US policy. The President may take additional hasty decisions that contradict the positions of his closest advisors regarding additional issues beyond Syria.
8. *How can Israel ensure that it remains a bipartisan issue in the United States?* For some 50 years, Israel was a subject of US consensus and won broad support from both parties. Since 2015, Israel has been seen more and more as a subject of dispute between the parties. The Republicans overwhelmingly support Israel, while the Democrats have reservations about Israeli policy, particularly on the Palestinian and Iranian issues. Today it appears that the Prime Minister's policy, which relies on the conservative wing of the Republican Party, evangelicals, and the Orthodox Jewish community, supports the prevailing trends, but the United States political system regularly experiences changes and reversals, and the current ruling party stands to be replaced at some point. It is thus important



to work to renew the situation in which Israel's vital interests are a matter of bipartisan consensus in American politics, and to prevent harm to these interests in the event of a Democratic administration.

9. *How should Israel address the widening gap with American Jewry?*

Israel-diaspora relations and relations with American Jewry in particular are at an unprecedented point of crisis. Research conducted by INSS indicates increasing trends of distance and alienation, weakened ties and sense of belonging, and looser bonds of mutual responsibility, care, and importance that each of the communities feels towards the other.<sup>2</sup> The most worrisome gap is with the Reform and Conservative communities that constitute the majority of American Jewry. The conversion crisis, the Western Wall issue, and the nation state law are merely symptoms of identity crises on both sides of the ocean. Addressing this challenge requires extensive, long term action to reformulate the relationship and identity between the two communities, by increasing awareness and mutual recognition, as well as cooperation. This national mission requires large scale organization in partnership with many different parties, along the lines of a national authority that could, based on a systemic approach, supply rationale, direction, and resources for the many relevant programs and projects. Preparations should also be made for a joint war on anti-Semitism, on the rise in Western and Eastern Europe and in the US. In Europe this phenomenon has received institutional expression – Jeremy Corbyn as the head of the Labor Party in Britain, and Hungarian Prime Minister Viktor Orbán, his friendship with Israel notwithstanding; in the US the expressions are more grassroots, such as the mass murder at the synagogue in Pittsburgh. These are clear warning signs and symptoms of a deep problem.

10. *How should Israel deal with the post-truth, fake news world?* It is clear today that these phenomena impact directly on both national security and the democratic process. Decision making on matters of national security requires an understanding of reality, and Western liberal democracy is based on an engaged and well-informed voting public. The ability to make sound decisions is undermined when beliefs, opinions, and emotions influence discourse more than facts, and when the ability to distinguish between truth and lies diminishes. The change in the characteristics of

military confrontations makes reality more complicated, and the 2016 US presidential elections and the Brexit vote in the UK demonstrated the ability of foreign parties (in this case Russia) to intervene in another country's democratic process. This era thus requires that the relevant parties create ways to clarify reality and to neutralize hostile external influences on the ability to understand that reality. It should be assumed that Israel also constitutes a target for influence campaigns, which will increase in 2019, inter alia, due to the forthcoming elections.

## **Black Swan Events**

A black swan event is defined here as a significant turning point of low probability, yet were it to occur would constitute a severe event, such that it is important to consider what actions would be taken in such a case. The following are eight potential black swan events that Israel must prepare for, at least on the level of giving prior thought as a partial basis for a response, or as a contingency plan for building or using force.

1. *Iran acquires nuclear weapons*: Iran possesses the knowledge required to make a nuclear bomb. A significant turning point will occur if in the very unlikely event Iran chooses the North Korean route, leaves the NPT, or develops a secret method and tries to challenge the world by arming itself with nuclear weapons. Israel and the US must be prepared for this extreme scenario and ensure that they have the ability to prevent Iran from fulfilling it. Intelligence, operational capacities, and agreement on the division of responsibilities are essential, because if this turning point occurs, the time that Israel and the US will have to respond will be very short.
2. *The "all-out scenario" – fire from multiple active fronts simultaneously*: Hezbollah from Lebanon, Syria, Iran, the Gaza Strip, and the West Bank. If Israeli deterrence is weakened or limited activities escalate to a full confrontation, there could be a situation in which, through coordination or through rapid deterioration, all of Israel's enemies wage war simultaneously or in quick succession. In parallel to an eruption in the Gaza arena and the northern arena, riots could break out in the West Bank. Since the Six Day War, when Israel operated on four fronts – Egypt, Jordan, Syria, and Iraq – it has not had to face a similar scenario, and thus the security forces

and the cabinet must prepare to operate under such conditions. When such a possibility becomes more likely, the buildup of appropriate military force must be ensured (especially the order of battle) and operational plans and appropriate rules of engagement for such a large scale event must be formulated. It is important to define priorities regarding action in and within the different arenas, as well as which party must be removed from battle and which should be dealt with more gradually. It is also important to clarify what assistance Israel will be able to receive from its allies and what its logistical perseverance capacity will be. An extreme event such as the “all-out scenario” would have profound implications for the defense budget, the IDF, and the home front, and for continued deterrence.

3. *President Trump changes his policy toward Israel, stops defending it in the UN Security Council, and abandons the Middle East entirely.* President Trump’s policy toward Israel is extremely positive, yet contradicts the general outlook of isolationism – “America First” – that he promotes, as well as the reduction of government spending and American foreign aid, and minimal US involvement in the Middle East. True, the President is unlikely to change policy so drastically, but for example, if Israel rejects the “deal of the century,” anti-Israel elements would be able to lobby the President against Israel, while using some familiar anti-Semitic justifications or claims that Israel’s relations with China harm American interests. Israel must consider the possible consequences of anti-Israel processes in the United States and by the United States administration, ranging from no longer vetoing anti-Israel resolutions in the Security Council to reducing aid.
4. *Confrontation with Russia:* Israel’s activity in Syria counters Russia’s desire to stabilize and reconstruct the country. Russian advisors and military personnel in Syria, who work in cooperation with the Assad regime, Iran, and Hezbollah adopted anti-Israel positions, and these resonate throughout the Russian security forces. If Israel harms Russian troops in Syria or attacks the advanced air defense systems that were transferred to Syria, which would cause direct harm to the Assad regime, this could dramatically change Russian policy regarding Israel’s activity in Syria – from strategic coordination with Israel and de-confliction efforts, to a

direct confrontation with Israeli activity, reinforced air defenses, and more liberal rules of engagement, or taking diplomatic measures against Israel.

5. *The day after Abu Mazen – an armed third intifada, Hamas takeover of the West Bank, the Tanzim leading violence using live fire and terrorist attacks*: Israel has enjoyed a decade of relative quiet in the West Bank and cooperation with the security forces of the Palestinian Authority in the struggle against the terrorist organizations, especially Hamas. Mahmoud Abbas and the heads of the security forces have viewed this cooperation as serving a Palestinian interest. There is a low but viable possibility that the next leader of the PA, PLO, or Fatah will choose a policy of terrorism, similar to that pursued by Yasir Arafat in 2000 (at the start of the second intifada), or that Hamas will take over the West Bank. Shooting attacks, bombs, and suicide terrorists can challenge Israel to the point that it needs to conduct an operation along the lines of Operation Defensive Shield in 2002, in which Israel reconquered city centers in the West Bank.
6. *The fall of the regime in Egypt and the creation of a Turkish-Egyptian axis against Israel*: This scenario would resemble the downfall of the Hosni Mubarak regime. The bad economic situation and the tense social situation in Egypt would lead to a renewed rise to power of the Muslim Brotherhood. This time, however, unlike during the Mohamed Morsi era, the Muslim Brotherhood would gain a firm grip on power and likely cancel the peace agreement with Israel, or at least cancel its military annex. In tandem, Egypt would join forces with Turkey in promoting harsh anti-Israel policy and supporting Hamas and other Palestinians, in a manner that would directly harm Israeli interests.
7. *The fall of the regime in Jordan*: Jordan is suffering from a severe economic crisis, which in large part due is to the flood of refugees that have reached its territory. The regime itself also suffers from ongoing political crises, some of which are aimed directly at the king and the monarchy. If the Jordanian front becomes an active front against Israel, this would be a dramatic development that requires a change in the IDF's order of battle, the construction of a land barrier on the Israel-Jordan border such as that along the Egyptian border and even the border with Gaza, and a completely different routine security policy. In such a scenario, Jordan would likely

become a new Islamic State territory or a Muslim Brotherhood state, or a state under clear Shiite-Iranian influence via Iraq. Certainly a regime unfriendly to Israel would be established there, which would revive the eastern front, creating an extremely serious situation. It is important to formulate a contingency plan for dealing with this threatening scenario.

8. *Severe cyber attacks (by Iran, Russia, or an unknown source) on Israel's infrastructure and financial system*: Cyberwarfare is a new field of combat in the 21<sup>st</sup> century. Thus far, Israel has been one of the leaders in the field, and its enemies have remained far behind. Israel has some of the world's most advanced defense systems, but in the cyber world new and innovative means of attack are constantly developing. Russia, as a cyber superpower, and Iran, as a country that is upgrading its cyber capabilities, may attack Israel on this new plane. Identifying the source of the attack, for purposes of deterrence, neutralization, and response may be difficult. The response will need to be considered in relation to the certainty with which the attacker can be identified, the degree of damage inflicted, and the implications of response and escalation in cyberspace and beyond.

### **Addressing the Challenges: Policy Recommendations**

With respect to the military challenges that Israel currently faces, there is an inverse relation between the severity of the threat and scope of the challenge of addressing it, and on the other hand, the urgency and immediacy of the threat. It is thus very important not to allow important matters to be pushed to the sidelines. The threats, in order of decreasing severity, are the Iranian nuclear threat, Hezbollah, Iran in Syria, and Hamas in the Gaza Strip. In terms of urgency, the situation in Gaza can escalate in the immediate term; in Syria the need to attack another element in the Iranian military buildup can arise in the near future; in Lebanon, escalation depends on Israel's decision whether to take action against the construction of advanced military infrastructure; and in regard to the Iranian nuclear challenge, Israel will only take action if Iran breaks out to a nuclear bomb, a secret plan to do so is discovered, or red lines are crossed.

The political challenges also focus on these four arenas: the continued struggle against the Iranian nuclear program and exposure of the intentions

and capabilities that Iran hopes to conceal; exposure of the illegitimacy of the Iranian military buildup in Syria, and political processes against Iran's subversive activities in the region and its support for terrorism; preparations for the possibility of the Trump administration's "deal of the century" and its consequences; stabilizing the situation in Gaza and attention to the socioeconomic crisis there; and preparation for the future of the Palestinian Authority after the departure of Mahmoud Abbas. In addition, it will be necessary to continue the struggle against the delegitimization of Israel and the BDS movement, and halt the damage to relations with important parts of American society, especially American Jewry.

Israel has not sufficiently exploited the political window of opportunity that opened over the past decade. Addressing military and political challenges requires taking initiative, moving from a status quo that is problematic in the long run, and making the most of the opportunities. Taking initiative, particularly in the political arena, alongside increasing preparedness for conflicts in the east, north, and south, is the basis of the strategic recommendations for handling the main problems facing Israel in the coming years:

1. *The Iranian nuclear challenge*: Israel should reach clear understandings with the United States that include joint intelligence and early warning efforts; define the red line in the event that Iran stops honoring parts of the nuclear agreement, and especially if it tries to break out to a nuclear weapon; and form a joint political and military plan for stopping Iran if it crosses the red line. In light of Trump's withdrawal from the nuclear agreement and the possibility that Iran will renew its nuclear activity, the defense budget and Israel's preparedness and force buildup plans must enable operational readiness for taking action against a nuclearizing Iran. In addition, there is a need for understandings with the United States whereby if a new version of the JCPOA is formulated, the ensuing compromises do not harm Israel's interests.
2. *Iran in Syria*: At present, Israel can continue to base its campaign to prevent Iranian entrenchment in Syria on intelligence superiority and precise and diverse attack capabilities. It is preferable that the campaign continues to take place within Syrian territory, but Israel must also be prepared for the possibility that the campaign will expand to Lebanon or even directly to Iran. Every effort must be made to avoid a confrontation

with Russian forces in Syria. The process of rebuilding the Syrian army has already begun and could lead to greater assertiveness on the part of the Assad regime toward Israel Air Force actions in Syrian skies. All of these highlight the need to critically examine the existing paradigm and prepare for the possibility that Israel will be able to continue aerial attacks, but less often than in recent years and based on greater preparation, and examine alternate courses of action.

3. *Hezbollah*: Israel must continue to prevent the transfer of high quality weapons to Hezbollah in Lebanon, as long as the strategic conditions allow it. In addition, Israel must prepare for action against precision missiles in Lebanon and the technological infrastructure for producing them. Decisions regarding these actions must take into account that such actions will cause a broad confrontation, which will include offensive and defense capabilities, ground fire and maneuver, ground and air defense, and missile defense. Thus, action should be taken in accordance with the pace at which the threat develops. Simultaneously, the civilian front in the northern arena should prepare for war. Israel must continue to make clear that it views Lebanon and Hezbollah as one and the same, and that it will continue to act accordingly if Hezbollah attacks Israel. Israel's approach to a war against Hezbollah and the period following such a war should also be shaped in coordination with the United States and with additional regional and international partners.
4. *The Israeli-Palestinian conflict*: This issue remains Israel's fundamental problem in its relations with its neighbors in the region and with the international community. The Trump administration's "deal of the century" initiative has been delayed, and the disconnect between the US administration and the Palestinians ensures that Israel will win the blame game before the initiative is even unveiled and placed on the agenda. However, the United States and the pragmatic Arab Sunni world will expect Israel to take steps to renew faith in Israel's good intentions. But beyond the expectations of Israel's allies, taking such steps is a paramount Israeli interest that will enable it to define its borders and foundations as a Jewish, democratic, secure, and just state. It would be a historic mistake to maintain the status quo, which means a dangerous decline to a reality of one state. The State of Israel has received a rare strategic window of



opportunity to take independent and coordinated steps in the Palestinian arena, and should take advantage of this opportunity. The INSS political and military plan for this arena includes a series of actions for stopping the slide toward a one-state reality and starting to move toward a reality of two political entities. The core components of this plan, which does not allow the Palestinians veto power, are redefining responsibility for the territories such that Areas A and B would be unified, and certain areas within the current Area C would be made available for Palestinian use, without harming the settlement blocs, and while maintaining full freedom of action for Israeli security forces in the entire area. This would lead to long term improvement in the stability of Israel's security and in its strategic standing.

5. *Gaza*: Gaza under Hamas rule is not a partner for a political process. Any political arrangement with Hamas – a terrorist organization that does not recognize the State of Israel – weakens the moderate camp within the Palestinian arena (the Palestinian Authority, based in Ramallah) and encourages those who claim that Israel only responds in the face of force. However, it seems that since Hamas lacks significant military options because Israel has developed capabilities against rockets and cross-border tunnels, and since Hamas has not succeeded in providing for the needs of the Gaza population, it is willing to consider an arrangement under parameters that Israel could accept. In the past, it appeared that there was no room for agreement between Israel and Hamas – entering a process of negotiation regarding an arrangement – because of the issue of the missing soldiers and the civilians held by Hamas, and because of the organization's unwillingness to accept the principle of reconstruction in return for demilitarization. However, it is possible that due to its current distress, Hamas would agree to a small *hudna* (truce) in the framework of an arrangement. This possibility should be examined; the minimum Israeli demand must be ensuring that the arrangement, if it occurs, will at the very least prevent additional military buildup by Hamas.
6. *The military campaign against Hamas*: It must be ensured that there is an operational plan that is not aimed at the conquest of Gaza, but maneuvers to Hamas's centers of gravity in order to deal it a serious blow, without the self-imposed limitation of maintaining Hamas as an



“address.” Hamas’s military wing did not suffer a serious blow during the three rounds of confrontation between the organization and Israel during the past decade, and it is important that it, and not the population, pay the price in the event of a confrontation.

7. *Russia and China*: Close relations and specifically extensive trade relations should continue with these countries based on open and honest dialogue, but without forgetting for a moment which is Israel’s one reliable ally – the United States. Israel has a unique and irreplaceable relationship with the United States based on shared values and interests. Neither Russia nor China is interested in or capable of providing Israel with the military and diplomatic support that the United States provides it. Regarding China, what is most important is increasing risk management in policy regarding Chinese investments in critical infrastructure within Israel, as well as maintaining a dialogue with the United States, which is very sensitive to the transfer of technologies to China. Regarding Russia, it is necessary to clarify anew coordination and de-confliction in Syria, to take action to reduce the supply of advanced weaponry to Syria and Hezbollah, and to try to minimize Russia’s support for Iran. In addition, Israel must be attentive to US sensitivities regarding Russia, which is seen in Washington as a superpower that acts aggressively in Europe in general and in the Ukraine in particular.
8. *Delegitimization*: The war against the delegitimization of Israel demands a different approach than that taken so far. Aside from a different policy on the Palestinian issue, which would help reduce criticism of Israel considerably, Israel must ensure coordination of the efforts against agents of delegitimization. A balanced response on the part of Israel’s overt and covert agencies, as well as on the part of civil society organizations, is required. The issue is too important to be used as a political tool within Israeli politics. In this area as well, INSS has issued clear recommendations, chief among them the need for a joint Israeli and Jewish response around the world, both governmental and non-governmental, as well as an information infrastructure and comprehensive and synergetic organization of the campaign that integrates efforts vis-à-vis diverse groups.<sup>3</sup>
9. *The US Jewish community*: American Jewry is a central element in Israel’s security. There is a need to take initiative to strengthen relations

with the various parts of the Jewish community, with an emphasis on young people and the Reform and Conservative communities. An ongoing dialogue with different sectors of American society is imperative, including with those who are in conflict with the Trump administration and do not have a history of being anti-Israel or being in conflict with American Jewry, alongside renewed cooperation and dialogue with the Democratic Party. This can be done without harming relations with the Trump administration or with the broad group of Republican and evangelical supporters.

10. *Military preparedness*: In view of the “volatile year,” IDF readiness must be enhanced and the defense budget increased. Due to the considerable volatility on all fronts and a certain weakening of Israeli deterrence, the Defense Minister and the incoming Chief of Staff must reassess the working assumptions on which the Gideon Plan is based, and strengthen the IDF’s readiness for confrontations on all fronts. This involves increasing training and arsenals and especially formulating strategies and operational plans for addressing the current capabilities developed by Iran, Hezbollah, and Hamas.

Finally, Israel is entering an election year. This influences military options and motivations, causes inattentiveness on the part of the government and the Knesset, requires educating new cabinet members, and takes time for trust to develop and cooperation to be stabilized among new and less experienced teams. Public confidence in decision makers is especially important regarding defense issues. The current era is characterized by eroding trust in state institutions, but the Israeli public still has significant trust in the army and the defense establishment. This trust should not be taken for granted. The political reality expected in the coming year will bring challenges to the legitimacy of the political echelon in the eyes of the public, and place great responsibility on the military echelon, and especially the new Chief of Staff, to analyze the situation objectively and professionally vis-à-vis the political echelon and the public. The current political polarization in Israel and the legal situation of the Prime Minister, who also serves as Minister of Defense, could intensify the argument and cast doubt on the motivations behind military and political decisions. Against this backdrop, the legitimacy of the military echelon with regard to decision making could be compromised.

2019 could prove to be a turning point after a number of years with a rare window of political opportunity to improve Israel's security, achieve national objectives, and shape its future. The intelligence and military gap between Israel and its adversaries is starting to narrow, and there is increasing volatility in all of the arenas before Israel. Despite the Knesset elections that will take place this year, it is important that Israel initiate political processes in the Palestinian arena and address critical military threats, as well as develop up-to-date mechanisms for monitoring escalation and shortening the length of confrontations should they develop.

The essence of the statesmanship of the historic leaders of Zionism and Israel was the ability to identify strategic opportunities vis-à-vis the superpowers and the international community, and vis-à-vis Israel's Arab and Muslim neighbors. This approach is still valid today – no less than in the past, and perhaps even more so.

## Notes

- 1 Amos Yadlin, Udi Dekel, and Kim Lavi, *A Strategic Framework for the Israeli-Palestinian Arena* (Tel Aviv: Institute for National Security Studies, August 2018; English: forthcoming).
- 2 Assaf Orion and Shahar Eilam, eds., *The American Jewish Community and Israel's National Security* (Tel Aviv: Institute for National Security Studies, December 2018).
- 3 INSS publications on the struggle against the delegitimization of Israel include: Einav Yogev and Gallia Lindenstrauss, eds., *The Delegitimization Phenomenon: Challenges and Responses*, Memorandum No. 169 (Tel Aviv: Institute for National Security Studies, 2017); Avner Golov, *The Israeli Community in the United States: A Public Diplomacy Asset for Israel*, Memorandum No. 181 (Tel Aviv: Institute for National Security Studies, 2018); Yotam Rosner and Adi Kantor, eds., *The European Union in Turbulent Times: Challenges, Trends, and Significance for Israel*, Memorandum No. 175 (Tel Aviv: Institute for National Security Studies, 2018).