

The Ministry of Foreign Affairs Situation Assessment for 2008-2009

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Background

For the first time since its inception, Israel's Ministry of Foreign Affairs recently undertook a ministry-wide political-strategic situation assessment. The purpose of the situation assessment was to identify the development of local, regional, and global trends, assess their significance, and formulate foreign policy recommendations.

To this end, the methodology was defined, 17 cross-divisional teams were established, and a three-day conference – the Ministry of Foreign Affairs Conference for Policy and Strategy – convened. Once the process of integrating the work of the various groups and extracting the main findings of the situation assessment came to a close, the process of formulating the Ministry's meta-objectives and secondary goals began. The objectives, a direct outgrowth of the situation assessment, became the basis for formulating the work plans for the Ministry's divisions and delegations abroad. Finally, several critical topics were identified as action items requiring unique, concentrated, and integrative ministry-wide efforts that will be promoted separately under the close supervision of a steering committee headed by the Ministry's director-general. The complete document, including the situation assessment, the objectives, and the action items, was distributed to the political-security leadership and presented to the new government.

In undertaking its first situation assessment, the Ministry of Foreign Affairs studied the experience of Israel's security institutions, the IDF Planning Division, the GSS, and the National Security Council, as

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well as that of the British Foreign Office. The methodology used at the security institutions emphasizes – and rightly so – the identification of the primary security threats and the security-military responses to these threats. As part of its job to formulate foreign policy, the Ministry of Foreign Affairs, in addition to identifying the relevant threats in the political arena, is supposed to identify political opportunities and potential for promoting bilateral, multilateral, economic, and cultural relations, and on this basis define public diplomacy efforts and foreign aid efforts (Mashav – Israel Center for International Cooperation).

The political planning branch at the Foreign Ministry leading the project drafted an outline for an integrated product that served as the framework for the teams' work. It included building the situation assessment, identifying primary strategic trends, identifying relevant interests, assessing Israeli policy, analyzing alternatives, and drafting recommendations for action. When a first draft of its report was completed, each team met with a control group – a feedback team – comprising senior level experts in security and strategy. The team personnel, highly experienced in the political-security field, contributed significantly to focusing the product and honing its insights and recommendations.

Two months of teamwork were followed by the three-day Ministry of Foreign Affairs Conference on Policy and Strategy, where situation assessments from leading figures in the international arena were presented, including the French minister of foreign and European affairs, the former German foreign minister, the Palestinian Authority's foreign minister, the director-general of Singapore's Foreign Ministry, the head of France's political planning body, and others. In addition, over the next two days, leading officials in the Ministry, headed by Director-General Aaron Abramovich, met with Ministry personnel and the 15 senior ambassadors invited to the conference.

What follows are some central insights from the situation assessment, within the limits of the article's scope and security information requirements.

The International Arena

Regarding the international arena, the Ministry's natural field of operations, the conference dealt with central changes reflected in

diplomatic, political-security, and academic forums on the international scene, primarily since 9/11 and the start of the military campaigns against terrorism in Afghanistan and later in Iraq.

We distinguished four types of change on the international scene, all of which directly affect Israeli policy. The first is a change in the balance between the US superpower and the rising powers – China, Russia, the European Union, and possibly India as well. This issue is the subject of numerous essays and discussions in political-security establishments around the world and in academia. Although there is no consensus, not even within the Israeli establishment, it is possible to point to a clear and significant increase in the power of the “new forces,” particularly China, India, and Russia. The developing inter-power system has been called multi-polar; to some it is non-polar; and others continue to claim that the decisive power of the United States ensures an unbridgeable gap between it and its rivals, precisely as has been the case since the collapse of the former Soviet Union.

Russia sees itself as the successor of the Soviet Union superpower, and despite the serious internal challenges it confronts, is working to strengthen its status vis-à-vis American dominance. The crisis over the stationing of anti-missile defense in Poland and the Czech Republic, Russia’s role in the war in Georgia and the aftermath of the war; and the fallout from the Bush administration place Moscow in a relatively comfortable position versus the Obama administration. For its part, the administration requires an overall strategy towards Russia, deciding where on the conflict-compromise axis to lay its emphasis. Israeli policy toward Russia needs a continuation of the strategic dialogue, with the hope that Russia will take into consideration Israeli interests, particularly regarding arms sales to Iran and Syria.

From Israel’s perspective, it is of course critically important to identify trends on shifting balances of power as precisely and early as possible, and formulate Israeli foreign policy in a way that captures not only the current situation but also strives for optimal long term strategic positioning. Even though the United States will continue to be Israel’s leading strategic ally in the foreseeable future, there is major importance in expanding relations with the rising countries. Finding the appropriate balance in Israel’s foreign policy on the inter-power

arena is one of the central challenges of the country's foreign policy in the years to come.

The second change on the international arena touches on the very concept of power. Until fairly recently, it was customary to assess the power of states and international elements primarily in terms of military power, or "hard power." In recent years, in part as a result of lessons learned on the battlefields of Afghanistan and Iraq, and as a result of the dramatic rise of China and India, it has become more and more clear that assessing power requires the inclusion and weighing of additional parameters, collectively known as "soft power,"¹ i.e., economic, technological, diplomatic, and even cultural power, whose relative weight in the total power of a nation is steadily increasing. Recently, an all-inclusive term has come into vogue – smart power² – which refers to the optimal combination of hard and soft power.

Traditional Israeli thinking has always emphasized hard power, and has tended to underestimate the soft power composite. This is so both in terms of intelligence assessments, whose very nature leads them to favor a military-security perspective, and in terms of processes involved in formulating Israel's actual policies, which are still largely led by the security establishment. Predictably, Israel's budgetary allocations are fully in line with this worldview. One need only mention Israel's foreign aid, a central resource in the context of soft power, budgeted at a rate that is no more than 0.068 percent of the GNP (as of 2007), in comparison with OECD nations whose average foreign aid budget is 0.46 percent of the GNP (in 2006-7). Assuming that Israel, which has begun the application process to join the OECD, will want to match the average, Israel's foreign aid budget will have to grow sevenfold (!). The Israeli cultural export budget, currently at NIS 18 million, is another discouraging example.

As part of the situation assessment, we noted that global adjustment to activities in soft power areas represents a significant opportunity for Israel. The relative advantages in hi-tech, agriculture, and R&D in renewable energy and clean-tech and the growing interest in Israeli culture of various kinds, as expressed in many international competitions, are strategic assets for Israel's foreign policy. Inter-ministry activity in conjunction with the private sector and the relevant NGOs is needed to realize the great potential of Israel's soft power. This

year, as part of its recommended action items, the Ministry of Foreign Affairs has made it its goal to reexamine Israel's foreign aid strategy, a central tool for realizing soft power. In addition, political planning will attempt to construct updated indices for assessing national power and its components, in order to create improved tools for situation assessments. The need to identify and assess the significance of the global economic crisis from Israel's foreign policy perspective is a catalyst for these efforts.

The third change in the international arena touches on the types of actors currently on the stage. If in the past the international system was virtually formed by state players only, it is clear that in recent years there has been a significant increase in the role played by non-state players. These are divided into sub-national entities, such as terrorist organizations, and – in stark contrast – NGOs and other non-state players such as commercial corporations, and meta-national players such as international and regional organizations. Israel's foreign policy must formulate new approaches and methods of action appropriate to the changing arena. While this is particularly true with regard to terrorist organizations acting as semi-states such as Hamas and Hizbollah, it is also true vis-à-vis NGOs and regional and international organizations. The development of Israel's relationship with NATO is a positive example in this context, as are its effort to upgrade relations with the EU.

Hamas and Hizbollah exemplify the sub-state threat. Notwithstanding the differences between them and between their host territories, they operate on the basis of similar guidelines (many of them shaped by Iran). Particularly noticeable are: the consistent attempt to blur the possibility that they might be the responsible political party; military deployment within the civilian population; and the drive to wear down the Israeli home front using high trajectory fire. These guidelines neutralize the Israeli capability for quick decision, which is part of the Israeli security concept, and enable a significant military and civilian defeat emerging as a strategic victory, especially given the gaps between the sides. The sub-state threat has become far more significant in light of its being part of a wide campaign against state actors, specifically, Iran and Syria. Through their proxies these states benefit from prolonged indirect deterrence of Israel and reduced

threats against them as states, as well as the possibility to threaten through expanding the campaign and waging, if necessary, a campaign on two fronts (northern and southern) and as such challenge Israel even further.

The fourth change refers to the international agenda. Recent years have added cross-border global security issues, in particular the proliferation of non-conventional weapons and the struggle against terrorism, to the classic national security issues such as territorial disputes. In addition, the international agenda abounds with a series of relatively new crises and challenges, among them climate, food, water, development of the African continent, and the waves of immigration from developing countries to the West. These issues, called “new agendas,” have the potential to expand Israel’s foreign policy agenda. If we direct Israeli foreign aid as well as part of our diplomatic-economic resources to these issues, we will gain significantly both in essence (the export of Israeli values) and in image, as a member of the family of developed and enlightened nations. Today Israel is not identified with significant activity in these spheres, both because of the scant resources allocated and because the security agenda dominates Israel’s foreign policy and public diplomacy. In this field too Israeli foreign policy must strive for an appropriate balance between the old and new agendas.

Thus the essence of the situation assessment regarding the changes on the international arena can be summarized by the word “expansion” in terms of the number of power players, the types of new non-state players, the components of relevant power, and the new issues infusing the global agenda. This expansion requires the development of new diplomatic responses across the spectrum: in bilateral, multilateral, public, and economic diplomacy, and in foreign aid.

The Regional Arena

In terms of the near Middle East, we examined the political-strategic threats, the political opportunities, and the political process as part of the situation assessment. As expected, Iran stood out as the primary threat. The strategy of regional hegemony pursued by Iran is the primary strategic influence in this region. The Iranian threat with its four components – the nuclear project, the support for terrorism, the

attempts to undermine pragmatic Arab regimes, and the ideological-theological threat – remains at the core of Israel's foreign policy agenda.

In recent years, the Ministry of Foreign Affairs has been waging an extensive diplomatic campaign to undermine the Iranian nuclear program politically. This campaign seeks to increase awareness of the severity and immediacy of the threat, its long term significance, and the need for extensive sanctions against Iran in order to allow an effective diplomatic endeavor. This campaign will continue through 2009 with even greater force than before.

Iran's support for terrorist organizations on different fronts (Lebanon, the Gaza Strip, the West Bank, Iraq, and elsewhere) is a second source of threat requiring – alongside the security response – a political response. Since the start of the campaign in Iraq, the awareness of the US, Britain, and the international community with regard to this aspect of the Iranian threat has increased, but many other states do not attribute enough weight to this Iranian activity. The Ministry of Foreign Affairs is working to put the issue on the international agenda while making use of UN Security Council Resolution 1747, which forbids the export of Iranian weapons.

Iran's subversive activities against pragmatic Arab nations are another component of its drive for regional hegemony that indirectly damages Israeli interests. The fact that Iran now represents a common threat to Israel and the pragmatic Arab nations contains important potential for political cooperation. The clear support of the pragmatic Arab nations for the Israeli-Palestinian political process is an example, as are the exchanges of verbal blows between Iran and Egypt and Saudi Arabia in light of Operation Cast Lead; Iran's open support for Hamas; and its attempt to split the Arab camp and the Arab League.

The ideological-theological dimension of the Iranian threat is the least understood and perhaps the most complex in terms of a potential response. The total delegitimization of Israel's existence, which lies at the heart of Iran's policy, is based on deep ideological foundations and attracts growing popular support not only among Shiites but also among Sunnis. Alongside the United States ("the great Satan"), Israel ("the little Satan") is the primary focus for incitement and subversion in a variety of ways. In fact, Iran makes effective use of a type of negative soft power, which is also translated into hard power, such as the terrorist

attacks by Iranian satellite organizations inspired by the same radical ideology. In the face of a complex and abstract threat such as this, Israel must develop an appropriate response and it too must come from the realm of soft power.

The Ministry of Foreign Affairs is mandated to identify and seize political opportunities. As part of the situation assessment and beyond the Iranian challenge, a number of important opportunities were identified, including the formulation of a pragmatic Arab camp with at least some overlapping of common interests with Israel; the success of American stabilization attempts in Iraq; and the existing window of opportunity for a peace agreement with Syria and an agreement with the pragmatic Palestinian camp.

Israel's strategic objective for 2008-9 in the Palestinian arena was to reach a stable political agreement with the Palestinian Authority and overturn or at least weaken Hamas' control of the Gaza Strip. In light of the split between the West Bank and Gaza, most efforts were directed separately to the respective areas. Israeli policy in the West Bank was two-pronged: first was the Annapolis process, which did not achieve a permanent agreement yet succeeded in sustaining political momentum on the Palestinian issue and earning international support, including among the pragmatic Arab states. Second, efforts continued with the help of the international community to advance state institution building in the West Bank and improve the daily life of the Palestinian population – while insisting on the Palestinian fulfillment of their security obligations and preventing the consolidation of Hamas influence in the West Bank.

The primary objectives for Gaza were preventing terrorism and rocket fire, and preserving the international system's adherence to the Quartet's three conditions for acknowledging Hamas' legitimacy. Israel's ceasefire with Hamas was not renewed in December 2008, and the expansion of violations by Hamas led to Operation Cast Lead. The assessment was that the results of the fighting should be leveraged to strengthen Israeli deterrence, establish a stable security situation without any agreement with Hamas, and intensify efforts to prevent Hamas' rearmament. It was recommended that the Egyptian and international role in preventing smuggling be strengthened, and that the international effort be bolstered to prevent a humanitarian crisis

in Gaza. Pressure on the civilian population should be reduced with the cooperation of the PA and in a way that will not translate into a strengthening of Hamas.

The common interests between Israel and Egypt and some of the Arab states (usually called pragmatic even though this label does not necessarily fit all of them) is not a new phenomenon. The support of these nations for the political process between Israel and the Palestinian Authority and Syria was already expressed at the Madrid conference and later in the Oslo and Annapolis frameworks. However, the new element in the equation is the sharpened sense of the Iranian threat among the pragmatic nations. This sense, in recent years expressed behind closed doors, has become more vocal, in part by means of unprecedented public declarations by Arab leaders. Without a doubt this state of affairs represents an important political opportunity for Israel, even though it is clear that the familiar obstacles to Arab-Israeli cooperation have not disappeared.

In the past, the Iraqi arena represented a source of significant threats against Israel. Since the beginning of the American campaign in 2003 it has become a Shiite-Sunni arena of struggle and a strategic test for President Bush's war on terrorism. In recent years, many eulogized the chances for success of this campaign. Today, it is clear that the United States succeeded in learning operative lessons and creating a real opportunity for long term stability in this complex arena. The achievements of the war create an opportunity for a positive change even beyond the borders of Iraq, and for creating new alliances and pooling the interests of the United States, Iraq on the day after the US withdrawal, other Middle Eastern states, and possibly even Israel.

A significant opportunity exists also with regard to Iraq's northwestern neighbor, Syria. The regime of Bashar al-Asad, which has successfully maneuvered between the radical and pragmatic camps, has for some time been signaling its desire to forge a closer relationship with the United States and to negotiate for peace with Israel. The outgoing Israeli government identified this opportunity and opened relations-building talks with Syria through Turkish mediation. The expected change in American policy towards Syria, which is connected to the process of exiting Iraq and is in keeping with the engagement approach, may create an opportunity for a change in policy towards

Syria that would allow realization of peace negotiations with Israel. As for Israel's own interests in such negotiations, it is clear that unlike prior rounds of negotiations it will not be possible to settle for a bilateral discussion, but it will be necessary to undertake a thorough and decisive investigation of Syria's strategy in the comprehensive regional context, and in particular the future of its relations with Iran, Hizbollah, Hamas, and various Palestinian terrorist organizations.

It was my privilege to participate in the Israeli-Syrian negotiations at Wye Plantation in 1996. Even then, the head of the Syrian delegation, Walid al-Mu'alim, today Syria's foreign minister, said that in the long term, the clear choice for Syria was either a treaty with Iran or one with the United States. It would seem that in the current geo-political context, Syria will have to make a clear choice.

Turkey is an additional regional actor that has bolstered its status in recent years. It continues to be an important strategic partner for Israel, despite its political and public escalation vis-à-vis Israel following Operation Cast Lead. This escalation ebbed over time, and relations were gradually restored to their previous balance. Turkey is a leading regional power and has a key role on the regional arenas of Iraq, Iran, Syria, and the nuclear and terrorism challenges. Turkey also has a main role on the Iranian issue, although its own interests dictate a cautious and "neutral" posture towards Tehran. In the short and medium term Turkey will continue to be a desired export market and security cooperation partner for Israel, and in the long term the "infrastructures corridor" may be a platform to upgrade relations. The potential to advance common interests in the Israel-Turkey-US triangle may grow under the Obama administration. The civilian aspect to the relations must be strengthened, and the political dialogue widened and expanded to other areas, including possible opportunities for Turkish assistance to the Palestinian economy in the West Bank.

In contrast to the trend of expansion characterizing the international arena, it seems that in the Middle East it is possible to point to a trend of contraction and convergence around a central focus – Iran. This, however, does not suggest a reduction of the threats to Israel, since the nuclear threat and the Iran-centered radical axis, in its symmetric and asymmetric components, have widened the overall security threat in Israel's strategic environment. An additional important characteristic

of the regional arena in the coming year is the fact that it is an election year. Following the elections in the United States and Israel, there are upcoming elections in Lebanon and Iran (in June), and later in Afghanistan (August), Iraq (December), and finally – if held as planned – in the PA (January 2010).

Guidelines for a Current Israeli Strategy

The threats, led by Iran in its various guises, were identified, as were the opportunities, chiefly the formation of a pragmatic Arab camp to counteract this principal threat. Next, an Israeli political strategy is required that will encompass an optimal response to the threats and an intelligent use of the opportunities, while weighing the available resources (conventional resources such as budgets and manpower, as well as resources harder to quantify such as attentive leadership on the international arena, the ability to create legitimacy and enlist regional and international support for Israeli moves, and so on).

The situation assessment shaped our view that Israel's political strategy must stand on two pillars: deterrence and resolution.

The concept of deterrence is charged and complex, all the more so in the context of terrorist organizations and sub-state actors. This is one of the greatest challenges faced by the shapers of policy not only in Israel but also in the United States and among all states fighting terrorism. Despite the built-in difficulty of creating and maintaining deterrence in such cases, there is no practical alternative that can replace this. With regard to Iran, Syria, and the sub-state actors such as Hizbollah, Hamas, Islamic Jihad, and others, a policy based on strong ongoing deterrence is required. Deterring Iran from realizing its strategy of regional hegemony in all its forms, particularly its military nuclear program, is the primary challenge for the "likeminded" nations headed by the United States, including Israel.

Alongside deterrence, a strategy of resolution is also required, aimed at creating a fundamental and long term change in the policy of the enemy side. Such a strategy requires the construction of a political setting that would be acceptable to Israel, the United States, additional relevant powers, and also at least some of the pragmatic Arab states. Existing political frameworks (e.g., the Madrid understandings, the Oslo accords, the Roadmap, President Bush's letters, negotiations conducted

under the Annapolis framework, and elements of the Arab initiative) provide a possible base for shaping an updated Israeli resolution strategy, both with regard to states such as Syria and Lebanon, and with regard to the pragmatists in the Palestinian arena.

The geographically and politically divided Palestinian arena serves as kind of microcosm embodying both threats and opportunities, and will continue to require a dual strategy combining deterrence with regard to Hamas and the terrorist organizations and an ongoing search for a resolution with PLO pragmatists headed by Abu Mazen. The immediate results of Operation Cast Lead and the weakening of Hamas on the one hand, and the first successes of the process of constructing Palestinian security forces and institutions in the West Bank on the other, create an infrastructure for shaping an updated strategy.

Balancing deterrence and resolution, determining their respective demands, prioritizing interests and challenges on the various arenas, achieving maximum coordination with the Obama administration and other powers, and taking maximum advantage of the opportunities with respect to the pragmatic Arab nations – all of these are fundamental conditions for shaping Israel's regional and international strategy.

The situation assessment by the Ministry of Foreign Affairs maps the threats and the opportunities, and proposes the appropriate guidelines for an updated Israeli foreign policy. As the new Israeli government settles in, it will embark on its own annual situation assessment for the year 2009-10 while learning lessons in terms of methodology and contents. From the experience of the British Foreign Office, we learned that the value of situation assessments grows from one year to the next as the Ministry and the political system gain experience and assimilate proper methodologies and analytical approaches.

Notes

1. Soft power is a term coined by Joseph Nye in 1990 in his book *Bound to Lead: The Changing Nature of American Power*. It refers to the ability to attain certain goals through cooption and attraction rather than through force or by payment.
2. The term "smart power," coined by Joseph Nye in 2006, is defined as the ability to combine hard power with soft power as a leading strategy. Recently, Secretary of State Hillary Clinton noted the administration's intention to use smart power to deal with American foreign policy challenges.