Strategic ASSESSMENT

The purpose of *Strategic Assessment* is to stimulate and enrich the public debate on the issues that are, or should be, on Israel's national security agenda.

Strategic Assessment is written by INSS researchers and guests and is based, for the most part, on research carried out under INSS auspices. The views presented here, however, are those of the authors alone.

http://www.inss.org.il

INSS
המכון למחקרי ביטחון לאומי
THE INSTITUTE FOR NATIONAL SECURITY STUDIES
INCORPORATING THE JAFFEE CENTER FOR STRATEGIC STUDIES
AT TEL AVIV UNIVERSITY אוניברסיטת תל–אביב

Contents

Abstracts

On Negotiations with Syria

Aluf Benn, **Converging Interests: Essential, but not Enough**

On May 21, 2008, Israel and Syria announced that under the auspices of Turkey, they would begin indirect peace talks in an effort "to reach a comprehensive peace." Syria asserted that Prime Minister Olmert had committed to a full withdrawal from the Golan Heights to the June 4, 1967 border. According to public opinion surveys, most Israelis oppose withdrawal from the Golan Heights and do not believe that Syria is intent on peace. The article deals with the political and diplomatic aspects to renewing negotiations.

Shlomo Brom**, Is There Really a Window of Opportunity?**

This article analyzes the chances for renewing comprehensive and effective negotiations between Syria and Israel and progressing towards an agreement, by examining the Israeli and Syrian interests and proposing a modus operandi for Israel. The analysis is based on the premise that it is not possible to reach an agreement with Syria without giving up all of the Golan Heights, especially in light of the precedents of Israel'a treaties with Egypt and Jordan.

Meir Elran**, Principal Lessons of the Major Home Front Exercise**

In assessing the objectives, scope, and media coverage of the Turning Point 2 exercise of April 2008, the article deals with two central questions. First, to what extent did the exercise succeed in anticipating problems and tightening the weak links in the civilian front's systems in wartime? Second, how significant and effective is the improvement in the civilian front's preparedness in light of the threats it is expected to tackle?

Hirsh Goodman, **Information Security and Public Diplomacy**

The need for synergy between the IDF Spokesman's Unit and the unit charged with information security and the censor is one of the key findings of the Winograd Commission, and critical to the implementation of a sensible policy that recognizes the reality of the media but limits the exposure of the country's secrets. A policy of openness with the media is both essential and desirable, but the process must be controlled and tailored to specific situations.

Shmuel Even and Zvia Gross, **Proposed Legislation on the IDF**

This essay presents a proposal for the division of responsibility and authority between the political and military levels through new legislation: the IDF Law. The idea proposed is to pass a standard law that will complement the Basic Law: The Military (1976). According to the proposal, the IDF Law will determine the types of decisions for which the government/prime minister is responsible and which decisions should be decided by the minister of defense or chief of staff.

Aharon-David Copperman, **Disputed Waters: Use of the Mountain Aquifer**

The Israeli and Palestinian water reserves are in a critical situation. There is not enough water to satisfy existing demand – not to mention future demand – and water reservoirs are at a nadir. Thus, it does not currently seem reasonable that Israel will agree to cede a significant quantity of Mountain Aquifer water in talks with the Palestinians. However, implementation of various water savings programs, along with water imports and desalination, could impact on Israel's negotiating positions regarding water resources.

Amir Kulick, **The Palestinian Commission of Inquiry into the Hamas Takeover of Gaza**

After Hamas took over the Gaza Strip, Abu Mazen appointed a commission of inquiry to investigate the failure of the Palestinian Authority. The mere appointment of a commission of inquiry is an unusual occurrence in the PA and the Arab world in general. Accordingly, the commission's report, published in February 2008, provides a rare glimpse into how PA senior officials perceive the reasons for the failure and the steps that from their perspective are needed to rectify the situation.

Limor Simhony and Roni Bart, **John McCain and Barack Obama: The Middle East and Israel**

The authors present the positions of the US presidential candidates on three principal issues relating to Israel: Iran, Iraq, and negotiations with the Palestinians. The future of the Israeli-Palestinian conflict depends more on what happens between the sides than the involvement of any US administration. On the other hand, the continued presence of the US in Iraq and the way the Iranian challenge is met almost entirely depends on the next US administration.

Emily B. Landau and Noam Ophir, **Unraveling the New Nuclear Disarmament Agenda**

In early January 2007, the global nuclear disarmament agenda received new life from an unlikely source. Four prominent US officials authored a piece entitled "A World Free of Nuclear Weapons." The article explains the origins of the new support for nuclear disarmament and its impact on global thinking about nuclear weapons, and the recent decisions by the US, Britain, and France to carry out unilateral reductions in their nuclear arsenals.

Nizan Feldman, **How Green Was My Dollar: Increased US Dependence on the Gulf States?**

The article describes the global economic processes that strengthen the voices in the Gulf urging reduced dependence on the dollar. The decline of the dollar may sharpen both calls for the Gulf states to change the exchange rate regime and cancel linkage of the local currency to the dollar, and calls to end the pricing of oil in dollars. Such sentiments may spark a US diplomatic effort to ensure that its Gulf allies will not undertake unilateral financial moves that might damage the dollar's status.

Yoram Evron, **North Korea's Military Bond with Iran and Syria**

The supply of nuclear technology from North Korea to Syria is just one facet of North Korea's multi-dimensional military export enterprise to the Middle East, and to Iran and Syria in particular. These exports include the sale of missile technology, the transfer of chemicals, nuclear technology, and even aid to Hizbollah. The essay aims to shed light on these transfers of arms and military technology and provide the background for discussion on Israel's options in confronting the situation.

Gabriel Siboni, **Victims of Friendly Fire: The Winograd Commission vs. the Citizens of Israel**

In the "Viewpoint" column the author critiques the Winograd report vis-à-vis two basic issues: the results of the war, and the decision making processes in Israel's defense establishment. The author argues that these issues were analyzed erroneously and the results testify to the failed efforts of the commission.

The staff of the Institute for National Security Studies wishes
Dr. Zvi Shtauber,
outgoing director of INSS,
the utmost success in his future endeavors,
and welcomes the incoming director, **Dr. Oded Eran**, *to INSS*

Converging Interests:
Essential, but not Enough

Aluf Benn

On May 21, 2008, Israel and Syria announced that under the auspices of Turkey, they would begin indirect peace talks in an effort "to reach a comprehensive peace." Syria asserted that Prime Minister Ehud Olmert had committed to a full withdrawal from the Golan Heights to the June 4, 1967 border, and Israel did not explicitly deny the report. The American administration, which was informed in advance, reacted to the announcement with little enthusiasm, but has not labored to torpedo the process.

The announcement of the renewal of Israel-Syria negotiations after an eight year hiatus came following separate talks by the Turks with Israeli and Syrian officials in Ankara. As in the past, reports of the revival of negotiations with Syria aroused much hullabaloo among the Israeli public and Israeli politicians. The prime minister was accused of using the talks to deflect public attention from the criminal investigations against him. Any substantive debate on the issue, however, will apparently be postponed until it becomes clearer what is actually under discussion.

The Israeli version relates that the Turkish mediation on the Syrian channel began after Olmert's visit to Ankara in February 2007, whereupon Turkish prime minister Recep Tayyip Erdogan and his aides began conveying messages between Jerusalem and Damascus. Israel suspended these contacts after several weeks, following what was then described as concern over possible escalation of violence in the north; tensions culminated in Israel's reported bombing of a Syrian nuclear facility in September 2007. Shortly after the Israel Air Force attack, Olmert and Erdogan agreed to renew the contacts.

The format agreed on for the talks represents a compromise position between Israeli and Syrian demands. Asad had demanded that the talks be conducted in public, with American mediation, and based on a prior Israeli commitment to withdraw in full from the Golan Heights. Olmert wanted secret and direct talks, and a Syrian commitment to disengage from Iran, Hizbollah, and Palestinian terror organizations. Looking for bridging formulas, Olmert made it clear that he is "aware of the proposals his predecessors conveyed to the Syrians," which were based on a full withdrawal.

According to public opinion surveys pub-

Aluf Benn, visiting researcher at INSS, diplomatic correspondent of *Haaretz*

lished in *Yediot Ahronot*, most of the Israeli public opposes withdrawal from the Golan Heights and does not believe that Syria is intent on peace.[1] Perhaps ironically, the public debate in Israel has focused less on the issue at hand and more on whether a prime minister who is under investigation is worthy of conducting sensitive political negotiations – or the contrary, i.e., if the suspicions against Olmert generate his incentive to achieve an historic settlement with Syria.

The Strategic Interest

The arguments in favor of a peace settlement with Syria are not new and have resonated consistently since the early days of the peace process in 1991. Supporters of an agreement say that the Asad presidents – Hafez and his son Bashar – have been a trustworthy and stable element that can "deliver the goods," unlike the weak leaders of the Palestinian Authority. Peace with Syria will complete agreements with the countries that surround Israel, open up a land route for Israel to Turkey and Europe, reduce the risk of an all-out war, and weaken the Palestinians' bargaining power in discussions over a permanent agreement. The agreement with Syria is also perceived as less problematic than the Palestinian channel: essentially this is a matter of determining a border and security arrangements, following detailed negotiations that took place in previous years. The Syrian process has no sensitive and ideologi-

cal problems such as Jerusalem or the Palestinian claim to a right of return.

Spearheading Israel's call for a revival of the Syrian channel were leaders of the defense establishment, including Defense Minister Ehud Barak, Chief of Staff Gabi Ashkenazi, and the head of Intelligence, Amos Yadlin. They deemed an agreement with Syria a means of improving Israel's overall strategic situation, against a backdrop of increasing tension with Iran and the ongoing confrontation with Hamas in the Gaza Strip.

According to the annual assessment submitted by IDF Military Intelligence to the Cabinet, the principal security threat to Israel in 2008 derives from the establishment of a military alliance between Iran, Syria, Hizbollah, and Hamas, with outside support from the global jihad. This sort of "resistance coalition" could launch a coordinated assault on Israel, with terror attacks and missiles and rockets fired at the home front, in response to an Israeli attack on the nuclear plants in Iran, the reoccupation of Gaza, or an escalation in Lebanon. Moreover, there is no question that in the wake of the failure of the Second Lebanon War, the stronger ties between the members of the "resistance alliance," and their ongoing military reinforcement, Israel senses strategic pressure. A country faced with a coalition of enemies aims to disconnect one from another, in order to improve its strategic situation. Renewal of the Syrian channel will give Israel an opportunity to remove a

Renewal of the Syrian channel will give Israel an opportunity to remove a key link from the hostile alliance between Iran, Syria, Hizbollah, and Hamas.

key link from the hostile chain, prior to the moment of decision against Iran.

Even if Israel has not yet decided to attack Iran's nuclear facilities, it clearly wants to reserve the freedom to decide on such a course of action. The more Israel manages to weaken the Iranian influence on its surroundings, the easier it will be for decision makers in Jerusalem to deal with the Iranian threat and the risk of all-out war if, for example, the uranium enrichment plant at Natanz is destroyed. If Syria stands to the side after such an action, the arsenal of missiles and rockets directed towards Israel would be significantly smaller. While Hizbollah can attack Israel with its tens of thousands of rockets, it would suffer the absence of the Syrian logistic and strategic rear that helped it during and after the Second Lebanon War. Hamas is geographically detached from the Syrian arena but its leaders are located in Damascus under Asad's protection and are quite wary of offending him. This was exemplified a few days after Asad announced his peace intentions, whereupon Hamas leader Khaled Mashal released moderate announcements of his own.

An agreement with Israel is designed to offer Syria a viable – and desirable – alternative to its alliance with Iran, in the form of closer relations with Washington and reduced regional tension. Syria has consistently signaled that it straddles the fence, and has not explicitly embraced Iran's radical ideology vis-à-vis Israel. Asad does not spout Ahmadinehad's radical rhetoric; on the contrary, he has emphasized his commitment to peace. One effective way, therefore, to examine Syria's willingness to distance itself from the radical coalition will be to confront Asad with the dilemma of "the Golan or Iran." If he helps Iran in a war against Is-

rael he would risk losing the Golan for many years. Coversely, if he believes good conduct will encourage the Golan's return to Syrian hands, he would be tempted to leave the Iranians to themselves.

There are two main arguments against this approach. The first is that the alliance with Iran has been an important strategic interest for Syria for over a quarter of a century, and Syria will not forfeit it for Israel, and certainly not for promises of a withdrawal that were made in the past and not realized. The second argument reduces the severity of the threat of a coordinated attack by a pro-Iranian coalition. In the last two years Israel has fought against Hizbollah, bombed Syria, and inflicted heavy damage on Hamas in Gaza. The allies provided financial and military aid to the specific party fighting Israel but were very wary of open involvement in the confrontation. This suggests that even if Israel attacks Iran, the Syrian reaction against it would not be automatic, while withdrawal from the Golan would be an irreversible step with far reaching implications.

What's the Rush?

If matters are so simple, and Israel's strategic interest is so clear cut, why have all efforts to date to attain peace with Syria failed? And what can we learn from the failures of the past about the chances of success of the negotiations at the present time?

Since Yitzhak Rabin's assumption of power in 1992, the basic premise of Israel's leaders was that they do not possess sufficient political power to achieve agreements that will include withdrawals on both the Syrian and Palestinian fronts. A simultaneous withdrawal from the West Bank and from the Golan Heights was perceived as too steep a price for public opinion in Israel to swal-

low. Rabin and his successors Shimon Peres, Binyamin Netanyahu, and Ehud Barak initially examined the Syrian channel, but they did not achieve a breakthrough and opted to progress with the Palestinians. Ariel Sharon refused to conduct negotiations with any Arab leader and opposed reviving the Syrian channel on the grounds that the Palestinian issue was more pressing, and that Israel had an interest in isolating Syria. Ultimately, Sharon chose a unilateral withdrawal on the Palestinian front and maintained the status quo with the Syrians. Like Sharon, Olmert believed that the solution to the Palestinian issue was more pressing for Israel, and he addressed the Syrian channel belatedly and with a low profile, compared with his talks with Palestinian Authority president Mahmoud Abbas over the principles of a permanent settlement.

What made six successive Israeli leaders pursue the Palestinian route, which seems fare more complicated and sensitive than the Syrian channel? Apparently, the political and military cost of the status quo on the Golan Heights was and remains negligible, compared with the cost Israel pays over its continued control of the Palestinians. Syria has desisted from using force to regain possession of the Golan Heights, while the Palestinians have worn Israel down with unceasing terror activity.

One may assume that the prime ministers had a thorough knowledge of the strategic arguments for a settlement with Syria, and seemingly also embraced them. But the picture from the prime minister's office is different than from the chief of staff's office or Military Intelligence. Every Israeli prime minister crafts his policy around two pillars: preservation of internal political support, and the promise of American support. When there is tension between these two constraints, the danger of a political crisis and the collapse of the government increases. Such was the fate of Yitzhak Shamir, Peres, Netanyahu, and Barak, who lost their power and lost elections.[2] Sharon and Olmert managed to survive, mainly because they were able to balance appeasing the US and securing their political footholds. Olmert agreed to negotiations over a permanent settlement under pressure from US secretary of state Condoleezza Rice, but refused to evacuate outposts and risk a domestic confrontation with the right, or remove roadblocks in the territories and thereby challenge the defense establishment.

In the conditions that have evolved in recent years, particularly since the outbreak of the second intifada, an effort to achieve a settlement with Syria runs counter to an Israeli prime minister's political interests. The United States and the international community have not pressed Israel to achieve peace with Syria, while in the domestic arena, it was clear that such a move would meet stiff public and political resistance.

Little Pressure from the Outside

Israeli is under heavy international pressure to end or at least moderate its direct and indirect control of the Palestinians in the West Bank and Gaza Strip. Every Israeli leader or diplomat who meets a foreign dignitary will hear claims about the continued existence of settlements and roadblocks in the West Bank and the worsening humanitarian crisis in Gaza. Even when Israel is considered justified in the conflict with the Palestinians, for instance after the Hamas takeover in Gaza, the international consensus still deems it a conquering power that denies the civilian and political rights of another nation, oc-

An agreement with Israel is designed to offer Syria a viable – and desirable – alternative to its alliance with Iran, in the form of closer relations with Washington and reduced regional tension.

cupies its land, and uses exaggerated force against it.

Israel sees its control of the West Bank as an essential security need and is willing to pay the price of international pressure, even while trying to alleviate it. Sharon decided to withdraw from the Gaza Strip to the pre-1967 Green Line and to freeze construction of settlements outside the security fence on the West Bank. Olmert proposed withdrawing from most of the West Bank ("the convergence plan") and after shelving the idea, agreed to conduct talks with Abbas over an agreement of principles. The disengagement from Gaza and the Annapolis process greatly improved Israel's international standing but did not end the pressure to improve the humanitarian situation in the territories and stop the settlement activity.

In the Syrian arena the situation is reversed. There Israel enjoys total international silence. Despite the legal consensus that the Golan is occupied territory, at least beyond the 1923 Syria-Palestine international border, "the world" is not pressuring Israel to withdraw and return the land to the Syrians. The Israeli communities on the Golan Heights are not bothering anyone in the United States or the European Union – at least as long as there is no massive expansion – and no one is concerned over the situation of the Druze in the northern villages on the Golan, who live under Israeli control.

The administration of President Bush Sr. and the first Clinton administration saw great strategic importance in achieving Israeli-Syrian peace. A political settlement that would win Syria over to the moderate, pro-American camp seemed like an important element in consolidating regional stability against Iraq and Iran, and was viewed as a natural successor to peace between Israel

The political and military cost of the status quo on the Golan Heights was and remains negligible, compared with the cost Israel pays over its continued control of the Palestinians.

and Egypt (and later Jordan as well). Failure of these talks, and failure of the last attempt by Clinton to mediate between Barak and Hafez al-Asad in March 2000, led to shelving the Syrian portfolio and shifting American focus to the Palestinian channel. European and other governments that took an interest in the political process have from the start focused on the Palestinian issue and hardly intervened in the Syrian channel.

The administration of President Bush Jr. intensified this tendency and related to Syria as a problematic and ostracized country with a non-legitimate regime. The US accuses Syria of offering protection for terror used against its forces in Iraq, and supports the existence of an independent and democratic Lebanon. Following the assassination of former Lebanese prime minister Rafiq Hariri, Bush and former French president Jacques Chiraq led the international effort to oust Syria from Lebanon and establish an international court to investigate the murder. Bush also rejected the findings of the Baker-Hamilton Commission, which proposed renewing Israeli-Syrian negotiations as a means of containing the strategic damage caused by the war in Iraq.

The Bush administration focused, albeit belatedly, on advancing a two-state solution to the Palestinian conflict. One may assume that Bush was wary of a renewed Syrian take-over of Lebanon, under cover of the agreement with Israel, and did not believe that returning the Golan Heights would bring stability and quiet to Iraq. More conservative elements in the administration have also expressed quiet displeasure with the idea of a withdrawal from the Golan. Moreover, after the bombing of the suspected nuclear plant in September 2007, which was an act of war in by any reasonable interpretation of international law, Western governments withheld

criticism of Israel. Bush even publicly praised the action several months later. No one in the world – including in Arab countries – called for using the bombing to renew the peace process and prevent further escalation in the north. Only Turkey, which has a direct interest in calming tension around it, showed interest in a revival of the Syrian channel.[3]

Israel is far from Iraq and does not influence what occurs there, but events in the Lebanese arena have great importance for Israel's interests. The 2005 "Cedar Revolution" in Lebanon and the ousting of the Syrians appeared to be the only achievement of the Bush policy to promote democratization in the Arab world. Israel, on the other hand, would prefer Syria to control Lebanon and exert its authority over Hizbollah, and has considered the Siniora government in Beirut as a nuisance that does not contribute to security or stability. The discord came to a head in the Second Lebanon War when Israel wanted to destroy Lebanon's infrastructure and encountered US objection. Overall, therefore, Olmert can estimate that the political benefit that Israel can gain from progress with the Syrians will be negligible, if anything. Israel would even be liable to look like it was looking for a bypass route to avoid making concessions to the Palestinians. However, it does not appear that the US administration will try to intervene in negotiations, and there is also importance to boosting the US relations with a regional ally such as Turkey.

No Enthusiasm at Home Either

Since the armistice with Syria was signed in May 1974, the Golan Heights are the envy of other areas in Israel for their calm and stability. Syria adheres to the ceasefire agreement zealously, and even its veiled threats to encourage "resistance" in the Golan have not been translated into action. To be sure, Syria has harmed Israel indirectly through Hizbollah and Palestinian organizations, but the public debate in Israel tends to ignore that.

The security calm, along with the breathtaking views and the absence of a hostile and rebellious population, has contributed to the great popularity of the Golan among Israelis. In political and media terms, inhabitants of the Golan are "residents" and not "settlers," as in the West Bank. There are also no movements and advocacy organizations parallel to Peace Now and B'tselem, Gush Shalom, or the Geneva initiative that aim to dismantle the settlements and have Israel withdraw from the West Bank. The Movement for Israeli-Syrian Peace, established by former Foreign Ministry director general Alon Liel, has yet to make its mark on the public. Golan residents have organized noticeably and effectively with their rapid response to any suggestion of renewing the Syrian channel.

There is, therefore, no pressure on Olmert to make progress on the Syrian channel. However, he has a political interest to appear to be following this route. First, talks with Syria will make it difficult for the Labor party, led by Barak, to leave Olmert's coalition. The defense minister will struggle to explain why he broke up a government that was pursuing his political agenda. Second, Olmert wants the backing of the media and the public figures who support peace agreements, particularly in view of the investigations he is under.

The political difficulty will come with a transition from talks to an actual settlement. The vast majority of the public is currently opposed to withdrawal from the Golan. The public can of course change its mind, but the government will have to launch a massive marketing campaign in order to overturn

public opinion, and an unpopular leader like Olmert will find that difficult to pull off. Legislation on the Golan of 1999 requires a majority of 61 MKs to rescind the annexation of the Golan to Israel, and in certain conditions a referendum too. One may assume that signing an agreement with Syria, which would require the evacuation of the Golan Heights population centers, will spark a sizeable wave of protest from the right to the political center. Attaining a solid parliamentary majority to support such an agreement will be at best complicated. Even the ruling party, Kadima, is divided over withdrawal from the Golan.

However, as long as there is no settlement, the Israeli political system is ready to accommodate talks with Syria. Thus far, no government has fallen or been unseated because of the Syrian channel. The National Religious Party and Shas stayed in Barak's coalition when he proposed withdrawing almost to the Sea of Galilee. Shas is critical of Syria as a member of the axis of evil, but did not threaten to resign from the government, as it did should the government agree to negotiate the future of Jerusalem. Overall, the seeming apathy by the religious right parties to the fate of the Golan stands in stark contrast to their behavior with regard to a permanent settlement with the Palestinians.

The conclusion is that Olmert can progress in talks with Syria, and as long as he doesn't advance too quickly and matches his moves to the political system's ability to accommodate the progress, he can keep his coalition intact.

What Has Changed Since 2000

Efforts to renew talks prompt the question, what has changed in the Syrian channel since the cessation of talks in March 2000. The territorial dispute has not changed, nor have Syrian and Israeli basic interests. However, one can identify a number of changes that impact on the content of an agreement, as well as the motivation and ability of the sides to achieve it.

The principal change derives from the generational shift in the Syrian leadership. Hafez al-Asad aroused great curiosity and respect in Israel (Barak called him "the formulator of modern Syria"). Meanwhile, his son has been derided as a childish, irresponsible leader ("Playstation player," "detached from his surroundings," "Nasrallah's groupie"), but the scorn was premature. Bashar al-Asad has emerged as a bold leader who is ready to take risks in order to improve his country's strategic position. In 2001, not long after he rose to power, Bashar decided to provide Hizbollah with advanced Syrian weapons, and not just serve as a transit station for Iranian weaponry en route to Lebanon. Thus Hizbollah became Syria's indirect strategic arm against Israel.[4] According to CIA estimates, around the same time Bashar also decided to acquire a reactor from North Korea in order to produce plutonium for nuclear weapons. Had the project succeeded Syria would have achieved its desired strategic balance with Israel and positioned itself as the strongest Arab state. Bashar also dared to provoke the United States and indirectly encourage terror in Iraq, which cost him a forced retreat from Lebanon.

Yet thus far, Bashar is still wary of crossing the line and launching an overt attack on Israel in order to wrest the Golan by force. Even after the alleged nuclear facility was bombed he refrained from a military response and tried to minimize the importance of the event. Asad also overlooked the assassination of senior Hizbollah leader Imad

Mugniyeh in Damascus in February 2008, and did not follow Hassan Nasrallah in accusing Israel or threatening a response. At the same time, until now Asad did not display daring or determination in a quest for peace. He upheld his father's demands that talks be based on a prior commitment to a full withdrawal, and did not end the stagnation with a dramatic move such as meeting with the Israeli prime minister or going to Jerusalem. He even forbad his delegates from meeting with their Israeli counterparts.

The second change results from the upheavals in Lebanon. Previous talks took place while Israel controlled the security zone in Lebanon and waged an ongoing war with Hizbollah. The working premise on the Israeli side was that when the Golan is returned, a peace treaty will also be signed with Lebanon and Hizbollah, like the other militias, will be disarmed. In 2008 the situation is different: the IDF is out of Lebanon and Israel is not suffering casualties in the security zone. Hizbollah, however, is much stronger, and Syria has lost its direct control of Lebanon. It will be hard today to demand from the Syrians that they disarm Hizbollah as part of a peace settlement. This naturally detracts from Israeli motivation to achieve a settlement: if once Lebanon was viewed as a secondary front, today it looks like a major threat. And if Syria is not capable of guaranteeing quiet along the length of the northern border, why give it the Golan?

The third change relates to the nature of the settlement. The talks conducted by Barak with the Syrians were cut off because of a dispute over control of the northeastern shore of the Sea of Galilee. Asad rejected the Israeli proposal to maintain Israeli control of a narrow strip of a few dozen or a few hundred meters around the lake, and insisted on a full withdrawal to the shoreline. Barak refused. Since then, two ideas for solving the territorial dispute have been proposed. One, put together in informal talks between Lial and the Syrian-American Abe Suleiman, was to make the shore and foothills of the Golan into a park under Syrian sovereignty to which Israelis would have free access. A second idea was raised by Israeli politicians who suggested recognizing Syrian sovereignty over the Golan and leasing the area for a long period. The two ideas have yet to be examined in depth in formal talks but they raise the possibility of a creative solution to the border dispute.

The fourth change derives from the results of the Second Lebanon War and the disengagement from Gaza, and the revival of the Israeli internal debate over the importance of territory in an age of missiles and rockets. The sense in the Israeli public that any territory that is evacuated becomes a base for rocket launching is double-edged. On the one hand, the Second Lebanon War demonstrated that rockets are capable of hitting the rear from a great distance and perhaps reinforced the argument that territory is of no importance in the face of long range missiles. The fear of thousands of rockets and missiles launched at the home front strengthens the security incentive to reach an agreement with Syria, even at the cost of the Golan Heights. In other words, those favoring an agreement see forfeit of the Golan as a reasonable price for protecting Tel Aviv and Haifa from Syrian Scuds. However, the war also indicated that ground level control of territory is the most effective way of thwarting rocket launches, and bolstered the position of those opposed to making territorial concessions on the Golan.

Particularly since the outbreak of the second intifada, an effort to achieve a settlement with Syria runs counter to an Israeli prime minister's political interests.

All or Nothing?

Presumably Olmert and Asad are well aware of the considerations that complicate the chances for an agreement between Israel and Syria. Why, then, have they taken the risk and decided to revive negotiations?

The answer is built into the understanding that Israel-Syria relations are not limited to the binary mold of "friend or foe." There is much value to the process itself and not only to the results of reducing tension, preventing escalation, and indicating a convergence of interests between the two sides. In game theory, the exchange of messages such as these between actors who cannot communicate directly with one another is called signaling, for example among large corporations that are legally barred from interaction to forestall monopolies.

In the present circumstances, Syria and Israel share an interest in containing the dispute between them and enjoying freedom of movement in various sectors without the other side intervening. Syria would like to capitalize on Bush's last – and power-waning – presidential days to reassert its presence in Lebanon via Hizbollah. No wonder that the resumption of negotiations was announced at the same time as the Doha agreement, which strengthened Hizbollah's control in Lebanon and weakened the anti-Syria camp in Beirut. Damascus would prefer that Israel sit on the sidelines and not interfere. Similarly, Israel needs freedom of movement in the Gaza Strip and possibly vis-à-vis Iran, and it would prefer that Syria not fight alongside Hamas and Iran, as well as rein in Hizbollah as much as possible.

Renewal of peace negotiations, therefore, acts as an alternative to an open process of strategic coordination between Jerusalem and Damascus. It should be seen as a mutual signal to close the September 2007 attack file, and as an understanding on dividing areas of influence in the coming months. Of course given the limited and indirect nature of the dialogue, the sides risk misunderstandings and violations of previous unofficial agreements. Yet Syria and Israel have a long history of mutual signals and established red lines, and at this stage of their relations, not much more is to be expected.

Notes

1   *Yediot Ahronot*, May 23, 2008. According to the survey, 19 percent of the public support a full withdrawal from the Golan; 29 percent a partial withdrawal; and 52 percent oppose any withdrawal. Respondents were divided as to the possibility of achieving peace with Syria in the foreseeable future. In a survey of April 25, 2008, after the disclosure of the contacts, 32 percent of the public at large and 25 percent on the Jewish public would agree to a full withdrawal from the Golan Heights; 74 percent of the public at large and 80 percent of the Jewish respondents did not believe that Asad's peace intent was genuine.

2   Shamir ran into confrontation with President George Bush Sr. over the "settlements or guarantees" affair, and he lost his coalition partners on the right after the Madrid Conference. Peres ignored the public outcry and tried to rely on Clinton's support after the terror attacks in early 1996. Netanyahu's coalition disintegrated after the Wye agreement, and Barak lost his political partners on his way to Camp David.

3   Erdogan is certainly looking to bolster his country's standing as an important element in the Middle East, and to strengthen the Justice and Development Party, which he leads, against the Kamelists in Turkey.

4   The serious damage inflicted on Israel in the Second Lebanon War was caused mostly by weapons manufactured by Syria or supplied by Syria to Hizbollah, including the medium range rockets that landed in Haifa and anti-tank missiles that hit IDF tanks and soldiers in Lebanon.

Is There Really a Window of Opportunity?

Shlomo Brom

Contacts between Israel and Syria, mediated by Turkey, regarding the renewal of negotiations toward a peace agreement have been underway for a year and a half. In recent indirect talks, Turkish mediators relayed messages between Israeli and Syrian negotiating teams that were in Ankara at the same time. Discussion at this stage is about the terms that will enable negotiations to be renewed and about the format of the talks. As a condition for renewing talks, Syria is apparently demanding that Israel re-ratify the "Rabin deposit," that is, affirm Israeli readiness to withdraw from the Golan Heights in their entirety, if all the other components of the agreement are to its satisfaction. According to some reports, Israel has already done that. Israel, for its part, has apparently demanded an advance commitment relating to Syria's current ties with Iran, Hizbollah, and the Palestinian organizations. It seems there is also a dispute between the sides about the format of the talks. Israel prefers secret negotiations while Syria wants open talks. The recent announcement released simultaneously in Jerusalem, Damascus, and Ankara implies that at the very least Israel is prepared to acknowledge publicly that the talks are underway. Declarations by Syrian president Basher al-Asad indicate that Syria is asking for US involvement in the negotiations as a condition for their renewal.

This essay aims to analyze the chances for renewing comprehensive and effective negotiations and progressing towards an agreement, by examining the Israeli and Syrian interests and proposing a modus operandi for Israel.

The analysis is based on the premise that it is not possible to reach an agreement with Syria without giving up all of the Golan Heights. There are those who believe that just as Syria eventually waived its demand to recover the area of Alexandretta from Turkey, it will also eventually accept the loss of the Golan Heights, or part of it, and that it is possible to reach a peace agreement without conceding the area. According to this view, Israel needs to continue applying pressure on Syria until it agrees. This essay contends, however, that after the precedents of treaties between Israel and Egypt and Jordan, the chance that even in the long term specifically Syria will agree to peace without the return of the conquered territory is very slim. Moreover, even if this might occur at some point in the distant future, Israel should take into account the cost of continuing the status quo over time.

Brig. Gen. (ret.) Shlomo Brom, senior research associate at INSS

Israeli Interests

Israel's interest in renewing negotiations should be measured with three parameters:

- To what degree an agreement with Syria would reduce (or increase) the threats aimed at Israel, and how an agreement would impact on its ability to deal with them
- How much an agreement with Syria would contribute to (or impede) progress in the peace process with other states and reconciliation with the Arab world
- The domestic cost of an agreement.

Effect on Threats

When talks with Syria took place in the nineties it was relatively simple to make an analysis based on the first parameter. The benefits of removing Syria from the cycle of confrontation with Israel and the security arrangements to be incorporated in the agreement were balanced against the loss of the Golan Heights, which for topographical reasons offers clear strategic advantages in a potential military confrontation with Syria. Developments since then have complicated the analysis, for two reasons. First, the most important phenomenon regarding Israel's security in recent years, in perception and in practice, is the formation of a radical axis under the leadership of Iran that includes Iran, Syria, Hizbollah, and some Palestinian organizations. From Israel's point of view, the main question now is no longer the significance of dealing with Syria's military force (which has not been a major challenge for the IDF for some years), rather the impact of an agreement on this axis. Is it possible to extricate Syria from this axis and thus to dismantle it? Would an agreement with Syria reduce friction with the various axis members? Second, the nature of the security threat Syria

poses to Israel has changed. If in the past the main element was Syria's ability to launch a surprise attack to capture the Golan Heights and threaten Israel's territory, now the main Syrian threat is its ability to hit the Israeli civilian front with rocket and missile fire.

Those opposed to renewing negotiations claim that Syria is so dependent on Iran and Hizbollah and its strategic pact has become such an integral part of its identity that there is no possibility of Syria's detaching itself from this axis, even after reaching an agreement with Israel. However, this argument frames the axis as a formal contract to which one does or does not belong, and ignores the fact that this is a dynamic, evolving system based on changing and developing interests. In the current situation Syria depends on Iran for military and economic aid, and on Hizbollah as an element that allows Syrian influence to be maintained in Lebanon and pressure to be exerted on Israel. The reality of an agreement with Israel, which involves closer ties to the United States, makes significant elements of Syria's dependence on Iran and Hizbollah superfluous. Moreover, the bond with Iran and Hizbollah interferes with Syria's ability to realize key benefits deriving from an agreement with Israel and ties with the United States and the West. Thus, it is reasonable to assume that Syria's attraction to this axis will decrease, both as a result of the limitations on such relations that will be part of the agreement (for example, forbidding assistance to elements that are hostile to Israel), and also as a natural result of the change in Syria's situation.

As for the second development, the Golan Heights is not relevant to many of the new military threats projected by Syria, since many are long range and do not require positioning on the Golan Heights. As to shorter

range threats, these can be addressed within the framework of security arrangements to be included in the agreement.

In all other respects, the Israeli calculus of how an agreement impacts on dealing with threats has not changed. Indeed, all Israeli governments since the second Rabin government – with the exception of the Sharon government – thought that reducing the chances of a military confrontation with Syria by establishing peaceful relations, invoking security arrangements based on demilitarized and limited arms zones with proper supervision by an international force, and acquiring US aid for further strengthening of the IDF comprise an appropriate return for conceding the strategic military asset of the Golan Heights.

Impact on the Political Process

The common assumption since the Oslo process was launched was that talks with Syria would have a negative influence on the Israeli-Palestinian peace process, both because Israel cannot pursue two tracks at the same time, and because the Palestinians see talks with Syria as a sign of abandonment and an attempt to maneuver them into a situation where they would be forced to bow to Israeli dictates.

It appears that this picture has changed too. Since the Israeli-Palestinian peace process is in a dismal state and the situation does not augur well for any imminent breakthrough, the question now is whether there is anything that renewed negotiations with Syria could damage. On the other hand, progress with Syria could in fact have a positive effect on the Israeli-Palestinian channel. It might help neutralize the "spoilers" in this track: removing Syrian support of Hamas and Islamic Jihad and canceling

their Syrian base would reduce their ability to obstruct Israeli-Palestinian rapprochement and might even push them towards dialogue with Israel. Moreover, following an agreement with Israel it will be easier to form a unified front in the Arab world that supports and assists the creation of an agreement between Israel and the Palestinians. For these reasons, there have been recent Palestinian expressions of support – and specifically from Mahmoud Abbas' camp – for Israeli-Syrian talks.

Israel aims to achieve comprehensive peace and normalization with the Arab states. Since the Arab peace initiative was announced in March 2002, this goal has seemed within reach if peace is attained with Syria and the Palestinians. To be sure, for most of the Arab governments and in Arab public opinion, an Israeli-Palestinian agreement is far more important than an agreement with Syria. Some Arab governments are even sufficiently angry over Basher al-Asad's conduct that they would like to see him penalized rather than awarded a prize in the form of an agreement with Israel. But these are short term calculations. In the long term, and as is stated clearly in the Arab peace initiative, peace and normalization with the Arab world cannot exist without an agreement with Syria.

The Domestic Cost

According to public opinion surveys the Israeli public supports talks with Syria but opposes conceding the Golan Heights as part of an agreement. In the August 2007 Peace Index of the Tami Steinmetz Center for Peace Research, 72.3 percent of respondents opposed a full withdrawal from the Golan Heights. According to a survey by *Yediot Ahronot* in April 2008, 74 percent were opposed. A gov-

In the long term, peace and normalization with the Arab world cannot exist without an agreement with Syria.

ernment that conducts talks with Syria will be aware of the political cost it may have to pay. Nevertheless, since the Second Lebanon War there has been increased awareness among the Israeli public of the volatile situation with Syria, which to a great degree explains continued support for negotiations with Syria along with the opposition to a withdrawal from the Golan Heights and the negative image the Syrian regime currently has in Israel. A survey conducted by Mina Zemach in December 2006, four months after the end of the war, indicated that 67 percent of the public supported renewal of talks with Syria. There is therefore room to assume that if the Israeli public sees there is no possibility of reaching an agreement with Syria without withdrawing from the Golan Heights, but it is possible to reach a reasonable agreement with a withdrawal, the level of public support for such an agreement would presumably increase. This change is likely even if the perceived failures of the unilateral withdrawals from southern Lebanon in 2000 and Gaza in 2005 generate reservations among part of the public as to a withdrawal from the Golan within the framework of an agreement.

With regard to the direct cost of withdrawal from the Golan Heights to the public, the evacuation of close to 20,000 residents of the Golan Heights following the evacuation of settlers from the Gaza Strip would be a traumatic event. All told, however, the numbers are not great, certainly in comparison with the West Bank.

The argument that Israel cannot pursue tracks with both the Palestinians and with Syria at the same time is based partly on the premise that it will be more difficult to handle simultaneous evacuations from the West Bank and the Golan Heights. However, in view of the dismal state of the Israeli-Pal-

estinian channel it is doubtful whether in all realism there will be a need to deal with both at the same time.

Syrian Interests

One of the arguments against renewing talks with Syria is that Basher al-Asad is interested more in negotiations with Israel than in an actual agreement, in the hope that renewing the talks will alleviate pressure from the US and the West in general regarding intervention in Lebanon and support of terror in Iraq. This is a problematic argument, even with the stipulation that Israel has no interest in relaxing the pressure on Asad's regime. Talks are designed to clarify if an agreement can be reached and what its terms would be. If talks are not started, how can one know if it is possible to reach agreement and what its terms will be?

Several principal arguments bolster the contentions that Syria has a genuine interest in reaching an agreement with Israel. First, the main interest of the Syrian decision makers is to preserve the regime, and they will struggle to realize this interest when Syria deteriorates into a crisis. Syria is in a difficult economic predicament and the future looks even gloomier, as the country's oil reserves are depleted. It is subject to sanctions and heavy political pressure from the West, and cannot recover without a considerable improvement in ties to the West. Iran is not a viable substitute. More than Syria wants a peace agreement with Israel in order to remove the Israeli threat and retrieve the Golan Heights, it wants a substantial improvement in its relations with the United States and the West in general. It is for this reason that Asad is insisting that the US be a partner in the talks. The experience of the nineties should teach the Syrians that negotiations without

In various respects the strategic pact that Syria currently enjoys with Iran, Hizbollah, and the Palestinian Islamic organizations is an unnatural alliance.

reaching an agreement do not serve this objective. Failure of the talks in these years prevented Syria from attaining any sustainable gains and only led to further deterioration of its international standing. Moreover, the achievement of retrieving the Golan Heights, which was beyond the capability of Bashar al-Asad's legendary father, would in any event bolster the regime's popularity.

In addition, Syria maintains its influence in Lebanon via ties with Hizbollah and the recourse to violence, but such means complicate its relations with the West and the Arab world. Syria would prefer agreements that consolidate its influence in Lebanon and are acceptable to the West, such as the Taif agreement, which consolidated its military presence in Lebanon with the blessing of the United States. And while Syria will not be able to attain international legitimacy for a permanent military presence in Lebanon, negotiations and an agreement with Israel in conjunction with the United States is a route that can serve the aim of consolidating its influence in other ways.

Finally, in various respects the strategic pact that Syria currently enjoys with Iran, Hizbollah, and the Palestinian Islamic organizations is an unnatural alliance. The main threat to the secular Alawi regime in Syria is from the Sunni Islamists, the Muslim Brotherhood, who share the Hamas outlook and are closer ideologically to Iran and Hizbollah than is the Syrian regime. The element that currently unites them with Syria is the ideology of "resistance" to Israel and the West. However, a Syria that signs a peace agreement with Israel and has ties with the West does not need this unifying factor. Indeed, Syria has underscored that it is not a partner to Iranian and Hizbollah ideology regarding Israel's destruction. One can also foresee scenarios in which Iran and Hizbollah become a threat to the Syrian regime.

An argument sounded occasionally is that Syria does not genuinely want an improvement in its relations with the West and an agreement with Israel, as this would impose standards of openness and accountability on it and expose the Syrian public to influences that would damage the regime's stability. Here Syria would do well to learn from other non-democratic regimes, such as China, Egypt, Saudi Arabia, and various countries in the Middle East that have opened up economically and improved their ties with the West, that it too should be able to maintain a controlled process of rapprochement that will enable it to preserve the robustness of the regime's control.

Conclusion

Analysis demonstrates that there are powerful interests propelling both sides towards negotiations. On the one hand this explains the repeated declarations by President Asad regarding his wish to achieve a peace agreement with Israel, and on the other hand, it explains the evolution from Prime Minister Olmert's previous policy of rejecting the idea of renewing talks to open support for renewing negotiations with Syria, if the Syrians are "serious."

Nonetheless, a number of significant reasons suggest that renewal of talks that will produce an agreement does not seem imminent. First is the position of the US. Although it has lifted its opposition to talks between Israel and Syria, it is not willing to participate in them. The US administration has a difficult relationship with Syria, and for many reasons: Syria's conduct in Lebanon, as the Siniora government is considered by the United States as the greatest achieve-

Full renewal of negotiations that can culminate in an agreement will apparently be possible only after a change in US administrations.

ment of democratization in the Middle East; non-prevention of the movement of terror activists from Syria to Iraq; support of terror organizations; and close ties with Iran. This does not bring the United States to act directly against the Syrian regime because it fears a worse alternative, but it undoubtedly interferes with dialogue with Syria and prevents cooperation. It is doubtful whether Syria would be willing to start effective talks and conclude an agreement with Israel without US participation.

Nor is Israel's ability to reach an agreement with Syria guaranteed. Despite Prime Minister Olmert's promising remarks, it is far from certain whether there would be adequate support for his government's reaching an agreement with Syria, particularly assuming renewal of the talks will not be possible without ratification of the "Rabin deposit," i.e., withdrawal from the Golan Heights in their entirety. This ratification could well create some difficult political problems for Olmert in view of public opinion and positions within his government, which is already built on a shrunken coalition.

Consequently, full renewal of negotiations that can culminate in an agreement will apparently be possible only after a change in US administrations. However, between now and the change in administrations, Israel can contribute to the future success of the negotiations through an effort to maintain the current high level of dialogue with Syria, and attempts to clarify various issues that will help expedite the real talks when they commence.

Because of the significance of the Lebanon issue to Syria, the United States, the West in general, and to a certain degree Israel, which is looking to neutralize the Hizbollah threat, talks between Syria and Israel will also have to incorporate dialogue between the interested sides that will resolve relations between Syria and Lebanon. This is not contingent on peace talks between Israel and Lebanon, but the success of talks between Israel and Syria might lead to such talks as well.

Principal Lessons of the Major Home Front Exercise:
Turning Point (2) for the Civilian Front?

Meir Elran

On April 6-10, 2008, Israel conducted a national exercise to examine the home front's preparedness for war. The exercise, "Turning Point 2,"[1] was defined as "the largest of its kind" ever held in Israel and was to be based on the main lessons learned from the deficiencies of the Second Lebanon War[2] as far as the civilian front is concerned.[3] The most important of these lessons was the need to establish a National Emergency Authority (NEA[4]) as the body entrusted with integrating and coordinating the activities of the many entities assigned to manage challenges faced by the civilian front during an enemy attack (as well as other major disasters, such as earthquakes or incidents that incur heavy casualties).

The threat scenario that was drilled as part of Turning Point 2 was based on a military confrontation between Israel and the Palestinians (from the Gaza Strip), Hizbollah (from Lebanon), and Syria. The Iranian threat was not directly included. The attack scenario – based on recognized current inventories – depicted enemy rockets and missiles fired simultaneously at most parts of the country, including Syrian use of chemical warheads. Attacks on civilian targets were characterized as continuous and massive, and the number of casualties as high.[5]

The exercise was planned and run by the National Emergency Authority, which was also the main object to be examined.[6] It involved two major parts. The first part, which was conducted at the staff level, began before the exercise was actually underway with several rounds of discussions, assessments, and decisions made by the different governmental and military agencies, led mainly by the Ministry of Defense. It envisioned five days of fighting and sustained attacks on various targets on the civilian front. This part culminated with a Cabinet session – the first time that a Cabinet session was held as part of such an exercise – in order to take decisions regarding management of the war on the home front. The second part included a series of events drilled on the ground at various sites. Home Front Command forces and other organs entrusted with handling multi-casualty events, including the national police, firefighters, and Magen David Adom (Israeli Red Cross), participated.

Brig. Gen. (ret.) Meir Elran, senior research associate at INSS

The main innovation of this exercise was the introduction of the NEA as the leading authorized coordinator responsible for the home front, both for the decision makers in the government and the Ministry of Defense on the one hand, and the operative organs on the ground on the other. The purpose of the exercise was to draw the principal conclusions that would enable the consolidation of the new authority, including its legislative formalization within the framework of the Home Front Law (which the deputy minister of defense, in charge of the civilian front at the Ministry, anticipates within three years). All other institutions and organizations involved with home front affairs responded as per familiar accepted practices.

The exercise was accompanied by extensive media coverage, due to efforts of the Prime Minister's Office and the Ministry of Defense, which tried to paint a picture of major progress on the politically sensitive issue of the home front. At the same time, the external resonance surrounding the exercise was due to the particular security circumstances of the period.[7] In any case, the impression was that the media coverage went well beyond what was appropriate for an exercise of this sort. This led to criticism of the media that it was helping create an exaggerated picture of the civilian front's readiness, which at the same time was liable to foster a sense of unnecessary anxiety in the public.

In assessing the objectives, scope, and media coverage of Turning Point 2, this article deals with two central questions. First, to what extent did the exercise succeed in anticipating problems and tightening the weak links in the civilian front's systems? Second, how significant and effective is the improvement in the civilian front's preparedness in light of the threats it is supposed to tackle?

The Achievements

Any exercise based on a reasonable plan to test the preparedness of systems, particularly those vital to protecting the civilian front in Israel's current situation, is appropriate, important, and worthwhile. This is especially true of Turning Point 2, which was meant to examine and improve a vital and complex civilian system. Periodic and continued drilling is essential, especially in light of the deficiencies revealed during the Second Lebanon War.[8]

Moreover, the exercise has special significance in raising the awareness – within the general public, but primarily within the government establishment – of the prominence of the home front and its special needs and challenges. It seems that the Second Lebanon War did indeed spawn a wider understanding both among the public at large and among the decision makers about the vital nature of the home front as a component commensurate in importance with the military front. Some have previously pointed to civilian front defense as a critical factor requiring prominent reference in Israel's national security doctrine (joining the existing triad of deterrence, early warning, and decision),[9] to embed the organizational and infrastructure preparedness necessary for civil defense in light of the growing threats.

Although the exercise reflected the understanding among decision makers of the critical nature of the subject, including its political repercussions, this awareness has yet to be translated into more concrete actions concerning the enhancement of the actual capabilities of the civilian defense system. The public debate in Israel over the issue of the right ratio of investment in the military front versus the investment in the civilian front is still in its early stages. However, there seems

to be a growing understanding of the need to divert national resources from the longstanding clear preference for military-offensive capabilities over the civilian-defensive systems. If the last exercise contributed to this end, then the investment in it was worthwhile.

Not less politically significant was the convening of a Cabinet meeting as part of the exercise. For many years there were those who claimed that strategic IDF exercises are flawed, as the larger span of strategic considerations was not "played out" by the government or its authorized representatives. From time to time, the IDF itself appointed a senior retired political figure to play the role of the prime minister in such exercises. The fact that this time the government held a special Cabinet meeting as part of the exercise is further proof of the understanding of the political leadership in Jerusalem that the issue of the home front is sensitive enough to deserve the highest state involvement with the questions and dilemmas on the agenda. Less important is what was actually discussed and what decisions were taken as part of the Cabinet meeting. Even if the move reflects primarily a cynical political maneuver,[10] it has inherent value, as long as it does not remain a one-time show but rather becomes part of future routine.[11]

The NEA: Can it do the Job?

The National Emergency Authority is still in its early stages.[12] The Authority, established as a central lesson of the Second Lebanon War, is supposed to address the absence, noted repeatedly during past security crises, of a senior body to coordinate and direct activities of all the many institutions trying to meet the challenges posed by emergencies and mass disasters. It is difficult to evaluate the strength of an organization in its infancy,

one that is still trying to find its way within Israel's complex bureaucratic morass. What can be said about the Authority at this point is that its very existence represents a positive step in regulating the relationships between the multiple governmental, municipal, and NGO organs that operate on the scene in case of emergencies on the civilian front.

Turning Point 2 does not provide an unequivocal answer as to the extent that the NEA's organizational features and scope of responsibilities do in fact meet the challenge. From the outset it was not clear that placing the NEA – a body whose necessity is questioned by no one – within the Ministry of Defense was the optimal structural model. Some argued that especially in wartime, the Ministry would be focused on managing the military front and the IDF's operations and would not be able to command the attention necessary for the home front, with the complexity of challenges involved in managing a population in crisis.[13] The present exercise did not give a convincing answer to this question, in part because it did not include activating the army on the military external front simultaneously with the civilian systems. Reports by the NEA itself attest to "excellent" coordination between the various bodies before and during the exercise.[14] However, it is questionable whether the exercise could simulate the chaotic situation on the home front in the event of a major war. Even if the various organs that operate on the national level through the coordination of the NEA indeed came to a complete understanding and unity of action, this by no means ensures the tactical collaboration necessary on the ground in the absence of a clear and authorized commanding position that leads, coordinates, and controls all the operative elements in a given emergency.

Those who shaped the model for the NEA may have considered the super structure. The issue of viable solutions to the decentralized systems on the ground is still far from institutionalized.

Overall, the exercise demonstrated some important achievements in terms of promoting the preparedness of the civilian front. However, there is still a long road to turning these achievements into solid, proven assets.

Unsolved Challenges

While the exercise was apparently successful in promoting some important issues at the government level and perhaps also with regard to some issues within the national decision making system, its contribution to improving the tactical deployment systems that actually grapple with the challenges on the ground is smaller. In the vital sphere of tactical deployment, cooperation, and control, there was little innovation in this exercise. The tools deployed in the past were also deployed in the current exercise, without giving a novel and innovative response to the most acute problem revealed by the events of the past and in particular by the Second Lebanon War: the issue of control and management of emergency scenes on the ground.

As important as the proper management of the civilian home front might be on the national strategic level, it would not by itself be sufficient and will not provide the adequate response for the actual complex challenges that a targeted population might encounter on the ground. This is analogous to proper management of the military front at the national and General Staff levels without adequate management of the campaign on the battleground. Just as the IDF prepares itself for future wars from the national strategic level to the tactical level, the same must apply to the civilian front. There is no real alternative to the establishment of a joint decentralized system that is responsible for the management of disasters in the field. Since at stake are civilians in acute stress and demoralization, coupled with scenarios of possible collapse of essential infrastructure systems, the problem of control seems even more complex and sensitive. The fog of war and the difficulty of supplying adequate responses in real time to an attacked civilian population are liable to create challenges of major proportions that culminate in one major issue: who will lead this campaign?

Turning Point 2 did not supply a sufficient answer to this basic question. The establishment of the NEA in and of itself does not solve the critical problem of control and management of severe, simultaneous, and continuous emergency events in separate locales. It is not designed for it, and it is doubtful that the concept behind the establishment of the Authority was to see it in such a capacity. Here lies the primary stumbling block: those who shaped the model for the NEA may have considered the super structure. The issue of viable solutions to the decentralized systems on the ground is still far from institutionalized. Without a legal and formalized determination of the system responsible for crisis management at the ground tactical level, the entire structure is liable to

collapse under pressure. The NEA or any other official state body in Jerusalem or Tel Aviv will not be able to respond to what is happening simultaneously in different places around the country. There is no alternative other than to decentralize the disaster management system. The only body capable of handling acute challenges of warfare against civilians on the home front is the one that knows (even if with limitations) how to run the population centers in routine times, i.e., the local authority.

In fact, there are already more than a few local authorities in Israel that have made significant progress in preparing for emergencies. Numerous mayors (who by law also serve as the head of the local Emergency Economy system) have been active for years to establish the necessary connections between the municipal organs and the other bodies responsible for responding to emergencies, such as the Home Front Command field units,[15] the police, and others. Other local authorities are less prepared for the challenge, including many charged with the welfare of people of a low socio-economic level. Indeed, there is an urgent need to encourage those communities and to assist them with guidance and the necessary budgets. This is an appropriate and formidable task for the NEA.

Is the Civilian Front More Prepared Than Before?

Turning Point 2 was presented as a significant step in preparing Israel's home front. Indeed, the exercise yielded some important outcomes that may potentially contribute to building up the country's capabilities to handle future acute challenges. However, as much as there are no immediate solutions with regard to the military front, there are no magic answers for the civilian front. What is needed is intensive,

long term work of building up forces and capabilities. In the complex field of protecting the civilian front the effort is even more difficult. Unlike the military, which is hierarchical in nature and has a longstanding tradition of building, drilling, absorbing lessons, and drawing conclusions, the civilian institutions are not as sensitive to such processes; they may even strike them as alien.

Moreover, the present exercise, as important as it was, dealt with only limited aspects of the broader picture. The threats against the civilian front are many and varied; the required responses must be varied in kind. In order to protect the civilian front in an optimal manner, what is needed is the development of a multi-layered concept and application, which should include:[16] prevention or removal of the threat; strengthening of Israel's deterrence capabilities; guarantee of the IDF's offensive capability to minimize the threat to the population centers; construction of active and passive defense;[17] and finally, construction of integrated models to address adequately the needs of the population under stress. Only joint efforts at all of these layers will truly enhance the preparedness of the civilian front. In this context, Turning Point 2 can serve as an important springboard for improvement, but in itself the exercise cannot be viewed as a turning point. At most, it is one step on the long road that still lies ahead.[18]

Finally, every exercise, including this one, can generate many lessons concerning what was and was not achieved. This could become the NEA's finest hour, if it draws the right conclusions, without bias; if it manages to point to the missing links; and especially if it succeeds in positioning itself as the influential official agency committed to assimilating the lessons learned over the long haul.

In itself the exercise cannot be viewed as a turning point. At most, it is one step on the long road that still lies ahead.

This would be its primary achievement and the most significant contribution of Turning Point 2.

Notes

1. The name, supposedly picked at random, was intended to signify yet another major step for the rectification of the home front defense system, which was found inept in the 2006 war.

2. The leading report on the preparedness of the home front and its functioning during the Second Lebanon War was published by the state comptroller in July 2007 (2 volumes: a summary and the full report). The Winograd Commission opted not to investigate the subject in depth, and issued only a few general comments.

3. The term "civilian front" properly connotes equal importance to developments on the military front, especially given the likely prominence of this sector in future conflicts.

4. RHL, or "Rahel" is Hebrew.

5. There were those who felt that the scenario chosen suffered from gross exaggeration, while others assessed the array of threats presented by the drill as severe but reasonably realistic. See Ron Ben Yishai, "Threat to the Home Front the Like of Which We Have Never Known," Ynet, April 6, 2008. Removing the Iranian threat from the scenario significantly reduced the extent of the future potential threat and its repercussions.

6. IDF Spokesman, April 6, 2008: "The National Emergency Authority, which was established last September after conclusive findings of the Second Lebanon War, will be in charge of directing the drill and controlling homefront security forces."

7. The overt Israeli concern about a violent Hizbollah response to the assassination of Imad Mughniyeh, talk about tension on the Golan Heights, blunt condemnations by Israeli leaders of the Iranian nuclear effort, as well as the announcement – unconnected, in fact, to the exercise – that gas mask kits would again be distributed to the public.

8. Meir Elran, "The Civilian Front in the Second Lebanon War," in *The Second Lebanon War: Strategic Perspectives*, eds. Shlomo Brom and Meir Elran (Tel Aviv: Institute for National Security Studies, 2007), pp. 103-19.

9. Dan Meridor, who headed the committee formulating Israel's security doctrine in 2006, made public reference to the major component of civil defense. See *Maariv*, August 31, 2006, and also *Haaretz*, October 3, 2006.

10. "The ministers were bombarded with scenarios, but it was difficult to impart a sense of true emergency," *Haaretz*, April 11, 2008..

11. Yoel Marcus, "The Government's Participation in the Exercise: Preemptive Butt-Covering for the Next Investigating Commission?" *Haaretz*, April 8, 2008; Jonathan Lerner, "And What About the Government's Preparedness?" *Haaretz*, April 14, 2008.

12. Meir Elran, "The National Emergency Authority: New Prospects or More of the Same?" *Strategic Assessment* 10, no. 3 (2007): 16-20.

13. This was the recommendation of the National Security Council to the government before the decision to establish the NEA within the Ministry of Defense. See also the editorial in *Haaretz*, April 10, 2008.

14. "Everyone worked in a coordinated fashion," reported Brig. Gen. (ret.) Zeev Tzukram to *Yediot Ahronot*, April 11, 2008.

15. The liaison unit of the Home Front Command for the local authority was established for emergencies and meant to be activated in them, in order to foster cooperation in emergencies of different sorts.

16. See Meir Elran, "Turning Our Back on the Civilian Front," *Strategic Assessment* 10, no. 2 (2007): 4-10.

17. The public debate about physical reinforcement of structures (homes, schools, etc.) is extensive. The most accepted policy is still the one determined by the prime minister, i.e., "We will not reinforce ourselves to death." On this point, see Meirav Arlosoroff in *The Marker*, "Does Anyone Remember the Home Front?" March 5, 2008, and "No One Is Telling the Home Front the Truth," March 6, 2008.

18. The Home Front commander on the website of the IDF spokesperson, April 9, 2008: "We want to run the drill every year, and the Home Front Command will definitely drill every year."

Information Security and Public Diplomacy:
Lessons from the Past, a Look at the Future

Hirsh Goodman

"The way in which the State of Israel handles its most secret and sensitive information is incomprehensible and in many ways irresponsible. Considerable damage has already resulted and more will be caused unless there is a change in this regard. Without immediate, determined, and stringent action taken at both the government and military levels, the consequences could be disastrous." [1]

The Information Security Challenge

The problem of information security – or field security, to use the traditional term – is as old as war itself. The need to protect information about one's strengths, vulnerabilities, and intentions is elementary, and some would argue as critical as intelligence gathering.

The Winograd Commission devoted fifty pages, some twelve per cent of its findings on the Second Lebanon War to the issue of information security, and states categorically that in this essential area there was a serious failure that endangered human lives and impeded the IDF's room to maneuver. [2] It cites the head of the Information Security division acknowledging at a meeting in the office of the chief of staff on November 26, 2006 that the exposure of Israeli forces was "extremely high" during the war, with the result that the IDF's freedom in conducting the war was compromised and Israel's intelligence advantage placed in jeopardy. [3]

There were many factors that contributed to this lapse, including that the IDF itself did not take into account the implications for information security in the event of an all-out war with Hizbollah and failed to organize to meet the challenge. In addition, the chief of staff and the IDF Spokesman's Unit opted for a policy of openness [4] with the media during the war, though without consulting the head of Information Security or taking into account the operational consequences of not consulting him. Thus, senior military officers went to talk to the press without being briefed in advance on what and, more importantly, what not to say; their reports were broadcast worldwide in real time, effectively bypassing the censor. This was also true of the legions of former senior military officers, many of them with close ties to the military and decision makers conducting the war, who appeared live on Israeli and foreign television with their analyses of the war and its (mis)

Hirsh Goodman, senior research associate at INSS

management.[5] Add to this the informed leaks from the Cabinet and inner Cabinet that, according to the report, were published in real time and caused serious harm to both public and military morale, as well as imparting important information to the enemy.[6]

The report is an insightful window into the complexities faced by those charged with information security in the age of modern warfare. The report is meticulous in its handling of issues such as the public's right to know versus censorship and security, the role of the media, and freedom of speech in a democracy, but its bottom line is that because information security failed, Hizbollah acquired critical intelligence assets during the war, mainly from live broadcasts from Israel that disclosed in real time where rockets were landing, what strategic targets were narrowly missed, and how Israel's emergency services were responding. It was also possible to gauge how public morale was faring and what political disputes were nurtured as a result of the war. Hizbollah's most trusted sources of information were seemingly Israel's three news channels, whose correspondents Hizbollah correctly considered extremely well informed.[7] No wonder, then, that former chief of staff Dan Halutz assessed that the intelligence Hizbollah gained from the Israeli media during the war was worth "hundreds of millions of dollars."[8] The Winograd Commission called it priceless and judged that it seriously impacted on the IDF Command's ability to conduct the war freely.

Within the military it is easier to introduce information security awareness and impose discipline than within the political sector. Communication systems are integrated and centralized, allowing for tight control, and there is a hierarchy of command that can oversee the implementation of information security policy. Indeed, the IDF has already acted on some of the failings cited in the report. All army cell phones, other communications equipment, and beepers are now coded. Officers are under very strict orders not to speak to the press without authorization. Cell phone use in units has been severely restricted. There is tighter coordination between the IDF Spokesman's Unit, the Information Security Unit, and the censor. The chief of staff and head of Military Intelligence have both taken a more proactive role in this regard.

The danger of leaks has likewise been emphasized on the civilian level, and the Cabinet secretary has taken steps to tackle the phenomenon.[9] Similarly, despite Israel's propensity for leaks, the Winograd Commission is adamant on not capitulating to this norm among the political echelons. Much can be achieved by limiting forums to those who need to know, tighter control on staff, threat of penalties, and closer policing by the General Security Services, which is charged with guarding the country's secrets.

Nonetheless, the main problems remain: the ever-growing intrusiveness of the press; technologies that allow audio and video transmission from anywhere to everywhere in real time; the insatiable appetites of 24-hour, 365-day-a-year news stations, and the limitless possibilities of information dissemination on the internet. And because the next battlefield will in all probability again be the home front where it is not always possible to close off areas to the media, it can be expected that the intrusive eye of the media will be everywhere, all the time.

Moreover, in the age of modern transmission technologies it can be assumed that once out, information cannot be contained. The

job of those in charge of information secu-rity is to prevent sensitive information from reaching the public domain. The censor's job is to prevent its dissemination. The censor, however, is the last bulwark and only works when those disseminating the information volunteer to submit it for perusal. There are laws that demand that journalists bring cer-tain issues – such as contacts with countries that Israel does not have relations with, oil purchases, immigration, and information pertaining directly to Israel's security – be-fore the censor and face legal action if they don't, but submission remains voluntary and cases of prosecution are rare. And even with massive resources, there is no way the censor can police all the channels of transmission in this day and age when a modest cell phone can broadcast audio and video images and the internet is freely accessed. Information security cannot begin with the censor nor can the censor be relied on to stop security breaches. Once sensitive information is in the public domain one has to assume it will be disseminated. The concerted effort in terms of information security, therefore, has to be in preventing initial disclosure, since stopping the messenger is essentially a futile task.

The Role of Public Diplomacy

Information security does not stand by itself nor is it the sole responsibility of the secu-rity branches charged with implementing it. Complementing it are the country's public diplomacy policies, particularly surround-ing events that attract extensive media atten-tion.

In the Second Lebanon War the army spokesman's office decided on a policy of openness with the media, whose principles were laid out by the chief of staff in an ad-dress to senior officers in June 2005, a year

before the war. Then-Chief of Staff Halutz said the presence of the media is a reality that has to be taken into account, and called for an "open and controlled" relationship which the army spokesman then translated into policy.[10] Indeed, during the Gaza disengage-ment two months later the IDF maintained a successful policy of openness with the media, with camera crews and reporters attached to units and accurate reports emerging from the field.[11] The American experience of embed-ding reporters with troops in the 2003 Iraq War also had positive results. Conversely, when Israel refused reporters access to its operations like the 2002 incursion into Jenin,

the world was falsely led to believe that Is-rael had committed a massacre there.[12]

What worked in Gaza, however, did not work one year later, and for many reasons. The Gaza pullout was a civilian operation – albeit performed by soldiers – that did not involve an enemy or occur during a state of war. The area in question was geographically isolated and thus easy to control, and partly in an effort to package the event for the me-dia, troops were trained on how to deal with the resident population.

In the Second Lebanon War, however, the entire northern sector of the country was a battlefield offering almost unfettered access to journalists broadcasting vital information to the enemy in real time. Recruitment and rallying points were open to the eye of the media, which could see and broadcast what weapons were going where and what casualties were incurred. There was no advance media training, the sources of information were not controlled, and reservists with colleagues and friends in the media and senior officers with their own agenda were shaping the mood of the day. As part of the policy of openness it was decided that the army would provide the media with multiple spokesmen and provide as many briefings as possible. The theory was that to control the message one has to ensure that there is no vacuum in media coverage that could be used by others to your disadvantage. Yet the result was a flood of uncontrolled and damaging information reaching the public, which was deemed by the Winograd Commission to have resulted in serious consequences for Israel and serious gains for Hizbollah.

What emerges, therefore, is that a public diplomacy policy, though successful in one context, cannot arbitrarily be grafted onto another. In order not to repeat the mistakes of the last war in terms of providing the enemy with real time information on the accuracy of its attacks, the security services would do well to develop the ability to close off certain zones to the public in times of emergency. Given Hizbollah's trust in the information gained from Israeli news broadcasts, it is important to consider how the information can work to Israel's advantage. Since there is a high probability that the next war will involve civilians, the Home Front Command should be factored into the media cycle and

supplied with competent spokespeople. This will necessitate a wide network and meticulous training including on issues of information security. A policy of openness is inevitable given the ubiquitous nature of the media, but as the former chief of staff stipulated, it has to be controlled and messages have to be clear, credible, unified, and gleaned of all sensitive information in coordination with the relevant authorities.

An attempt to find a mechanism to manage an effective public diplomacy policy has come to life in the form of the National Intelligence Directorate, a unit in the prime minister's office that became functional in early 2008 and coordinates Israel's public diplomacy efforts, including those of the Foreign Ministry, the Prime Minister's Office, and the IDF Spokesman's Unit. In the past there have been severed ties between these three branches with bad results: mixed messages, confusion, non-credible information, and the antagonism between the state and the local and international media. The new body has yet to be tested in times of national emergency but its positive imprint has already been demonstrated.

For example, on April 29, 2008 an Israeli missile fired from a helicopter resulted in the deaths of a mother and four children in the Dir el-Balagh refugee camp in the northern Gaza Strip. Despite the severity of the story and its potentially negative consequences for Israel, quick action by the Directorate managed to limit the damage and instill doubt that the family was killed by an Israeli missile. It quickly issued a credible explanation, later backed up with hard evidence, that the family was actually killed when two armed men carrying explosives en route to an attack on Israel were intercepted from the air: the explosives they were carrying, and not the Is-

raeli missile, destroyed the house and killed the family. Subsequently, prominent news outlets like *The New York Times* carried both the report that the family had been killed and Israel's version of how it happened.[13] Getting Israel's version out to the media in almost real time indicates a new level of cooperation between the IDF, which supplied the information, the new Directorate and elsewhere in the Prime Minister's Office, which crafted the message, and the Foreign Ministry, which disseminated it.

Conclusion

The need for synergy between the IDF Spokesman's Unit and the unit charged with information security and the censor is one of the key findings of the Winograd Commission and critical to the implementation of a sensible policy that recognizes the reality of the media but limits the exposure of the country's secrets. In the case of disclosure of information it is not possible to kill the messenger, and once information gets out it will become public. Therefore, it is imperative to inculcate those trusted with the country's secrets to guard them. Leaks have to be plugged and information to be made public has to be filtered in advance by the relevant authorities. A policy of openness with the media is both essential and desirable, but the process must be controlled and tailored to specific situations. That is the main thrust of the Winograd report's recommendations and those responsible for the country's security would do well to take it into account.

Notes

1   Winograd report, p. 473, article 211.
2   Winograd report, p. 456, article 121; p. 473, article 210.
3   Winograd report, p. 457, article 122.
4   Winograd report, p. 452, articles 104-7.
5   Winograd report, p. 456, article 119.
6   Winograd report, p. 468, articles 186-89.
7   This subject is dealt with in depth by both the Winograd report and the chief of staff in an interview with *Yediot Ahronot*, February 15, 2008.
8   Interview with *Yediot Ahronot*, February 15, 2008.
9   Interview by the author with IDF Spokesman, March 2008.
10 Winograd report. p. 452, article 106.
11 See *Seventh Eye*, Vol. 64, Sept. 2006.
12 Hirsh Goodman and Jonathan Cummings, eds, *The Battle of Jenin: A Case Study in Israel's Communications Strategy*, Memorandum no. 63, Jaffee Center for Strategic Studies, 2003.
13 Ethan Broner, *New York Times*, April 29, 2008.

Proposed Legislation on the IDF:
Authority, Responsibility, and Civil-Military Relations

Shmuel Even and Zvia Gross

Thirty-one years after the basic law on the military was passed, the Winograd report presented serious criticism relating to the decision making process on security issues. The report suggests that the basic law does not sufficiently define requisite civil-military relations and therefore each person is apt to interpret his professional mandate in his own way. Moreover, the Winograd Commission itself ignored the principles laid out in the basic law and referred to the triad of prime minister, minister of defense, and chief of staff, while the law stipulates the government in this triad and not the prime minister.

The proposed IDF law is designed to close the longtime gap that has evolved since the Basic Law: The Military was passed following the recommendations of the Agranat Commission.[1] Although the basic law determined that the military echelon is subordinate to the political level, it does not include a definition of the purpose and role of the IDF. The prime minister is not mentioned in the law at all, and there is no practical reference to the division of authority and responsibility between the government (and the prime minister), the minister of defense, and the chief of staff.

This essay presents a proposal for the division of responsibility and authority between the political and military levels through new legislation: the IDF Law.[2] The idea proposed is to pass a standard law that will complement the Basic Law: The Military (1976), similar to the way the Government Law comple-

Dr. Shmuel Even, senior research associate at INSS; Zvia Gross, attorney, former general counsel to the Ministry of Defense

ments the basic law on the government. According to the proposal described below, the IDF Law will determine the types of decisions for which the government/prime minister is responsible and which decisions should be decided by the minister of defense or chief of staff.[3]

Questions Prompting the Proposed Law

The proposed IDF Law is the product of a research process that focused on three main questions. The first question was, is there a need for a more formal and detailed definition of the division of responsibility and authority between the political and military levels? The research addressed this question through analysis of the existing legislation and concluded that there is insufficient formal definition of this relationship, with significant lapses consequently resulting from the absence of

a more clear and defined arrangement. These defects are reflected consistently in the findings of investigation commissions – from the Agranat Commission that investigated the failures in the Yom Kippur War, which recommended legally formalizing this relationship, to the Winograd Commission, which investigated the performance of the government, prime minister, minister of defense, and chief of staff during the Second Lebanon War, and recommended clarifying "the authority and responsibility of the political and security levels, and the interface between them."

The second question was, what is the appropriate framework for these relations? An analysis of the advantages and disadvantages of defining inter-level relations through legislation indicated that legislation is preferred. Formalization in law will act as the basis for all the resulting procedure and instructions. Formalization by means of an administrative decision is also a possibility, but less stable over time.

The third question was, what is the appropriate legislative structure for this formalization? For practical and other reasons a decision was made to propose a new law – the IDF Law, which will complement but not change the Basic Law: The Military. The full research paper also presents a proposal to expand the Basic Law: The Military, in addition to passing the IDF Law, though that is not within the scope of this essay.

The need to formalize the current situation in general, specifically through legislation, presents several conceptual challenges:

a. How should the government's domain of control over the IDF be defined. In other words, how is it possible for the government to operate the IDF as needed without allowing it unrestricted use of the military?

b. How should a coherent gradated division of responsibility and authority between the political and military echelons be created.

c. How should reciprocal commitment and synergy between the political and military levels, which will spark joint discourse and not just unilateral positions, be created.

d. How should legally clear and specific areas of responsibility for the decision makers be created, yet at the same time ensure that they are not restricted from carrying out their duties in their own styles, and that these defined areas do not complicate or cause slowdowns in the decision making system.

e. How should the prime minister's areas of authority be defined legally without creating a situation in which the chief of staff has two "masters" (the prime minister and the minister of defense), without harming the standing of the minister of defense as the official in charge of the military on behalf of the government, and without detracting from the provisions of the basic law. Moreover, how should authority be delegated from the government to the prime minister without harming the democratic system of government in Israel, according to which the government is at the top of the executive level and the prime minister is a "first among equals."

Principals Innovations in the Proposed IDF Law

The IDF Law proposes to anchor the purpose and role of the military in the law. This comprises an important element, as in the Basic Law: The Military, it is defined merely as the armed forces of the state, and nothing more

is added in this respect.. A second significant addition is the definition of the responsibility among those in charge of the IDF: the government (prime minister), minister of defense, and chief of staff. While the basic law on the military engages in the hierarchy of civil-military relations, it does not refer to the extent of the authority and responsibility and creates uncertainty and ambiguity regarding these levels.

Above all, the intended innovation is the attempt to add operative content relating to the authority and responsibility conferred on the government in the context of the IDF. The proposed law obliges the government to take or approve decisions in the most important areas for building up and operating the IDF. For example: setting the strategic objectives of military force, including defining the goals and objectives of war and conveying these to the military leadership; defining security policy and approving the security concept and the principles of its implementation; setting goals for the IDF's ability and preparedness for a war or in an extra-war armed conflict; and allocating the necessary resources. At the same time, these are not designed to limit its taking or approving other legally allowed decisions for the purpose of implementing its authority and responsibility towards the military.

The proposal defines the responsibility and types of decisions and approvals that are the mandate of the minister of defense. This definition is new, since the basic law suffices with establishing the principle of subordination. These definitions help differentiate between the minister of defense and the government and the chief of staff. Some of the decisions or approvals to be made by the minister of defense are also submitted to the government for approval, though not necessarily at the same level of detail that the minister of defense has used.

According to the basic law, the highest command level in the IDF is the chief of staff. At the same time, however, the chief of staff is subject to the absolute authority of the government and is subordinate to the minister of defense. The difficulty arises because by its very nature, the basic law does not elaborate on the political level's areas of authority and responsibility in its decision making process and its command of the IDF. The proposed law attempts to close this gap based on the assumption that the law should only incorporate the main topics and there is no need to include in too great detail a list of operations and decisions for which the chief of staff is responsible, which derive from the clause that describes the roles of the armed forces.

One important issue included in the proposed law is the recommendation to oblige the chief of staff to submit differing opinions from among the relevant officers to the minister of defense and the government. These can come from the command officers or branch commanders themselves when their positions differ from those of the chief of staff, or be conveyed by the chief of staff. This obligation is also incumbent on the minister of defense. In addition, certain constraints are proposed to preserve the state's democratic nature. The proposed text does not exhaust all the limitations on soldiers within the context of their military service or in accordance with the law and the military commands.

We believe that based on these principles, the IDF Law complements the Basic Law: The Military and makes it possible to define a sufficiently clear and flexible division of roles among the leaders: the government (the government plenum, Cabinet, prime minister), minister of defense, and chief of staff.

The Prime Minister's Authority and Responsibility vis-à-vis the IDF

The law proposal is designed to help formalize the prime minister's legal status with regard to the IDF without changing the formal status as it stands now. In contrast with the United States, where the president is also the commander in chief of the armed forces, in Israel the entire government is the commander in chief of the military, and the minister of defense serves as a sort of "pipeline" that connects the government with the military. It is for this reason that the prime minister is not even mentioned in the basic law. The reality, however, is fundamentally different from the literal wording of the law, as the prime minister has a significant status with regard to the military. For example: actions carried out outside Israel are submitted to the prime minister for approval as well as to the minister of defense (and at times, as determined by internal procedure, to the Cabinet as well). The prime minister's responsibility and derived authority vis-à-vis the military were prominent in the Second Lebanon War, as indicated by the Winograd report. Indeed, the commission did not probe the formal question of "who is the commander in chief of the armed forces." In terms of the commission, as well as for the public and the media, the chief of staff has two superiors: the prime minister and the minister of defense.

In order to narrow the gap between the existing law and the current reality, the IDF Law proposes obliging the government to determine which matters and under what conditions the prime minister can take/approve decisions on behalf of and by virtue of the government. This approach does not detract from or change the provisions of the basic law. For example, the government may authorize the prime minister to carry out military operations in defined categories, outside Israel, and so on. This confers a formal status on the prime minister on security-military matters in a manner that reflects the existing reality, while demonstrating that the prime minister is not authorized to act on his own initiative, except in any area authorized by the government. It is also clear that parliamentary supervision of the government's approvals or decisions, by means of the Foreign Affairs and Defense Committee of the Knesset or the Knesset plenum, will be as determined by law. It is questionable whether it is possible to make a more significant change, not only because such a change would also require an amendment to the basic law, but because this change may not suit the nature of government in Israel. In addition, the list of approvals and decisions obligatory for the government according to the law proposal clarifies the role of the prime minister with regard to the IDF, both as the one responsible for setting the government agenda and the one who approves the decisions and actions taken on its behalf, in addition to the minister of defense, and when he is authorized to do so.

Open Issues for Further Discussion

Our research found that there is general agreement among experts on the need for the new law. Nevertheless, there are differences of opinion on certain fundamental issues, which thus remain open for discussion in future research.

The most fundamental issue in dispute concerns the purpose of the IDF. All agree that the IDF's purpose includes, first of all, defense of the State of Israel, its residents, and its sovereignty. The question is, what else? The law proposal confers upon the IDF the duty to carry out any legal task assigned

The intended innovation is the attempt to add operative content relating to the authority and responsibility conferred on the government regarding the IDF.

by the government of Israel in the interest of the security of Israel and its residents; this includes achieving national security objectives. The question then is, who will determine what are the additional national security objectives that the IDF may address. Should they be limited by law, or should the government be granted the authority to operate the IDF to achieve these objectives at its discretion?

Today, on the one hand, the Defense Service Law determines defined areas of national security objectives (education, health, immigration absorption, protection of the home front, and welfare operations for the IDF) to which an individual may be assigned for the purpose of his defense service obligation. On the other hand, the government, in accordance with administrative and legal arrangements, has general authorization to use the military to achieve national security objectives. The question thus is which approach to choose and whether to leave these areas as they appear now. And, what are the limits of the government's authority with regard to operating the IDF? The following are various opinions on these topics:

a. Some suggest amending the law in order to revoke the IDF's authority regarding any objectives that are not directly connected to security. The benefit: assigning the IDF to unequivocal security issues, which are the justification for its existence and suit the principle of compulsory military service. The disadvantage: the government will not have an operational arm in areas that are not unequivocally security related though are defined as national security issues, even in circumstances in which the civilian bodies are hard pressed to function. Some feel that the government may instruct the IDF to

operate only in the interest of achieving defined and delineated national security objectives that are recognized by law, since authorizing the IDF to engage in additional national security goals would require an amendment to legislation and is undesirable.

b. Some say that the government should be allowed to define its own objectives for operating the IDF, without being limited by a particular provision of the law, and based on general legal authority. The advantage: the government requires an operational arm that will allow it full freedom of action. The disadvantage: it provides the possibility of operating the military in areas that are not related to security, even if they have an indirect connection to security, to the extent of having concern over possible damage to democracy. This approach, the opponents say, is not legally valid and may weaken the national consensus with regard to the IDF. It may also make the current definition of national security goals in the Defense Service Law devoid of meaning, i.e., for which goals IDF soldiers can currently be recruited, in accordance with certain conditions defined by law, including, with regard to some specific areas, a requirement for consent of the potential recruit to place him outside the standing forces.

c. There are also some interim possibilities, such as determining a process of approval by the Foreign Affairs and Defense Committee of the Knesset for additional areas in which the IDF may engage, to be decided by the government. According to the current law, Foreign Affairs and Defense Committee approval is required along with the government's approval for the

various activities in the areas recognized by the law.

Another open issue is the proposal that requires the chief of staff to present to the relevant political level significant reservations among senior officers (such as the deputy chief of staff, command heads) on essential topics relating to taking strategic decisions by the IDF. We support this idea and believe that the presentation of other opinions is most important. In certain cases, it is even important to bring the actual people holding these views to argue their opinions in the presence of the decision makers. This idea is supported by the conclusions of the Winograd Commission from the Second Lebanon War, and by American law, which describes the role of the chairman of the Joint Chiefs of Staff with regard to the political echelons (more than is proposed in the IDF Law). According to American law members of the Joint Chiefs of Staff can present a different opinion or an addendum to the chairman's opinion, to the US president, secretary of defense, and members of the National Security Council.[4] In contrast, some argue that applying this approach in Israel may adversely affect the speed of the decision making process and detract somewhat from the chief of staff's authority. They feel that the military should speak with one voice in its dealings with the political leadership.

Another open issue is the proposal to submit the appointment of generals to examination by a public committee, prior to approval by the minister of defense and appointment by the chief of staff, as is the practice with regard to other senior officials in public service in Israel. The committee is meant to ensure that the appointments satisfy essential predetermined criteria to preempt any tendency to politicization. Currently, the chief of staff appoints generals in the same way other senior officers are appointed in the IDF, from the rank of colonel, after receiving the approval of the minister of defense. For the purpose of comparison the US president (as commander in chief) appoints generals, and the Congress approves the appointment. Most experts with whom we met rejected the implementation of a similar model in Israel, whereby the minister of defense or government appoints generals, and the Foreign Affairs and Defense Committee of the Knesset approves the appointments. They feel this opens the door for politicization of the military. The committee we propose thus offers a balanced solution that allows greater public supervision, an improvement of the advisory facility for the chief of staff and minister of defense, and reduced potential for politicization. In contrast, those who oppose the idea of establishing a committee argue that this is liable to detract to a certain extent from the chief of staff's authority and may even generate an additional filter that will not bring the expected benefit.

Conclusion

The proposal for the IDF Law, which will complement the Basic Law: The Military, offers a clearer division of roles between the leaders of the defense establishment (the government, prime minister, minister of defense, and chief of staff) and defines their roles in relation to the IDF. A clearer division of roles between the leaders may contribute to an improvement in the security decision making process in Israel and thereby improve supervision by the political level of the military level. In this regard, the law proposal may even enhance the necessity and performance of the National Security Staff (NSS). For example, the NSS can act as a staff

Included in the proposed law is the recommendation to oblige the chief of staff to submit differing opinions from among the relevant officers to the minister of defense and the government.

unit that prepares recommendations for the government for instructions to the military, in accordance with its responsibility as per the proposed law.

The proposed law may help to narrow the gap between the prime minister's actual standing with regard to the IDF and his standing in accordance with the law (without changing his formal standing), and may clarify the security establishment's responsibility and authority (including that of the IDF) and help it contribute to improving communication between the upper echelons. Greater clarity with regard to the division of roles may also eliminate much typical wrangling following security operations, and facilitate better the work of supervisory bodies and committees of inquiry following security events.

Notes

1   Knesset, "Basic Law: The Military, " http://www.knesset.gov.il/laws/special/eng/basic11_eng.htm.

2   A translated text of the proposed law can be found in the Appendix to the article at http://www.inss.org.il/publications.php?cat=21&incat=&read=1896.

3   The essay represents key findings from research conducted under the direction of Maj. Gen. (ret.) Giora Eiland at the Institute for National Security Studies. The findings appear in full in Shmuel Even and Zvia Gross, *Proposed Legislation on the IDF: Regulating Civil-Military Relations in the Wake of the Second Lebanon War*, Memorandum no. 93, Institute for National Security Studies, 2008 [Hebrew].

4   "A member of the Joint Chiefs of Staff (other than the Chairman) may submit to the Chairman advice or an opinion in disagreement with, or advice or an opinion in addition to, the advice presented by the Chairman to the President, the National Security Council, or the Secretary of Defense…The Chairman shall establish procedures to ensure that the presentation of his own advice…is not unduly delayed by reason of the submission of the individual advice or opinion of another member of the Joint Chiefs of Staff" (Goldwater-Nichols Act of 1986).

Disputed Waters:
Use of the Mountain Aquifer

Aharon-David Copperman

In the post-Annapolis era and in the intermittent talks between Israel and the Palestinians, much is heard about discussion of the core issues – borders, security, Jerusalem, and refugees. On the other hand, little is heard about the subject of water, and it seems that the issue has long fallen into oblivion. However, following several dry years in succession, and when Israel's and the Palestinians' water reserves are shrinking to crisis proportions, it is important to direct the spotlight to a less security-political oriented issue, the division of water from the Mountain Aquifer, a water source shared by Israel and the Palestinians. Now is an appropriate time to examine how significant this issue will be when it is raised in the talks, and what can be done at this stage to achieve a future agreement.

The Dispute

Since Israel withdrew from Gaza in 2005 and thereafter stopped using the groundwater in the Gaza Strip, the dispute between Israel and the Palestinians over water has focused on the only water reservoir actually shared by the sides – the Mountain Aquifer basin.[1] The aquifer, the highest quality underground reservoir in Israel and the Palestinian Authority, filled principally by rainwater, stretches from the foothills of Mount Carmel to the Beersheba Valley, and from the crest of the Judean and Samarian Hills to the Mediterranean Sea. The aquifer flows in three directions: in the north – to the hills of Gilboa, the Jezreel Valley and Beit She'an; in the west – to the Yarkon springs and the Taninim springs; and in the east – to the Jordan River and the Dead Sea. Most of the water from the aquifer is obtained via drilling and pumping, and a small amount by using spring water. Israel uses an estimated 70-75 percent of the year's water from the aquifer yield, about 430-460 million cubic meters (mcm). This quantity comprises around 30 percent of Israel's annual consumption of "natural water" (in contrast with "restored water" that has been purified).[2] The Palestinians consume an estimated 25-30 percent of the aquifer water, around 160-170 mcm. This quantity comprises 100 percent of natural water consumption in the West Bank and 55 percent of annual natural water consumption in the whole of the Palestinian Authority. Following the Oslo Accords a joint committee was established to coordinate and administer shared water issues, but the committee stopped functioning in 2000.

The dispute between Israel and the Palestinians relates to the amount of water from

Aharon-David Copperman, research assistant at INSS

the aquifer to which each side is entitled. The Palestinians claim that the manner in which the water is divided between the sides is unjust and they should have a far larger share of the aquifer water, at the expense of the water that Israel pumps in its territory. They argue that the vast majority if not all of the aquifer water legally belongs to them, as most of the aquifer (80-90 percent) fills up from rainwater that falls in the West Bank. They also claim that the limits Israel has placed on drilling and pumping water in the West Bank since 1967 have impinged on the ability of the local population to provide for its basic water requirements, a situation, they claim, that contravenes international law.[3]

For its part, Israel claims that the water it draws from the aquifer is legally its own, as it mainly uses water that naturally emerges in its territory (the aquifer's flow to the west and north) and that it used this water even before it conquered the West Bank in 1967. The limits placed on the Palestinians after the war, it claims, were designed to avoid further over-pumping of water from the aquifer, to avoid damaging the quality of the water.

Previous treaties between the sides as well as international water law do not unequivocally determine how to divide the aquifer water between Israel and the Palestinians. Thus, the last agreement signed, the "interim agreement" of 1995, determined that "the future needs of the Palestinians on the West Bank are estimated at (an additional) 70-80 mcm." At the same time, the topic remained open: "Israel recognizes the Palestinians' water rights on the West Bank, [which] will be discussed in permanent status negotiations."[4] Similarly, international water law contains only general principles relating to the manner in which shared water reserves are to be apportioned, while the clear preference is for the matter to be settled through negotiations between the sides based on fair division and consideration of the parties' interests and needs.[5] Presumably the future division of the aquifer water will therefore also be based on the two sides' current water-related needs and viable alternatives, and not only on previous nebulous agreements and vague international legalities. Hence the need to analyze the water requirements of Israel and the Palestinians as well as the alternatives available to them, to better understand the nature and possible timing of the expected settlement on division of the aquifer water.

The Respective Needs
A comprehensive analysis of the natural water sources of Israel and the Palestinians in light of their respective current and future needs indicates that without a comprehensive solution that provides a considerable increase in the volume of water available, Israel will be hard pressed to forego a substantial part of the Mountain Aquifer water. The severe condition of the water reserves on both sides demands that large alternative sources of water be found before the sides can reach an agreement over a significantly different apportionment of the aquifer water.

The severe condition of the Israeli and Palestinian water reserves is a result of several factors. First, the water reservoirs are unable to satisfy overall consumption. Israel and the Palestinians (including the water Israel gives to Jordan in accordance with the peace treaty) together consume around 2,000 mcm of natural water a year: Israel uses about 1,680 mcm and the Palestinians about 320 mcm.[6] On the other hand, in an average year the refilling by rainwater of all the sources of water of Israel and the Palestinians together – the

Sea of Galilee basin, and the various underground basins in the north, the mountain, the coast, Negev, and Gaza – is estimated to total just 1,850-1,900 mcm, 100-150 mcm less than the consumption level. In other words, even in a year of average rainfall the supply of water in the natural basins does not match the actual level of consumption, and thus the level of water in the reservoirs is steadily dropping. Moreover, the supply of natural water is expected to continue dropping in the coming years. Due to massive construction in the center of Israel and the filling of land areas that previously allowed rainwater to filter to the coastal underground reservoir, the water supply will be overtaxed further by about 70-150 mcm of water each year by the year 2020.

Furthermore, the water policy, as has been the case for several decades, is based on a tight squeeze approach, with no breathing space in case of a number of dry years in succession. In such scenarios, the sides have to contend with the water shortage in ways that damage natural resources – by over-pumping, which affects the quality of the water in the reservoirs – and damage the consumers, by imposing restrictions on the domestic and agricultural sectors. This means that the volume of water available in the reservoirs (even before the level drops and barring several successive years of drought) does not provide a solution for the current level of water consumption.

Second, the water reservoirs are not able to meet the current level of demand for water. Not only does the available level of water not provide a solution for the current actual consumption, but these figures do not reflect the actual demand for water, which is far greater. There is an "unspoken" demand, particularly on the Palestinian side, which is

not reflected in the calculation of the actual level of consumption. The discrepancy is a result of two factors:

- The average consumption of water in urban areas of the West Bank is about 60.5 liters per person a day, and in Gaza it is about 88.[7] This is a far lower level than the recommended minimum per capita consumption level. According to the World Health Organization, a person requires a minimum of 100 liters of water a day to maintain the barest level of existence –
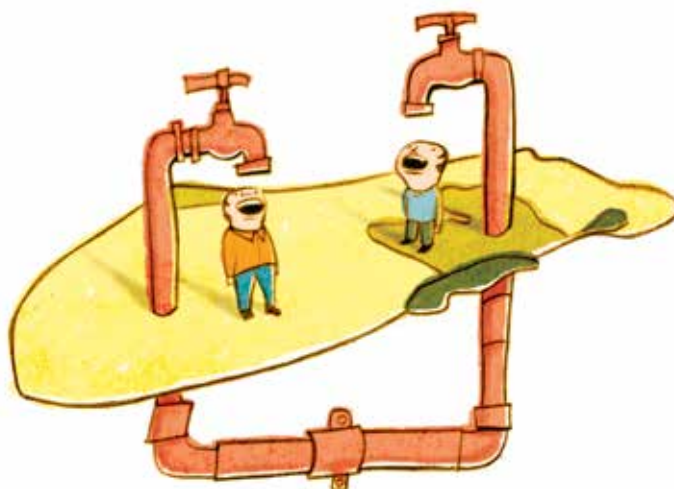
drinking, washing, sanitation, cleaning public areas, and so on (some experts put the minimum level at 275 liters a day). In comparison, the average per capita consumption a day in Israel is just over 300 liters.

- In many Palestinian towns there is a water shortage during the summer months, and in many villages there is no running water at all most of the year. A total of about 215,000 people in the West Bank are not even connected to an established water grid and as a result are forced to collect rainwater by various means and to buy water at inflated prices from commercial dealers.

In other words, the amount of available water from reservoirs does not provide a solution for the full demand of the Palestinians, both because it does not provide a minimum solution for the population's basic needs and because of the number of people who are not connected to the water supply system.

Third, the water reserves fall below the future demand for water, which is expected to continue rising, particularly because of the population growth and improvement in the standard of living. In 1986, total water consumption in Israel in the domestic sector (as opposed to agricultural and industrial consumption) was 423 mcm. Twenty years later, in 2005, domestic consumption had risen to 715 mcm, and this pattern of growth is continuing. According to forecasts by the Israeli water commission, in 2015 domestic water consumption in Israel will reach 916 mcm and, if we take into consideration the expected added demand of 25 mcm for irrigating the countryside, Israel will need an additional 225 mcm by 2015.[8] As for the Palestinian situation, according to a United Nations report based on research by the head of the Palestinian water authority, if we consider the size of the Palestinian population today, its expected growth, the anticipated rise in the standard of living, and the increase in agricultural areas in the West Bank, total Palestinian consumption is expected to increase by 370 mcm by 2015.[9]

According to these forecasts, therefore, by 2015 total demand for water of both sides is expected to increase by about 600 mcm a year. The existing water reserves cannot provide a solution for this sharp rise in demand for water.

Fourth, over-pumping in the various water basins over decades and particularly in drought years has led to a drastic drop in water levels, damage to the quality of the water, and exhaustion of possible reserves. The winter of 2007-8 was the fourth successive dry winter in the region, and the basins of the Sea of Galilee, the mountain, and the Western Galilee received only 50-60 percent of the annual yearly precipitation. The situation has deteriorated so badly that all the water reservoirs are close to their red line, the threshold after which further pumping damages the quality of the water to an extent that it is unfit for human consumption. The level of the Sea of Galilee is currently about three meters lower than the level of four years ago and, according to the director general of the Water Authority, by July 2008 pumping is expected to bring the level of water down below the lower red line and cause it ecological damage. In December the level is expected to reach "the black line," the level from which it is technically impossible to pump water out of the Sea of Galilee. The levels of the aquifers are also very low, and are about 1.5-2 meters lower than they were as recently as last year. According to the head of the Water Authority, the Mountain Aquifer is "in an unprecedented deficit."[10] The drastic drop in the levels in all the basins means that the water sources of Israel and the Palestinians are in an enormous "hydrological overdraft" of about 1.5-2 billion cu.m of water (this volume would be sufficient for the domestic consumption of both sides for around two years) and the quality of their water continues to deteriorate.

The Gaza aquifer too is in a dire situation. The average natural filling of the aquifer is about 45-90 mcm a year, but the residents of Gaza pump out about 145 mcm a year. This over-pumping damages the aquifer, as it gradually reduces the level and allows saline seawater to penetrate and contaminate the

water. According to tests that were carried out, only 7 percent of the domestic water in Gaza is of good quality.

Increasing the volume of available water must therefore be achieved by an alternative, reliable, and abundant source that will not only satisfy current and future demand for water but will also in the long term help rehabilitate the severe hydrological condition of the reservoirs, i.e., about 600-800 mcm a year. Hence, until additional sources of water are found, Israel will presumably find it hard to forego any substantial portion of the water it consumes from the Mountain Aquifer. A significant change in the way the aquifer water is apportioned that suits Israel's water interests and also provides for Palestinian needs can only happen gradually and as part of a total solution for the severe water shortage of both sides.

Scope of the Solution

There are many ways to conserve water and thereby increase the available amount, but they cannot, either individually or collectively, provide a suitable and comprehensive solution to the problem.[11]

- Purifying contaminated reservoirs and wells in Israel can yield water savings of 100-150 mcm a year.
- Cutting water usage in the domestic sector in Israel can yield water savings of about 80-120 mcm a year.[12]
- Savings in gardening irrigation systems in Israel can generate savings of about 50 mcm a year.
- Increased usage of treated waste water in the agricultural sector in Israel can generate savings of up to 90 mcm[13] a year.[14] Water savings can also be made in the Palestinian agricultural sector, as the Palestinians purify only a negligible amount of sewage water and nearly all of it is not reused.

Thus even if Israel and the Palestinians, both at the official and civilians levels, take all the aforementioned steps, which is highly unlikely given the immense difficulty in implementing them, the total savings will reach about 240-410 mcm of water a year – much less than demanded by the deficit. Consequently, a comprehensive solution for the water shortage between the Mediterranean and the Jordan has to involve finding alternative sources of water in quantities that will provide a suitable and long term solution to the problem. Two such potential alternatives are desalination of seawater and imported water. Apparently the Israeli government is already pursuing both tracks.

Many countries rely on desalination to provide part of their drinking water needs,[15] and Israeli industries are leaders in the construction of desalination plants around the world. For many years, primarily due to financial considerations, Israel did not desalinate seawater in large quantities.[16] However, as the water crisis worsens it appears that the Israeli government has understood that desalination is an available and reliable solution. In the last few years Israel has built two desalination plants, in Ashkelon and at Palmahim, and another plant in Hadera is currently under construction. By 2009 about 240 mcm of seawater will be desalinated a year in Israel, accounting for around 18 percent of total yearly consumption of fresh water in Israel. In early July 2007 the government also approved an increase in the supply of desalinated water in Israel to 505 mcm a year by 2013 (about 38 percent of annual fresh water consumption), by constructing additional desalination plants (at Soreq and Ashdod) and increasing the output of the existing plants.

Until additional sources of water are found, Israel will presumably find it hard to forego any substantial portion of the water it consumes from the Mountain Aquifer.

Regarding imports, there has recently been significant progress in advancing the "infrastructure corridor" project between the Turkish port of Ceyhan and the port of Haifa (the Med Stream project), covering a distance of about 460 km across the Mediterranean Sea. The project includes examining the possibility of laying pipes between the two countries in the Mediterranean to pipe also 400-1,000 mcm of fresh water a year from Turkey to Israel.[17] The estimated cost of the project is $2-4.5 billion, depending on the number of pipes laid and the amount to be supplied. The project will take an estimated three years, and the current date of completion is 2012-13.

If these projects materialize, Israel will gain an additional 500-900 mcm of water a year and will presumably extricate itself from its current crisis. Israel will be able to satisfy the increasing demand for water, even during droughts, and it will be able to rehabilitate its natural water reservoirs. Israel will also be able to gradually reduce its dependence on the Mountain Aquifer water and be more flexible in its talks with the Palestinians over dividing up the water.

However, importing water from Turkey will make Israel at least in part dependent on a foreign party for its essential water resources.[18] Moreover, assuming it is in Israel's interest to maintain the greatest amount of aquifer water in the permanent settlement,[19] the more Israel's needs are provided by "outside" sources, such as desalination and imports, the more the Palestinians will demand use of the only natural source of water they have in the West Bank – the Mountain Aquifer. This demand will naturally come at the expense of water Israel uses. In other words, finding a solution for Israel's water problem by finding alternative sources of water will

apparently put Israel in an inferior position in future negotiations over division of the aquifer water.[20]

Conclusion

The Israeli and Palestinian water reserves are already in a critical situation. There is not enough water to satisfy existing demand – not to mention future demand – and water reservoirs are at a nadir. The sides' water deficit is expected to reach 600-800 mcm a year by 2015. As such, it does not currently seem reasonable that Israel will agree to cede a significant quantity of Mountain Aquifer water in talks with the Palestinians. However, implementation of various water savings programs, together with realization of government plans to import 400-1,000 mcm of water a year from Turkey by 2013, and/or by that year desalinating annually around 500 mcm of water, is expected to fundamentally change this reality. Israel will be able to display greater flexibility in negotiations with the Palestinians over division of the Mountain Aquifer water and reach an agreement regarding this issue.

As part of the agreements that will be achieved between the sides, it is possible that Israel will be forced to forego some (possibly even a significant part) of the water it currently uses from the Mountain Aquifer.[21] Therefore, Israel must prepare for this scenario in two ways. First, in order to make the process of concession of part of the aquifer water to the Palestinians more efficient when signing a permanent settlement, Israel should start now gradually reducing its dependence on the aquifer water. Reorganization and foresight regarding Israel's water sources, their transport, and supply will generate savings and increase efficiency when Israel is forced to ultimately concede part of the aquifer water.

Solving Israel's water problem through alternative sources of water will apparently put Israel in an inferior position in future negotiations over division of the aquifer water.

Strategic
ASSESSMENT

Second, in order to preserve as much as possible of the aquifer water in the permanent settlement (assuming a decision is made that this is in Israel's interests), Israel must demand that the Palestinians and the interested international community increase the Palestinian water supply as soon as possible, but not from the aquifer at the expense of the Israeli consumption. For example, the Palestinians can repair the water supply infrastructures in the Authority that are in disrepair, as they cause the loss of large quantities of water; treat water for industrial and agricultural use; and develop alternative sources of water supply such as a desalination plant on the Gaza coast. The Palestinians declared in the interim agreement that they recognize the need to develop additional water sources for their use. The time has arrived to ask them, with the support of the international community, to translate this declaration into action.

Notes

1 The Palestinians are also demanding possession of part of the water from the Jordan River, but as they currently have no access to the Jordan River and its sources, most of their claim relates to the Mountain Aquifer, their only actual water source in the West Bank.

2 The water is used for drinking water in the Dan region, Jerusalem, and other population centers, as well as for irrigation of extensive agricultural areas, particularly in the Jezreel Valley and Beit She'an.

3 Israel in principle has accepted the underpinnings of the international water law, according to which every country that shares a water reservoir has the right to ensure that the minimum conditions it needs to survive are met.

4 The interim treaty, appendix III, addendum I, clause 40, sub-clauses 1 and 6.

5 International law's general criteria for dividing shared water reserves are historic rights, the amount of water that flows upstream and downstream, alternative sources of water, and the minimum amount of water required for the survival of the population on each side. However, water treaties signed in the twentieth century were based on formulas that calculate the needs of the different populations, and not on other criteria like sovereignty or historical rights.

6 This figure does not include private collection of rainwater in the Palestinian Authority.

7 The figures were calculated after deducting the quantity of water lost due to the poor state of the Palestinian Authority's water infrastructures.

8 Water consumption in industry and agriculture is not expected to rise much, if at all.

9 The Israeli water expert Haim Gwertzman likewise forecasts that Palestinian domestic consumption will increase by 260 mcm between 2000 and 2020.

10 Shahar Ilan, "Concern: From December it will No Longer be Possible to Pump Water from the Sea of Galilee," *Haaretz*, March 19, 2008.

11 Other ideas raised but not discussed here because it is not clear how much water can be conserved by implementing them or because it is very difficult to implement them include separation between the urban drainage and sewage networks in a way that will allow individual handling of runoff rainwater and having it drain into the aquifer; a water solution as part of a general arrangement with "water rich" countries such as Syria and Lebanon; a reduction of evaporation from top reservoirs; and the "Red Sea-Dead Sea canal" idea.

12 Water can also be conserved in the Palestinian domestic sector by repairing infrastructures, which causes losses of up to 40 percent of total potable water supplied. However, this saving has already been taken into account in calculating the increase in Palestinian consumption and therefore is not included here.

13 Consumption of fresh water in the agricultural sector was 540 mcm in 2005. Experts believe the minimum amount of fresh water required to maintain the sector is between 450 and 530 mcm a year, in other words, an annual savings of 10-90 mcm can be achieved. The agricultural sector, however, is already based on treated

waste water, far more than in the past. In 1984, for example, the sector used only 60 mcm of treated waste water, while in 2005 (including water from the main purifying facility) this was 341 mcm. As a result, in the past decade the allotment of fresh water to the agricultural sector has been reduced by over 55 percent.

14 The argument that Israel's water problem can be solved by ending subsidization of water to the agricultural sector and ending "water exporting" through agricultural exports is not accurate, as: a. In accordance with an agreement signed by the government and the Israel Farmers Federation in late 2006, subsidization of water prices to the agricultural sector is expected to end in 2013, at the latest. Moreover, according to the water prices reform planned by the Water Authority, the cost of fresh water for water consumers, in lower volumes, will be even lower than the price of fresh water for farmers. b. According to water experts' estimates, export agriculture uses about 100 mcm of fresh water a year, which is far less than the amount needed to provide a suitable solution for the acute water problem.

15 For example, Saudi Arabia desalinates over half of its drinking water.

16 A small desalination plant used in Eilat for several decades desalinates about 10,000 cu.m of seawater a day.

17 Prof. Uri Shani, director of the Water and Sewage Authority, is a participant in the Israeli study team in order to check the feasibility of laying a water pipeline.

18 This is of course already true with regard to oil and gas.

19 The opposite rationale argues that as preventing future friction over apportioning the aquifer water and its contamination is an Israeli interest, making a significant concession over the aquifer water is in line with this interest.

20 Regarding the economic aspect of alternative water sources: although Israel is expected to desalinate water at Hadera at the lowest price in the world, this cost will be higher than producing water from natural sources and will be entirely covered by the consumer. Thus, due in part to the cost of establishing desalination plants, the price of water for consumers was raised in December 2007. The cost of importing water is expected to be even greater than the cost of desalination.

21 This premise is based on three main arguments that the Palestinians will raise in negotiations: 1. they do not have any real ability to construct a large number of desalination plants like Israel, because the Gaza shoreline is not long enough. 2. Israel depends on a number of reservoirs while the Palestinians on the West Bank depend solely on the Mountain Aquifer. 3. Israel's per capita consumption is far greater than that of the Palestinians.

Under the Microscope?
The Palestinian Commission of Inquiry into the Hamas Takeover of Gaza

Amir Kulick

On June 17, 2007, two days after Hamas took over the Gaza Strip, Abu Mazen appointed a commission of inquiry to investigate the failure of the Palestinian Authority (PA). The committee comprised political associates of Abu Mazen: Tayeb Abd al-Rahim, the secretary general of the president's office, appointed to head the committee; the president's media adviser, Nabil Amru; the head of the president's office, Rafiq al-Hassini; the governor of the Ramallah district, Said Abu Ali; and several senior officers from the Palestinian security services. The committee functioned for approximately thirty days, though its report was only published in February 2008.

Clearly a committee dominated by associates of the president is inherently flawed. Moreover, all the committee members took part in one way or another in the events they were appointed to investigate and as such also bear responsibility for the results. Nonetheless, the mere appointment of a commission of inquiry is an unusual occurrence in the PA and the Arab world in general. Accordingly, the commission's report provides a rare glimpse into how PA senior officials perceive the reasons for the failure and the steps that from their perspective are needed to rectify the situation. This article reviews the failure as diagnosed by the Palestinians, and infers the ramifications relevant for Israel.

Ostensibly the Hamas takeover of the Gaza Strip was a purely military matter, easily summarized: Over the years Hamas built up an efficient organizational mechanism. Upon winning the parliamentary elections, it supplemented its terror networks with a powerful semi-military force. At the same time, due to various tactical reasons, the PA's security apparatuses failed to protect their military strongholds and capitulated to the determination and superior power of the Hamas fighters. Indeed, the fact that the dominant committee members were Abu Mazen's supporters meant it was intended to focus on the military aspect and to refrain from delving into the political echelon's responsibility or other non-military issues. However, beyond the military aspect, the committee in fact did touch on more basic issues, among them the functioning of the political echelon and the state of the Fatah movement. From this perspective, the PA's failure in Gaza as presented in the report is a symptom of its status in general. From the Israeli perspective, repair of these flaws is likely to serve as

Amir Kulick, research associate at INSS

a test of the PA's ability to control the West Bank and its ability to be a serious partner in any future arrangement.

The Political Perspective

In this area, the committee dealt with two main issues: first, the lack of a clear vision of the essence of the PA and consequently, the weakness of the security establishment and the absence of a clear policy for coping with the Islamic challenge; and second, the weakness of the Palestinian leadership.

"A State or a Terror Organization"?

The committee members date the root of the evil back to 1994 and the establishment of the Palestinian Authority. As emerges from the report, the Palestinian leadership under Arafat did not relate to the new entity that was established as the seeds of "the state to come," but as a territory under PLO control. The practical significance of this approach was expressed in two principal ways: one, the absence of a clear strategy for coping with Islamic movements, Hamas foremost among them; and two, the absence of a clear strategy regarding anything to do with building the security establishment and its objectives. After all, if the new entity is not a state but rather an additional incarnation of "a political system in the framework of the PLO," as the report states, there is no need to fight against the Islamic movements challenging the rule of the PA, as they should instead be included within the existing rules of the game, as was the case with other Palestinian organizations such as the Popular Front for the Liberation of Palestine and the Democratic Front during the 1970s and 1980s.

Consequently, the report notes, there was no perceived need to build a "serious military-security establishment with a fight-

ing doctrine and defined objectives." And indeed, instead of a single strong military force, more than ten small security forces were set up with the establishment of the PA. These reflected both the semi-military bodies that existed under the PLO and the internal rivalries among senior PLO officials. Added to this was the relationship of the forces' leaders to the security organizations they headed. These leaders, the committee noted, acted based on a perception that the system is "a feudal-security territory and their private property"; the severe impact on the functioning of the security forces in general and during the crisis with Hamas in particular was reflected in a lack of coordination, organizational and internal weakness, and especially the loss of direction.

The Weakness of the Leadership

The lack of a crystallized national concept regarding the question of what is the Palestinian Authority, the absence of a clear strategy to cope with the Islamic challenge, and a weak security apparatus led to senior PA officials dealing weakly with Hamas. This weakness continued to characterize the Palestinian leadership, even when "all the headquarters in Gaza received indications and signs that Hamas was planning to take over the Palestinian Authority and suppress it" and also when "specific reports regarding this matter were placed on the president's desk." However, instead of initiating a clash to quell Hamas, the leadership chose "out of a mistaken political approach of political partnership" to appease Hamas. In the committee's view, this situation led to two major results: first, the strengthening of Hamas' self-confidence and its belief that it had the ability to overpower the PA. The second result was a blow to the morale of the secu-

rity forces and their willingness to fight the movement, since in any case, after the round of fighting, an agreement would be reached.

The National Movement's Ideological Crisis

As part of its analysis of the failure, the committee members point to morale as a crucial factor. Interestingly, this issue is mentioned almost as an incidental remark and relates only to the functioning of the national security apparatus ("the army" of the Palestinian Authority). However, it seems that the authors of the report sought to imply or possibly chose to refrain from directly exposing the real problem in this context – the ideological crisis of the Palestinian national movement in general. In contrast with Hamas and its clear and popular messages of "Islam is the solution" and "armed conflict is the way," the Palestinian Authority and the Fatah movement have in recent years been in a state of ideological confusion. The way in which they chose to realize the Palestinian national goals – political negotiations with Israel – did not bring the hoped for results and is perceived by much of the Palestinian public as a failure. The launching of a renewed armed struggle led by the Palestinian Authority and Fatah in October 2000, followed by a return to political negotiations upon Abu Mazen's rise to power in 2004 similarly failed to bring the Palestinians closer to achieving their national ambitions. On the other hand, Hamas can present the Palestinian street with a series of achievements in the domestic arena and in the struggle against Israel. The movement won a decisive victory in the 2004 and 2005 local elections and a victory in the Legislative Council elections, and it also claimed credit for Israel's decision to withdraw from the Gaza Strip. In this reality

the Islamic message seems far more relevant than the secular national ideology represented by Fatah and the Palestinian Authority. Therefore, the low morale and "the absence of a clear national and political vision" in the national security apparatus typify not only a specific security apparatus, but also the entire nationalist stream.

The Organizational Collapse of Fatah

The ideological crisis, the weakness of the Palestinian leadership, and the weakness of the security establishment are closely connected to the organizational weakness of the Fatah movement. This in turn directly affected the functioning of the Palestinian security forces in the fight against Hamas. Since Fatah members fill most of the command positions in the security forces, rivalries within the movement and impaired functioning of its institutions are reflected directly in the functioning of the security establishment.

As described by the report, Fatah's current situation is quite serious: "The Fatah movement suffers from a complex and deep crisis," resulting from corruption, internal divisions, and the absence of political achievements. The lapse of the movement's leadership, according to the report, stems first and foremost from the failure to outline ways to reorganize the movement, especially in light of the loss of the local and parliamentary elections. The report determines that for some time the movement's leadership bodies – the Revolutionary Council and the Central Committee – have not filled an effective role and are rather making do with "being an observant bystander." This situation was naturally reflected in the course of the clash with Hamas. When the decisive moment approached three rival factions emerged within the Fatah movement in the Gaza Strip, with

The lack of a crystallized national concept on the essence of the PA and the absence of a clear policy for coping with the Islamic challenge led to the weakness of the PA leaders in their dealing with Hamas.

opposing perceptions and agendas. Thus at the height of the clashes, several of the senior Fatah activists in the Gaza Strip (this apparently refers to Abu Maher Halas) maintained "contacts and coordinated directly with Hamas…without consulting with the organizational frameworks….They did so as if it was a personal matter without considering the impact on the movement and its members." Hamas in turn exploited the internal division within the movement and presented the battle between it and the PA as a battle against one faction in Fatah – the faction headed by Muhammad Dahlan. This tactic, according to the committee, turned out to be particularly successful to the point where senior figures in the movement publicly stated that they would not take part in "Dahlan's battle."

Particularly shocking is the committee's statement to the effect that Fatah itself as a movement chose a passive stand in the clash and did not consider the battle with Hamas a battle between two movements. In this situation, the report notes, "the movement no longer was a movement, rather just scattered groups." Fatah's organizational disarray impacted directly on the functioning of the security forces, so instead of Fatah serving as a common denominator that could unify the security forces and spur them into joint action, the Fatah movement became "a burden on the forces" and impaired their functioning. A noticeable example is the identification of the preventative security apparatus in the Gaza Strip with Dahlan. Indeed Dahlan's activity in recent years transformed the apparatus to a large extent into his private domain. Thus when the clashes erupted and Hamas announced it was a clash against Muhammad Dahlan and his operatives in the Gaza Strip, the security apparatuses opted to stand off

to the side even as one after another of the preventative security headquarters fell.

Furthermore, the polarization in the Fatah leadership institutions and foremost among them the Central Committee led to a situation wherein none of the senior leadership figures were in the area when the events occurred and none functioned in the face of the impending disaster. This reality directly affected the desire and ability of the PA forces to fight Hamas: "The clash took place and ended in the absence of the political leadership in the [military] arena, which created among the commanders in the field a sense that they were waging the struggle without political and moral backing. The Fatah Central Committee did not fulfill its role while the enterprise it had set up was in danger. Several central committee members fumbled and the leadership in Ramallah stood idly by. The armed positions fought while their backs were exposed, the Fatah leadership was not present, and if it was present, did not intervene, as if the matter did not affect it."

The Military Perspective
A Shortage of Weapons or Resources?

Was Fatah's military failure due to any kind of shortage of weapons or other resources? This question is particularly relevant given the huge sums injected by Western countries into the Palestinian security forces and the military equipment that was transferred to them since the establishment of the Palestinian Authority. For its part, the committee stated unequivocally that the failure did not stem from a shortage of manpower or equipment. Instead, it questioned, "how is it possible that a force numbering over 50,000 people in a geographic area of slightly more than 300 sq. kilometers, with experience, resources, and legitimacy, collapses before 20,000

militia men?!" The answer the report offers is simple: in practice, no more than 10-15 percent of the armed force at the disposal of the Palestinian security apparatus took part in the confrontation. Beyond the issue of manpower, the shortage of weapons was also not a problem. In many places, the report states, instances were uncovered of improper use of weapons due to a lack of training, and there were also cases of wasted munitions due to panic, lack of confidence, or lack of concentration. The committee concluded that "the weaponry was there, but its use was flawed; most of it was not used, and it was abandoned in military positions and on the streets." Even though most of the weapons were old and worn and new weapons arrived late to the wrong channels, according to the committee, "they could nonetheless have been produced and used with proper management and a minimal, systematic work plan." The same is true of other areas relating to the military force, including "training, supply, and use of security information, which did not merit attention."

The Weakness of the Palestinian Security Apparatuses

If the roots of the military failure do not lie in a shortage of resources and arms, where can they be found? It seems that as described by the committee, the most fundamental reason was the transformation of the apparatuses into "a social welfare organization." This statement in the report refers specifically to the national security apparatus, which should have borne most of the burden of fighting with Hamas. However, presumably this description to a large extent also reflects the situation of the other apparatuses. Over the years, membership in the security apparatuses was a way for the PA to fund its

supporters. Various attempts to restrict the phenomenon failed or yielded only limited results. So, in the words of the committee, the security forces were turned into "no more than a facade" and "a system that was closer to a welfare organization with no military discipline, with no trained command, and with no positions or assignments."

In addition, the report cites immediate and direct reasons for the failure, foremost among them the weakness of the command authority. Abu Mazen placed the elderly Fariq Abd al-Razaq al-Majaida at the head of the security establishment in Gaza. Al-Majaida was supposed to have controlled the forces using a shared operations room that was intended to serve as a joint command for all the security forces. However, the force commanders did not accept his authority. As noted by the report, there were some who saw him as "an adviser who can be bypassed. Others felt the operations commander must come from within the forces and not from outside them. Still others saw him as a weak, old man and some saw him as frustrated and despairing man and did not see him as a commander… the result was a command crisis." In this situation, al-Majaida himself noted in his testimony before the committee, "the operations room remained exclusively within the bounds of the room in which I was present."

However the crisis of command extended beyond al-Majaida himself and typified the Palestinian Authority's security unit: "Just as al-Majaida did not control the commanders," the committee stated, "the commanders had no control over their charges." The report cites several reasons for this situation, but it seems that the most dominant among them was "the lack of confidence in the establishment, and a preference for the family connection at the expense of the organizational

As a movement Fatah chose a passive stand and did not consider the clash with Hamas as a battle between two movements.

commitment and military discipline." To this, according to the committee, should be added several other factors including: the absence of basic training for all the various levels of command, the lack of operational experience, and no less important, the success of the Izz al-Din al-Qassam fighters in integrating into the Palestinian Authority's security forces and disrupting their functioning. The depth of the infiltration of the movement's activists is indicated in part by the fact that several of the bodyguards of the force commanders were in effect Hamas activists.

Another expression of the security establishment's weakness and the lack of a central authority was Dahlan's attempt to manage the fighting from a distance. Although he was abroad, Dahlan apparently continued to attempt to shape the combat, down to particular tactical moves. The combination of factors eventually led to "collective neglect on the part of the command level." All of this is clearly reflected in the description of the fighting waged by the Presidential Guard. This apparatus was to spearhead the fight against Hamas, and consequently in the months preceding the conflict it acquired substantial sums and equipment. Members of the force itself were assigned to protect Abu Mazen and were also supposed to protect the presidential compound. However, as the deputy commander of the force testified before the committee, "the Presidential Guard did not take part in the confrontation." Even at the height of the fighting with Hamas, "the atmosphere in the Mindata [the presidential compound in Gaza] was not a fighting atmosphere. No state of emergency was declared, people were not summoned, and there was no special operations room for the Guard….The war was waged nearby as if it was totally unconnected to it. When the situation got worse, the fighters including the bodyguards of the president's house abandoned their posts and their weapons in the vicinity of the Mindata. The commander of the force itself was in a state of collapse and knew nothing about his force or about the course of the fighting. Most of the time he did not leave his office or his bedroom. He took off his uniform and went to the residential complex of the Egyptian delegation in civilian clothes, abandoning his post even before the assault."

Integration of Terrorist Activists in the Palestinian Security Forces

This issue is primarily a political one but the ramifications for the functioning of the Palestinian security forces were severe. The committee cited the actions of semi-military organizations as one of the most important factors in the PA's failure in its fight against Hamas. As the committee notes, the militia organizations sprouted up as part of the conflict with Israel and received the blessing of the Palestinian Authority and internal legitimization. However, "the power of these organizations gradually increased until it spiraled out of control." The result were quite serious, as the militias "put an end to the Palestinian Authority's monopoly on the use of force, undermined the rule of law, and enabled the formation of gangs that impaired security and order, created anarchy, and led to the loss of control." These organizations posed "a veritable challenge" for the Palestinian Authority, but it was incapable of coping with this phenomenon by absorbing the members of these organizations into its military forces. In an attempt "to deal with this reality and resolve the problem peacefully, numerous attempts were made to absorb these organizations." Since 2005 the Palestin-

ian government approved the absorption of over 12,000 militia members into the Palestinian Authority's security forces. Among those absorbed were terrorist activists who were connected to Fatah but were also members of organizations that left Fatah, such as the Abu al-Rish Brigades and the Saladdin Battalions, as well as Islamic Jihad and Hamas activists. The impact of this step was destructive. Many of the activists continued to see the heads of their home militias, some associated with external elements in Syria, Lebanon, or Iran, as their main source of authority. In effect, this opened the door to the weakening of the forces by absorbing undisciplined elements and those who did not consider the PA or the military establishment as wielding any kind of authority over them.

Another aspect of this phenomenon was the Palestinian Authority's attempt to resolve the political problem with Hamas by absorbing the movement's members into its forces out of flawed political considerations. According to this same perception, once Hamas set up its own semi-military force – "the operational force" – the Palestinian Authority granted it legitimacy, claiming that it was necessary to build these forces on the basis of national cooperation and to enable all factions to take part in them. This policy provided approval for the unacceptable, that is, it justified the absorption of Hamas and other terrorist organization members in all the forces and cooperation with them. The result during the conflict with Hamas was particularly destructive. The report notes that in certain cases when these activists dominated in particular military frameworks they abandoned their posts, for example, with the national security battalion in the center of the Gaza Strip, or worse, joined the fighting against the Palestinian Authority.

Conclusion

A reading of the report yields a complex situation assessment and one that in rare candor comments on the failure of the Palestinian Authority in the fight against Hamas and on the status of its institutions in general. From Israel's perspective, the understandings arising from the report are not encouraging. In order for the Palestinian Authority to be a partner in a permanent arrangement and not just a partner in a "shelf" arrangement, it must implement a series of substantial reforms in the government and the military. In addition, it must successfully overcome the ideological crisis afflicting it and see fit to renew the face of the Fatah movement, or alternately, create other organizational pipelines for mobilizing popular support and cultivating a new leadership. It is too early to say whether the Palestinian Authority is indeed heading in this direction, but the indications at this stage are not promising.

However, the Palestinian Authority's mere willingness to set up a commission of inquiry, assess the problems, and make the recommendations that are included in the second part of the report does signify an important step forward. At the same time, the leadership that failed in handling the conflict with Hamas is still in place, the institutional system that is no less responsible for this failure has not been changed, and there are no signs on the horizon of this happening any time soon. In this respect, it seems that without a substantial, internal change within the Palestinian Authority and without "a different" national leadership, any arrangement reached between Israel and the Palestinian Authority in the foreseeable future is likely to remain an arrangement on paper only.

"The lack of confidence in the establishment and a preference for the family connection at the expense of the organizational commitment and military discipline" led to a crisis of command.

John McCain and Barack Obama:
The Middle East and Israel

Limor Simhony and Roni Bart

Many theoreticians are wont to analyze international dealings as a function of either constraints and opportunities in the global system or fixed political interests, rather than a function of the influence of individual leaders. Delicately put, America's foreign policy since September 2001 does not corroborate this approach. It is hard to imagine that had Al Gore been elected president, the US would have invaded Iraq. Similarly, the policy of Republican John McCain, if elected president, will in almost all certainty be significantly different from the policy of Democrat Barack Obama should he enter the White House. These candidates' views about American foreign policy are significantly divergent, reflecting the difference between their respective parties.

Limor Simhony, research assistant in the INSS Program for American Policy in the Middle East; Dr. Roni Bart, research associate at INSS

Republicans and Democrats

At least since the early twentieth century one can generally define party disputes in the United States over foreign policy as the difference between hawks and doves, although the "ornithological" identities of the parties and the derived policies are not hard and fast. In the first part of the century, Republicans were imperialists and Democrats were anti-imperialists. Later, the Republicans became more isolationist, compared with the more international-minded Democrats. In the first half of the Cold War the party in opposition almost always presented a more hawkish approach than the administration. After the Vietnam War the Democrats became doves, although in the nineties, in contrast with the Republicans, they promoted more military intervention around the world. Since 2002, the Republicans have once again tended more to be hawks and the Democrats doves. There is no reason to assume these identity inversions will not continue in the future.

Today, differences are especially noticeable in three primary parameters. In general, Republicans are willing to concede less in order to achieve multilateral international consent; they prefer to avoid dialogue with bitter enemies before the latter have tangibly demonstrated, at least in part, their changed approach; and they are more open to the idea of coercion, including military strength. Democrats tend to favor multilateralism more than unilateralism and therefore place greater value on international organizations; they are more open to dialogue, even with extremist enemies; and they prefer carrots to sticks. For example, 90 percent of Democrats believe it is important to receive the backing of the United Nations before embarking on a military operation; only 46 percent of Republicans agree. At the same time, at issue is not a dichotomy but mostly a matter of proportionality, differences in preference and emphases, and a range of positions across a spectrum.

These general affinities are reflected in the presidential candidates' stances on the main issues on the United States' Middle East agenda: Iran, Iraq, and the Israeli-Palestinian conflict.

Iran

McCain's parody of the Beach Boys hit at a town hall meeting – "Bomb, bomb, bomb Iran" reflects his conviction that an Iran with nuclear weapons constitutes an unacceptable risk.[1] He believes it is a country that supports terror and interferes with American efforts in Iraq by arming and training Shiite militias. He has claimed that the United States is facing "an evil man and a very dangerous regime," and that if Iran obtains nuclear weapons it will assume that since no country will want to confront it, it therefore has unlimited power.[2] In such a situation, it will be perceived as a threat to other countries in the Middle East that may in turn want to develop nuclear capacities of their own.

McCain is among the senators behind the decision to define the Revolutionary Guards, the military arm of the Iranian regime, as a terror organization. He has criticized Ahmadinejad's declarations about the destruction of Israel and denial of the Holocaust, and argued that they expose the danger posed by a nuclear empowered Iran. Nonetheless, McCain prefers a diplomatic solution to the problem, emphasizes the use of "aggressive" diplomacy, and supports the imposition of significant political and economic sanctions. If the Security Council does not impose substantial sanctions on Iran, as president he will likely try to muster the support of lead-

ing countries that will put this into effect, and will also aim to delegitimize the Iranian government. McCain does not explicitly mention replacing the Iranian government, but he talks about generating internal discussion in the country to demonstrate that the government does not represent public opinion, rather the aspirations of an extreme elite. He does not rule out the use of military force. On the contrary: "There is only one thing worse than a military solution, and that . . . is a nuclear armed Iran."[3]

The US National Intelligence Estimate of December 2007, which determined that Iran apparently suspended its nuclear weapons program in 2003, did not substantially change McCain's approach. He claims that Tehran still constitutes a threat due to its involvement in international terror and its support of "Hamas and Hezbollah, terror organizations bent on the destruction of Israel."[4] However, he identifies less urgency in the matter, and hopes that it may be possible to hold talks between the countries, though without the United States providing President Ahmadinejad a propaganda opportunity, especially if does not receive anything in return.

Obama is more moderate on Iran than McCain, emphasizes the use of diplomacy, and is even planning direct talks with Iran (initially at a low government level). On the other hand, he too does not rule out the military option, which would enjoy more extensive support if it is adopted only after the United States has already proven that it has made every diplomatic effort. Obama defines Iran as "a genuine threat to the United States and Israel,"[5] and Ahmadinejad's administration as "a threat to all of us."[6] He too recognizes the dangerous implications of nuclear weapons in Iran's possession for regional stability.

Obama initiated a law designed to help US states withdraw investments by companies that trade with Iran. On the other hand, he did not support the decision that called for the Iranian Revolutionary Guards to be defined as a terror organization as he saw this as an overly belligerent approach that might provide the Bush administration with the basis for launching an attack on Iran.

In general, Obama criticizes not only the Bush administration but also McCain and Clinton for their militant and aggressive rhetoric. In interviews he is not prepared to relate to the possibility that diplomacy and sanctions could fail, and claims that escalating rhetoric of saber wielding and cowboy diplomacy should be avoided until a serious and direct effort has been fully exhausted.[7]

Iraq

McCain supported launching the war in Iraq and subsequent US efforts to stabilize the country, despite criticizing the strategy as too weak until a decision was made in early 2007 to reinforce the troops. He believes that exiting Iraq now and even setting a timetable for the withdrawal would be tantamount to admitting defeat. It would be "a mistake of colossal historical proportions" that would lead to catastrophic results for the Middle East: civil war in Iraq, a strengthening of Iran's standing, unsettlement of regional equilibrium, a strengthening of the Taliban and al-Qaeda, and a greater threat to Israel.[8] On the other hand, a US victory in Iraq means a functional country (even if with a flawed democracy) that cooperates with the United States in a long struggle against terror. McCain recently claimed that "we now have a great opportunity, not only to bring stability and freedom to Iraq, but . . . gain a strong, stable, democratic ally against terror-

ism and a strong ally against an aggressive and radical Iran."[9]

McCain's support for continuing military action and increasing American forces in Iraq almost destroyed his chance of earning the Republican presidential nomination. This obstacle weakened in the summer of 2007 following the military success of the surge strategy. His persistence with this issue also helped to enhance his image as a person who sticks to his beliefs, who does not zigzag like other politicians in keeping with public opinion surveys. McCain also attacks Obama for his support for leaving Iraq. He argues that the United States should continue fighting as long as necessary and invest considerable resources in order to achieve a favorable result. After the fighting ends, it should leave a military force there (like in South Korea), even for the next hundred years. The possibility of leaving reduced army forces now, he says, will endanger the American soldiers who will be exposed to terror attacks and will find themselves in the middle of a civil war and genocide. In such a situation, the United States will apparently have to recall its soldiers and pay a heavy price in human life. Therefore, if McCain is elected president the American soldiers are expected to stay en masse in Iraq, and for a long time.

Obama has opposed the war in Iraq since it began (even before he was elected senator), and he mentions this record regularly. He has claimed many times that "invading and occupying a country that had nothing to do with the 9/11 attack was the wrong way to respond to the unconventional challenges by al-Qaeda and Islamic extremism."[10] Obama believes that the United States' security situation has deteriorated since 2003, as the invasion and occupation of Iraq have led to the strengthening of international terror,

including in Iran, al-Qaeda, Hizbollah, Hamas, and the Taliban. He blasts the economic price of the war as too high, thereby damaging the US economy, increasing the United States' monetary dependence on foreign capital, and in turn damaging national security.[11] The surge strategy that started in 2007 is not successful. While it has led to a decrease in the number of victims and terror attacks, "the surge is not the solution to Iraq's problems because it is not achieving the political benchmarks that were the stated purpose of our troop increase."[12] Obama promised that as president, he will start to withdraw American troops from Iraq immediately and continue over the following year and a half. At the end of the process a reduced force would remain there to protect Americans in Iraq, train Iraqi security forces, and carry out operations against al-Qaeda. Some of the soldiers will move from Iraq to Afghanistan, based on the correct order of priority for combating terror.

Obama, who has claimed on many occasions that there is no military solution for Iraq, stresses the importance of using diplomatic means in order to achieve stability in the country. He believes that by utilizing a regional and international initiative, it is possible to help the Iraqis end the civil war and prevent a humanitarian crisis and regional conflict. This approach will help the United States rehabilitate its standing in the Middle East, which was harmed by its involvement in an unjustified war "not based on reason, but on politics."[13] Such a diplomatic initiative will also include dialogue with Iran and Syria, in the spirit of the Baker-Hamilton report.

Israel and the Palestinians
McCain is a veteran supporter of Israel. He

believes that Israel is America's "natural ally in what is a titanic struggle against Islamic extremists," and that the "bond between the United States and Israel is not only strategic…but also moral."[14] McCain promised that as president he will work to strengthen America's commitment to Israel's security, and will continue to provide it with arms and technology that will maintain its military supremacy in the region. He sees Hamas as a terror organization and an ally of Iran with which, until it recognizes Israel's existence, the US and Israel should not negotiate. He asserts that no sovereign state can accept repeated terror attacks on its territory and citizens, and thus he supports the action Israel takes against Hamas and other terror organizations in the Gaza Strip. McCain has even said that Israel should not be pressed into any negotiations as long as terror exists. He favors talks with Abu Mazen, but cautions that the Palestinian president's control is limited. In an address to the pro-Israel lobby AIPAC he said that "America's unequivocal support for Israel – not evenhandedness, not moral equivalence, not winking at Palestinian violence – is the best guarantor of peace in the Middle East."[15] Regarding a permanent settlement with the Palestinians, McCain declared that he does not believe Israel should return to the 1967 borders.

McCain often mentions the Iranian threat looming over Israel, and thus his support of Israel extends beyond the context of the Israeli-Palestinian conflict. He believes that Syria and Hizbollah constitute a serious threat; Hizbollah should be disarmed and Syria's involvement in Lebanon should be ended. He even cautions that "neither the Lebanese Army nor the international force there is prepared or willing to take on Hezbollah."[16]

Since Obama was elected to the Senate and through his presidential campaign, he has also expressed his support for Israel in its struggle against terror. He defines Israel as "the United States' strongest ally in the region, and the only democracy there"; he is committed to Israel's security, including by maintaining its military superiority; he sees Hamas as "a terror organization devoted to the idea of destroying the State of Israel,"[17] and therefore does not comprise a legitimate partner to negotiations until it changes its attitude. Obama supports a two-state solution and is "committed to making every effort to help Israel achieve peace," but will not force a settlement on it; he opposes a Palestinian right of return.[18]

These positions and his voting history in the Senate place Obama at the heart of the traditional pro-Israeli consensus in America. However, his overall record offers a less rosy picture from Israel's point of view. In all matters relating to the Israeli-Palestinian conflict Obama expresses an evenhanded position, which is striking in its contrast with the American political landscape. After the failure of the Camp David summit he criticized the Clinton administration for its unconditional and unilateral support of Israel. He used the expression "cycle of violence" instead of the expression generally used among supporters of Israel, "Palestinian violence and Israeli response."[19] In the past, he has said that "no one is suffering more than the Palestinian people." (He later excused the remark as said in the context of the Palestinians suffering from the failure of their leaders to recognize Israel). He promised to apply pressure to both sides in order to achieve tangible progress in the political process. He outlined that his administration will ask Israel to shoulder part of the responsibility to

change the status quo and he will help "Israelis to identify and strengthen those partners who are truly committed to peace."[20] Obama is the only candidate who has not expressed support for the security fence, which he described as "another example of the neglect of this administration in brokering peace."[21]

Another indication of Obama's future policy is his team of advisors, which includes prominent liberals who focus on human rights, global development, and international cooperation. This stream also sees the Israeli-Palestinian conflict and Israeli intransigence as the central problem in the Middle East (rather than radical Islam or Iran). The senior members of his staff include Tony Lake, Clinton's national security advisor, who was not a strong supporter of Israel; Samantha Power, a specialist on genocide who argues that the United States must not be unilateral in its support of Israel;[22] and General Merrill McPeak, who believes that one problem with US policy in the Middle East is the exaggerated influence of the Jews of the United States.[23] While Obama distances himself from such statements, pointing out that no leader always agrees with all his advisors' opinions, it is nonetheless highly probable that as president, the advisors and at least the atmosphere in his administration will match the left wing-liberal milieu of the Democratic Party, which pays more attention to the rights of the Palestinians than to Israel's security needs, as part of an overall view of the United States' global order of priority.

General Assessment

The election campaign highlights the differences and common areas between the parties and candidates. Everyone talks about a foreign policy that combines idealism and realism, values and strength, and the United States' duty to support democracy around the world. Interestingly, both McCain and Lake, a senior advisor to Obama, support the creation of a League of Democracies that will unite the democratic countries in action when United Nations efforts fail. Furthermore, the hawkish McCain talks about multilateralism, about the need to invest considerably in an informational-conceptual effort in order to combat "the hearts and minds" around the world, and about channeling substantial resources for civilian-economic-social action alongside the war on terror. On the other hand, even the liberal Democrat Obama supports a significant increase in the size of the military, and mentions the duty of the president to use force when protecting American national interests, even without international support if there is no choice. There is no dichotomous division here, rather differences – some significant – of emphases and balances.

The Iranian issue clearly reflects the common areas and the differences between the parties. Like their Democratic rivals, the Republicans prefer diplomacy, nor do the Democrats rule out the use of force as a last option. The immediate difference between them is with regard to direct dialogue with or without preconditions (suspension of the nuclear program), and their tone also implies a difference with regard to their patience before a military option is used. Asked whether during his administration Iran would obtain a nuclear capability, Obama answers that "I will work to the best of my ability" or "I am committed to making every effort"; McCain simply says it won't happen.

There is a clear cut difference between the two parties on Iraq. Over 60 percent of Republicans feel that the American army should stay in Iraq until the country is sta-

Those who feel that Israel needs a US administration that will impose a direction on it that it might otherwise not pursue, and that the danger of a nuclear empowered Iran does not necessitate the use of military force, will prefer Obama.

bilized; only 10 percent of Democrats agree with this. The Republicans talk about how to win in Iraq while the Democrats talk about how to get out, but even they do not commit to a complete military disengagement. As president, McCain would leave the US military in Iraq until success is secured, if conditions on the ground and in Congress, which is expected to remain under Democratic control, allow for this. As president, Obama would initiate a diplomatic effort that would also incorporate Iran and Syria, while immediately starting a gradual withdrawal of forces from Iraq.

A difference is also expected to come to the fore on the matter of the Israeli-Palestinian conflict. McCain would maintain Bush's line, probably without the religious, emotional, and personal elements that made his strong support of Israel exaggerated among portions of American public opinion. Obama, on the other hand, would likely inject a sense of urgency to the political process, and would display less patience over what is viewed as foot dragging by Israel in implementing its commitments according to the roadmap (significant removal of army roadblocks, evacuation of outposts, freeze of settlement construction).

Who, then, is "good for Israel"? That depends on the beholder. Those who believe that Israel requires a US administration that does not pressure it into following a path that it does not want to take, and is committed to stopping the Iranian danger through military means, if necessary, will prefer McCain over Obama. Those who feel that Israel needs a US administration that will impose a direction on it that it might otherwise not pursue, and that the danger of a nuclear empowered Iran does not necessitate the use of military force will prefer Obama over McCain. Neverthe-

less, there is a word of caution for members of the latter group. While Obama allows himself to express relatively balanced positions at the election campaign stage, it is possible that after he is elected, his policy will reflect his original critical positions. In this context one should remember the expression of support Obama received – and subsequently repudiated – from a Hamas spokesperson. Even though the Democrat candidate distanced himself from this endorsement and claimed that Hamas misunderstood his stances, it is easy to understand where the support comes from. Hamas realizes that Obama is more attentive to the claims of the Palestinians and is less supportive of the use of force (American or Israeli).

The future of the Israeli-Palestinian conflict depends more on what happens between the sides than the extent and nature of the involvement of any US administration. On the other hand, the continued presence of the US in Iraq almost entirely depends on the next US administration. Indeed, a decision on the withdrawal of the American army is an individual decision by the president; Bush's success in withstanding the pressure of the Democratic majority in Congress proves this. The way in which the United States deals with the Iranian danger, through more effective diplomacy and/or implementing the military option, mainly depends on Washington. The president can also decide on his own to launch an aerial attack on Iran, as opposed to a land-based invasion. It seems, then, perhaps more than in other elections, that the particular Democrat or Republican who will enter the White House will to a large extent shape the future of the Middle East.

Notes

1   CNN, April 19, 2007, http://edition.cnn.com/

POLITICS/blogs/politicalticker/2007/04/mccain-sings-bomb-bomb-iran.html.

2   John McCain Addresses the Christians United for Israel, July 18, 2007, http://www.john-mccain.com/informing/news/Speeches/df96a751-be4f-4275-8d28-2c38ad036983.htm.

3   Ibid.

4   *Concord Monitor*, December 8, 2007, http://www.cmonitor.com/apps/pbcs.dll/article?AID=/20071208/FRONTPAGE/712080385.

5   *New York Times*, March 14, 2007, http://www.nytimes.com/2007/03/14/us/14aipac.html?ref=politics&pagewanted=all.

6   Remarks by Senator Barack Obama, AIPAC Policy Forum, March 2, 2007, http://obama.senate.gov/speech/070302-aipac_policy_fo.

7   For example, see an interview published in the *New York Times* on November 1, 2007, http://www.nytimes.com/2007/11/01/us/politics/02obama-transcript.html.

8   *New York Times*, August 21, 2007, http://www.nytimes.com/2007/08/21/us/politics/21vets.html?ref=politics.

9   Remarks by John McCain to the Members of the Veterans of Foreign Wars (VFW), April 7, 2008, http://www.johnmccain.com/Informing/News/Speeches/3d837545-5ac8-4124-929c-33c3f0ee9fe5.htm.

10 Remarks of Senator Barack Obama: Foreign Policy Forum. http://www.barackobama.com/2007/12/18/remarks_of_senator_barack_obam_37.php.

11 Remarks of Senator Barack Obama: The Cost of War, http://www.barackobama.com/2008/03/20/remarks_for_senator_barack_oba_2.php.

12 http://www.barackobama.com/2007/12/18/remarks_of_senator_barack_obam_37.

13 Council on Foreign Relations, October 2, 2007, http://www.cfr.org/publication/14356/barack_obamas_foreign_policy_speech.html?breadcrumb=%2Fcampaign2008%2Fspeeches.

14 *Jerusalem Post*, May 24, 2007, http://cgis.jpost.com/Blogs/presidblog/entry/israel_us_ties; and McCain addresses Christians United for Israel, July 17, 2007, http://www.cfr.org/publication/14787/mccains_speech_to_the_christians_united_for_israel.html.

15 Quoted in *Jewish Press*, May 17, 2006, http://www.jewishpress.com/displayContent_new.cfm?mode=a&sectionid=1&contentid=17926&contentName=%3Ci%3EJewish%20Press%20Exclusive%20-%20%3C/i%3E%20McCain:%20.

16 McCain addresses Christians United for Israel, July 17, 2007, http://www.cfr.org/publication/14787/mccains_speech_to_the_christians_united_for_israel.html.

17 *Guardian Unlimited*, March 5, 2007, http://commentisfree.guardian.co.uk/ali_abunimah_/2007/03/how_barack_obama_learned_to_lo.html; *New York Sun*, March 21, 2007, http://www.nysun.com/article/50846.

18 *Yediot Aharonot*, February 29, 2008.

19 Foreign Policy in Focus, January 11, 2008, http://www.commondreams.org/archive/2008/01/11/6312/.

20 *Foreign Affairs*, July/August 2007, http://www.foreignaffairs.org/20070701faessay86401/barack-obama/renewing-american-leadership.html?mode=print.

21 *Chicago Jewish News*, December 3, 2004, http://chicagojewishnews.com/story.htm?sid=1&id=181907.

22 Power resigned in February 2008 after she called Clinton "a monster."

23 *The Oregonian*, March 27, 2003, http://www.oregonlive.com/special/iraq/index.ssf?/special/iraq/0327mcpeak.html.

Unraveling the New Nuclear Disarmament Agenda:
Between Vision and Reality

Emily B. Landau and Noam Ophir

In early January 2007, the global nuclear disarmament agenda received important support – indeed, new life – from an unlikely source. Four prominent and formerly high-ranking US officials – George P. Shultz, William J. Perry, Henry A. Kissinger, and Sam Nunn – published a piece in the *Wall Street Journal* under the title "A World Free of Nuclear Weapons."[1] The article, which seeks to rekindle the vision of abolishing nuclear weapons set forth by Ronald Reagan and Mikhail Gorbachev in 1986, immediately earned a high profile, and it has commanded increasing attention over the past year in US political discourse as well as in the broader arms control debate worldwide. The vision was underscored a year later by the four authors in a second piece entitled "Toward a Nuclear-Free World."[2]

The following essay explains the origins of these new expressions of support for nuclear disarmament and their impact on global thinking about nuclear weapons, and the recent decisions by the US, Britain, and France to carry out unilateral reductions in their nuclear arsenals. The rationale underlying the new call for disarmament is the need to convince potential proliferators that the nuclear weapons states are living up to their own disarmament commitments, and are thus working to erase the "double standard" in the nuclear realm. Yet at the same time, announced nuclear reductions in some of the nuclear weapons states have been accompanied by statements at the official level that clarify the continued commitment to a credible nuclear deterrent. These states have thereby underscored that nuclear weapons are still considered useful in confronting dangerous threats, a tenet that seemingly compromises the disarmament message itself. The essay thus highlights the complexities inherent in the new disarmament message, which make it difficult for this agenda to advance its implied policy goal: namely, drawing nuclear proliferation away from the dangerously close "tipping point" beyond which it may no longer be containable.

Dr. Emily B. Landau, senior research associate at INSS; Noam Ophir, research associate at INSS

The New Disarmament Agenda

As an idea, nuclear disarmament is certainly not new; it is embedded in Article VI of the NPT (Nuclear Non-Proliferation Treaty) in the commitment made by the nuclear weapons states parties to progress toward this goal.[3] It has been reinforced over the years in different arms control initiatives, and it has been promoted at times by leaders of states and included in statements delivered by various groups of states and by NGOs that advocate working toward nuclear abolition. Yet while these combined efforts influenced the nuclear powers to take some steps in the direction of reducing their stocks, total disarmament remained at best a distant goal. Moreover, throughout the Cold War years, the classic "arms control" agenda – which prioritized stabilization of the superpower deterrent relationship over disarmament in the intermediate stage – was at the forefront of efforts to control nuclear weapons.

Calls for nuclear disarmament in its "purest" form have tended to come from the direction of those who view nuclear weapons as inherently dangerous, reprehensible, and even immoral, due to these weapons' tremendous potential for mass destruction. In this view, nuclear weapons have no positive security value whatsoever; indeed, they are considered detrimental to the security and wellbeing of all people, regardless of the threats that states confront.

The new calls for disarmament are of a different kind – they focus less on the nature of the weapons themselves, and more on the nature of the *threats* that states face. In fact, the words of the four prominent new advocates of disarmament include echoes of traditional thinking in the nuclear realm that recognizes the security value of these weapons. Thus, what has changed for them is the strategic environment of threats, not the deterrent value that is accorded to nuclear weapons.

Two important developments provide the background and impetus for the revived – and revised – nuclear disarmament agenda over the past year. The first is the implications of the end of the Cold War and of the extreme animosity that characterized US-Soviet relations. It is argued that with the radically reduced threat perception in the context of the current US-Russian relationship, the role of nuclear weapons has changed, and both sides can afford to reduce dramatically the level of their arsenals. As Sam Nunn, one of the co-authors of the *Wall Street Journal* piece said regarding what led him to conclude that the world should be free of nuclear weapons, "I believe that the threat has fundamentally changed."[4]

But this argument has been around for almost two decades, and would not in itself explain the urgency accorded the recent disarmament agenda. The second development, much newer, is encapsulated in the opening sentences of the 2008 *Wall Street Journal* commentary: "The accelerating spread of nuclear weapons, nuclear know-how and nuclear material has brought us to a nuclear tipping point. We face a very real possibility that the deadliest weapons ever invented could fall into dangerous hands."[5] This is the crux of the matter: in other words, it is not only that the nuclear powers can afford to downsize their arsenals radically due to altered threat perceptions in their own relationship, but that they *must do so* in order to avert a much greater danger that is currently evolving. Indeed, in both of the *Wall Street Journal* commentaries it is implied that greater commitment on the part of the nuclear weapons states to the goal of disarmament is necessary

Table 1. Nuclear Forces of NPT Nuclear Weapons States, June 2008 [6]

Country	Warhead Type		Total Warheads	
	Strategic	Tactical	Operational (sum of strategic and tactical)	Total Stockpile (sum of operational and reserve/ inactive)
Russia	3,113	2,079	5,192	14,000
United States	3,575	500	4,075	5,400 (not included are 5,150 warheads that were removed from the stockpile in 2007 for future dismantlement)
France	fewer than 300	n.a.	fewer than 300	fewer than 300
China	more than 145	?	more than 145	~ 200
United Kingdom	fewer than 160	n.a.	fewer than 160	fewer than 200

in order to bolster efforts to stop North Korea and Iran from becoming nuclear states. It is the danger of determined proliferators like Iran and North Korea acquiring nuclear weapons – and the fear that these weapons might also find their way to terrorist organizations – that has sparked the new urgency for bringing the nuclear states to take their disarmament commitments more seriously.

Concrete Steps toward Disarmament

Concomitant with calls for disarmament at the unofficial level, there has been new movement at the level of states to reduce their nuclear arsenals (table 1). In recent years and especially over the past months, the Western nuclear states – the US, Britain, and France – have publicly announced their intentions to make major unilateral cuts in their nuclear arsenals.

The current Bush administration committed the US to cut its "operationally deployed" strategic warheads to between 1,700 and 2,200 by the end of 2012. This reduction was the result of the bilateral Strategic Offensive Reductions Treaty (SORT, or Moscow Treaty) concluded with Russia in 2002. In addition, the US continued to reduce its total nuclear stockpile unilaterally; these unilateral cuts include not only the "operationally deployed" weapons covered under the SORT agreement, but also thousands more warheads that were classified as "responsive force" or "inactive stockpile."

In December 2007, the Bush administration announced a stockpile reduction of "nearly 50 percent." As a direct result of this decision, the Department of Defense designated 5,150 non-operationally status warheads for future dismantlement. According

to the original plan this reduction was sup-posed to have been achieved only in 2012.[7] Following this reduction, as of January 2008, the total US nuclear stockpile contained an estimated 5,400 warheads, 4,075 of them in operational status. However, the administra-tion announced its intention to further reduce the stockpile by an additional 15 percent. Ac-cording to this plan, by 2012 the stockpile will include around 4,500 warheads, less than half of them in operational status.[8]

The reduction in the number of opera-tional warheads is not unique to the US, and there has been movement in the UK as well. On the one hand – and after a major public debate, in which some voices claimed that Britain should be the first NPT nuclear weapons state to announce full disarmament – in December 2006 the Blair government an-nounced its decision to maintain a nuclear deterrent capability beyond 2020. The gov-ernment chose to purchase new ballistic missiles submarines between 2012 and 2027 to replace their current ones. However, this decision was followed by another to reduce the British nuclear stockpile by 20 percent. This reduction completes a total reduction of the British nuclear arsenal by 50 percent since 1997. The foreign secretary at the time, Margaret Beckett, maintained that the UK now had the smallest arsenal of the five rec-ognized nuclear weapons powers, and that it accounted for only 1 percent of the global stockpile of nuclear weapons.[9] The British plan was to reduce their operational war-heads stockpile from "less than 200" to "less than 160." This goal was reached by Novem-ber 2007.[10]

In March 2008, France followed the US and Britain with its own announcement of a nuclear stockpile reduction, albeit a more moderate one. President Nicolas Sarkozy announced that France will reduce its air-launched nuclear warheads by a third. Ac-cording to some estimates France currently has approximately 60 air-launched war-heads, which means that the actual reduc-tion will be only around 20 warheads. This reduction will leave France with fewer than 300 operational warheads, half the number it had during the height of the Cold War.[11]

The two additional NPT nuclear weapons states have so far not committed themselves to similar unilateral reductions of their nu-clear arsenals. Russia currently has approxi-mately 5,200 operational warheads and 8,800 warheads in reserve or awaiting dismantle-ment, which makes it the owner of the largest nuclear arsenal in the world. Russia is com-mitted by 2012 to SORT levels of operational warheads (per its bilateral agreement with the US), but as long as it continues to feel that its conventional forces are relatively weak, it will likely emphasize the importance of its nuclear deterrent as a hedge against both nuclear and conventional threats.[12] Therefore, further nuclear stockpile reductions, espe-cially unilateral ones, are not likely.

The case of China is different. China has maintained its belief in the concept of "no first use," and until recently, also of minimum deterrence with regard to its nuclear arsenal. China even went so far as to claim publicly in 2004 that its nuclear arsenal is the smallest of the five NPT nuclear weapons states.[13] This arsenal was deemed the minimum necessary for credible deterrence. However, due to its small size, a further reduction of the stock-pile was probably not seriously considered. In fact, a recent official US report claimed that China's nuclear arsenal increased by 25 percent since 2006, reaching a level of about 180 weapons (although this number may indicate an increase in the number of deliv-

What has changed in the new calls for disarmament is the strategic environment of threats, not the deterrent value that is accorded to nuclear weapons.

ery systems and not actual operational warheads).[14] If this assessment is correct, then as of 2008 the British arsenal would be the smallest of the nuclear weapons states.

Nuclear Weapons: Good or Bad for Security?

While the reductions in the nuclear arsenals of the nuclear weapons states are still well short of their pledges under Article VI of the NPT, they are nevertheless significant steps in the direction of disarmament. One of the arguments raised in the context of the debate over the nuclear activities of Iran and North Korea is that the double standard inherent in the NPT – which enshrines the legal status of the five nuclear states (making for two classes of states) – weakens the case for confronting determined proliferators. With the nuclear weapons states not fulfilling their own treaty-based commitments to disarm, it is even more difficult to tackle the proliferation tendencies of these states effectively, namely, with firm and coordinated action.

In a speech in June 2007, then-British foreign secretary Margaret Beckett underscored the link between the call for worldwide nuclear disarmament and efforts to confront proliferators like North Korea and Iran. After embracing the call for a nuclear free world, Beckett described the cases of Iran and North Korea as a factor that makes the debate on disarmament and non-proliferation more immediate and urgent: "I do not believe for a second that further reductions in our nuclear weapons would have a material effect on [the nuclear ambitions of Iran or North Korea]. Rather the point of doing more is this: because the moderate majority of states… want us to do more. And if we do not, we risk helping Iran and North Korea in their efforts to muddy the water, to turn the blame

for their own nuclear intransigence back onto us. They can undermine our arguments for strong international action in support of the NPT by painting us as doing too little too late to fulfill our own obligations."[15]

However, the major factor that has prevented more rapid progress in the direction of disarmament is the steadfast belief on the part of the nuclear weapons states that nuclear weapons continue to play an important role in their overall national security. This perception has yet to be undermined, and when reductions are discussed, they are always couched in the language of "due to the reduced threat that we face, we can afford to reduce our arsenals." The idea – advanced very often by NGOs focused on disarmament, and by some non-nuclear states – that nuclear weapons in themselves are reprehensible and in any case undermine rather than enhance national security has not permeated the official thinking in any of the nuclear weapons states.

The unilateral decisions by the US, Britain, and France to retire and dismantle large numbers of warheads were mainly due to operational considerations. The retirement of old warheads, and in some cases also their associated delivery systems, allowed focusing the available resources on more modern, reliable, and effective warheads and delivery systems that are considered to be the backbone of the nuclear arsenals of these states, while having little impact on their total nuclear deterrence capability. For example, France decided several years ago to base most of its nuclear deterrent on survivable submarines. Therefore, the role of its airborne nuclear component declined and it was able to make a significant cut in that area.

In the case of the US, the significant stockpile reductions have not influenced its cur-

rent nuclear doctrine. The US continues to reserve the right of nuclear first use, including against non-nuclear adversaries. In addition, the Bush administration continues to debate the possibility of renewing the production of nuclear weapons as part of the Reliable Replacement Warhead (RRW) program.[16]

When explaining the need for new ballistic missile submarines, the British government argued that even though the situation has changed since the end of the Cold War, Britain still needs an independent nuclear deterrent. "The number of countries equipped with nuclear weapons has continued to grow," declared Secretary of State for Defense Des Browne. "We cannot rule out the possibility that at some point in the next fifty years Britain could face a new nuclear threat. To decide now to run down our deterrent would be taking a huge gamble with Britain's future security. A gamble I am not prepared to take."[17]

A similar message was echoed more recently in France. When announcing the French plan for nuclear reductions, President Sarkozy explained the need to maintain a limited arsenal: "Maintaining the competences necessary to dissuasion at the highest level is a fundamental objective for our security. All those who threaten to attack our vital interests would expose themselves to a severe riposte by France." The French president went even further, directly linking the need for a continued nuclear deterrent to the threat from countries like Iran: "Everyone must be aware today that even far-flung powers' nuclear missiles can reach Europe in less than half an hour. I'm thinking in particular of Iran. Iran is increasing the range of its missiles while grave suspicions hang over its nuclear program. Europe's security is at stake."[18]

The challenge of convincing the nuclear weapons states of the need to rely less on nuclear weapons for their security, and to carry out more substantial disarmament efforts, is captured in the interview with Sam Nunn. "People don't know that the nuclear-weapon states have a hard time thinking about national security without nuclear weapons. They've become so relevant," said Nunn. "I think the nuclear powers have varying reasons [for possessing nuclear weapons], but it all goes to dependency on nuclear weapons

psychologically. While the threat environment has changed, the psychology of nuclear weapons for the nuclear powers in most cases has not changed."[19]

Conclusion

While the global disarmament agenda is gaining momentum, a closer look at the rationale behind the trend – at both unofficial and official levels – exposes that it is more in the spirit of "arms control" than classic "disarmament," in that it is focused on threats and relationships, not weapons as such. The new voices advocating disarmament at the unof-

ficial level justify their argument for more determined action by citing diminished threat assessments at the global level (which enable states to risk these reductions), and increased threats at the level of states like Iran and North Korea, which make the reductions imperative. But there is no question – especially at the official level in the nuclear states – as to the continued value of nuclear weapons for deterrence purposes when facing concrete threats. Hence a credible nuclear arsenal is still viewed as necessary by *all* nuclear weapons states – first and foremost against those dangerous proliferators that may ultimately become nuclear states, as well as terrorists who may get their hands on a bomb.

This creates a complex, perhaps unsolvable equation: the nuclear weapons states reassure the potential proliferators that they too are disarming, but in the same breath they underscore their need to maintain a credible deterrent against those very proliferators.

Until there is no longer a perceived need for nuclear deterrents, promoting the goal of nuclear abolishment will be difficult. Moreover, contrary to the argument of the new disarmament advocates, it is far from clear that this is an effective strategy for dealing with determined proliferators. These states must still be confronted on their own terms and in relation to the very real dangers that they present to regional and global stability and peace.

Still, enhancing the vision of a nuclear free world is a worthy goal; at the very least it strengthens the taboo against nuclear weapons use, and even in light of the apparent paradox, it may also help alleviate concerns that the so-called double standard in the nuclear realm weakens the case of the international community in confronting dangerous nuclear proliferators.[20] In the words of Sam

Contrary to the argument of the new disarmament advocates, it is far from clear that nuclear abolishment is an effective strategy for dealing with determined proliferators.

Nunn: "I describe moving toward zero as climbing a mountain, the top of the mountain being zero nuclear weapons. We might not get there in my lifetime, but we need to be heading up the mountain, not down the mountain. We have to head up the mountain together. It's not going to be a unilateral move. It's going to have to be moving up the mountain together and hopefully reaching a plateau so that our children and grandchildren can at least get out their binoculars and see the top of the mountain."[21]

Notes

1 The piece was published on January 4, 2007. One commentator surveyed the impact of the article saying, "The policy community in Washington, DC was astonished by the initial article. Once considered the sole purview of the 'radical left,' the nuclear abolitionist movement was reborn." See Brian Finlay, "The Limits of Zero: How the Rush to Abolition May Not Make Us More Secure," Henry L. Stimson Center, January 22, 2008.

2 George P. Shultz, William J. Perry, Henry A. Kissinger, and Sam Nunn, "Toward a Nuclear-Free World," *Wall Street Journal*, January 15, 2008.

3 "Each of the Parties to the Treaty undertakes to pursue negotiations in good faith on effective measures relating to cessation of the nuclear arms race at an early date and to nuclear disarmament, and on a Treaty on general and complete disarmament under strict and effective international control."

4 Daryl G. Kimball and Miles A. Promper, "A World Free of Nuclear Weapons: An Interview with Nuclear Threat Initiative Co-chairman Sam Nunn," *Arms Control Today*, March 2008.

5 "Toward a Nuclear-Free World."

6 Adapted from: Hans M. Kristensen, "Status of World Nuclear Forces," http://www.nuke-strat.com/nukestatus.htm, January 3 2008; Robert S. Norris and Hans M. Kristensen, "Russian Nuclear Forces, 2008," *Bulletin of the Atomic Scientists*, May-June 2008, pp. 54-55;

Robert S. Norris and Hans M. Kristensen, "US Nuclear Forces, 2008," *Bulletin of the Atomic Scientists*, March-April 2008, pp. 50-52.

7   Norris and Kristensen, "US Nuclear Forces, 2008," p. 50.

8   Ibid.

9   "Maintaining the UK's Nuclear Deterrent," Foreign and Commonwealth Office, http://www.fco.gov.uk/resources/en/press-release/2007/03/fco_hp_npr_041206_trident-beckett, March 9, 2007.

10 "UK Nukes Hit New Low," http://total-wonkerr.com/1575/uk-nukes-hit-new-low, February 26, 2008.

11 "French Nuclear Reductions," http://www.armscontrolwonk.com/1828/french-nuclear-reductions, March 21, 2008.

12 Norris and Kristensen, "Russian Nuclear Forces, 2008," p. 54.

13 "Fact Sheet: China: Nuclear Disarmament and Reduction," Ministry of Foreign Affairs of the PRC, http://www.fmprc.gov.cn/eng/wjb/zzjg/jks/cjjk/2622/t93539.htm, April 27, 2004.

14 Hans M. Kristensen, "Chinese Nuclear Arsenal Increased by 25 Percent Since 2006, Pentagon Report Indicates," FAS Strategic Security Blog, http://www.fas.org/blog/ssp/2008/03/chinese_nuclear_arsenal_increa.php, April 8, 2008.

15 "A World Free of Nuclear Weapons? Speech by the Foreign Secretary Margaret Beckett," http://www.britischebotschaft.de/en/news/items/070625.htm, June 25, 2007.

16 Noam Ophir, "The Core of the Matter: US Doctrine on Nuclear Weapons use, 1988-2008," *Strategic Assessment* 10, no. 4 (2008): 77-84.

17 "Maintaining the UK's Nuclear Deterrent," Foreign and Commonwealth Office, http://www.fco.gov.uk/resources/en/press-release/2007/03/fco_hp_npr_041206_trident-beckett, March 9, 2007.

18 "Sarkozy Announces French Nuclear Cuts, Warns Iran," http://www.nti.org/d_newswire/issues/2008_3_21.html#26A49F5F, March 21, 2008.

19 "An Interview with Nuclear Threat Initiative Co-chairman Sam Nunn."

20 While the steps taken by the US, Britain, and France are welcome, Russia and China lag behind with regard to this new momentum. Interestingly enough, the former three states are nonetheless subject to criticism for not living up to their disarmament commitments much more often than the latter two.

21 "An Interview with Nuclear Threat Initiative Co-chairman Sam Nunn."

How Green Was My Dollar:
Increased US Dependence on the Gulf States?

Nizan Feldman

At a meeting that took place in 1971 during the Nixon administration between then-Treasury Secretary John Connally and European colleagues, Connally charged: "The dollar is our currency, but it is your problem." Although more than 37 years have passed since the saying was coined, it seems that it encapsulates some of the main sources of tension in today's fiscal world as well. While the dollar is US currency, its use as the means of exchange in most international trading, the unit of account for pricing oil and other goods, and the dominant reserve currency of most central banks makes the decline in its value over the past year the problem of many economies around the world. However, in contrast to the saying's original context, the erosion in the value of the dollar is not just "your" problem but also one of the principal economic challenges currently facing the US administration. It may even become a major strategic challenge for US foreign policymakers if the decline of the dollar continues to impact on trade in the coming months as well.

Evidence of the concern over the dismal performance of the dollar among policymakers in the strategic field was conveyed by Director of National Intelligence Michael McConnell, in a briefing to the Senate intelligence committee in February 2008. Departing from familiar security issues, McConnell surprised the committee when he declared that the decline of the dollar could have considerable impact on US national security. He noted that the decrease in the value of the dollar in 2007 prompted Syria, Iran, and Libya to ask their oil import-ers for non-dollar currencies, and contributed to Kuwait's decision to stop linking the local currency to the dollar. These trends, he contended, might gain momentum and spill over to other oil exporters, should faith in the US currency continue to decline.[1]

Examination of the current political-economic debate in the Gulf states as well as the discussions among OPEC countries indicates that some of the world's largest oil exporters are trying seriously to initiate moves designed to reduce and even cancel the direct connection between oil and the dollar. Iran

Nizan Feldman, Neubauer research fellow at INSS

and Venezuela, motivated by political considerations, are working to advance the idea of no longer pricing oil in dollars, as they feel that such a move could harm United States hegemony. In contrast, the discussions in Saudi Arabia and the other Gulf states on reducing the dependence of their economies on the performance of the dollar has accelerated, in the wake of the economic challenges confronting them due to the fall of the dollar.

This essay describes the global economic processes that strengthen the voices in the Gulf urging reduced dependence on the US dollar. The decline of the dollar may sharpen both calls for the Gulf states to change the exchange rate regime and cancel linkage of the local currency to the dollar, and calls to end the pricing of oil in dollars. As the dollar's strength comprises a central component in the US standing in the international arena, the increase in such calls will likely be accompanied by a US diplomatic effort to guarantee that its Gulf allies will not surprise it with unilateral financial moves that might damage the dollar's status.

The Problem of a Low Dollar for the Gulf States

The increase in demand for energy products, driven by the growth of emerging markets along with only moderate growth in world oil supply, is the main factor responsible for the rise in oil prices that began in 2002. Most of the oil producers have reached the limit of their production ability, and therefore any concern about heightened political tension that might harm the pace of production among any of them sends the price of oil skyrocketing. However, since the outbreak of the crisis in the US mortgage market in the summer of 2007, a significant part of the eco-

nomic debate about the energy market has shifted from the real and political factors to over-emphasis on speculative factors. Many economists and oil exporters claim that the sharp increase in the price of oil over the last year is not a result of a supply shortage, rather, primarily a result of a weak dollar and uncertainty in the financial markets.

The inverse relationship between the value of the dollar and the price of oil stems from the fact that investment in the commercial market is viewed as an acceptable way to protect oneself from the ravages of inflation. The concern of investors over an economic crisis that goes with inflation and the concern over further drops in the interest rate in the United States and the value of the dollar fuel demand for tangible assets such as oil. In addition, since oil is priced in dollars, the profits of the oil companies and oil exporters are adversely affected when there is a depreciation in the dollar's value, and therefore a rise in the price of oil is a corrective mechanism for erosion in the value of the dollar. In this way a situation emerges in which the signs and reports of a possible slowdown in the US economy – reports that generally bring the price of oil down as they indicate a possible decline in demand – not only do not lower the price of oil; they actually boost demand for oil contracts and fuel a sharp rise in its price.[2]

Such a process would seemingly arouse much optimism among Gulf oil producers, for whom oil export is the source of most of their product. However, alongside rosy forecasts for continued rapid growth in the Gulf states as a result of the process, a rise in oil prices driven by a fall in the value of the dollar generates challenges and dilemmas. The most acute challenge is the increase in the rate of inflation, which in recent months

broke longstanding records among all the members of the Gulf Cooperation Council (GCC – Saudi Arabia, Kuwait, United Arab Emirates, Oman, Qatar, and Bahrain). Indeed, the ongoing sharp rise in the price of oil is driving an unprecedented economic boom in the GCC countries, and this naturally generates a sharp rise in demand for investment products and a range of consumer products. However, the sharp rise in the inflation rate in the Gulf states is not only a result of the increase in demand noted in most of the financial sectors, but is also the result of the drop in the value of the dollar.

The close connection between the state of the dollar and the rise in prices in the Gulf states results from the exchange rate regime. Except for Kuwait, all the members of the GCC use a fixed exchange rate regime (PEG), according to which the local currency is pegged to the dollar. In other words, the nominal value of the exchange rate is fixed according to the dollar and is not influenced by conditions of supply and demand in the foreign currency market. Therefore, the billions of dollars that flow into the Gulf from the rise in oil prices do not bolster the value of the local currency, and the decline in the value of the dollar in relation to the major currencies around the world leads to a real erosion in the value of the local currencies in the Gulf too. Most of the imports of the GCC countries do not come from the US, but from the East and the euro bloc, so the decline in the value of the dollar pushes up the price they have to pay for imported goods and raw materials.

In order to maintain their exchange rate regime the GCC countries have to adopt the monetary policy of the Federal Reserve, which is currently trying to extricate the United States from a recession by aggressive reduction of the interest rate.[3] That is, the Gulf states cannot cool down their economies by raising the interest rate but have to maintain a low interest rate at a time when their economies are growing rapidly. As there is hardly any way to restrain the inflation rate through a monetary policy,[4] the governments are forced to compensate for the erosion in real wages by raising wages in the public sector, expanding government subsidies on a range of products, and increasing supervision of the price of basic food products. In other words, the Gulf states pursue a cyclical policy, which can lead to a further acceleration in the rate of inflation.

In February the rate of inflation in Saudi Arabia broke a 27 year record when it reached 8.7 percent, and the central bank there estimates that in 2008 the annual inflation rate could reach 10 percent. In Qatar and the UAE the picture is even gloomier, with the 2007 inflation rates reaching about 14 and 11 percent, respectively (the highest in 19 years). Bahrain and Oman, oil producers that do not belong to OPEC, likewise have high inflation rates.[5] Significantly, Kuwait, which stopped linking its currency to the dollar and began instead to link it to a basket of currencies in May 2007, is also suffering from high inflation rates. The relative part of the dollar in the basket of currencies to which the Kuwaiti dinar is linked is large, and therefore Kuwait is forced to follow the US monetary policy and reduce its interest rate.

The effect of these figures on the economic-political situation in the Gulf states is better understood when the price rise is broken down into the various economic sectors. A significant part of the inflation in Saudi Arabia is driven by a rise in housing rates (18 percent) and food prices (13 percent). The rise in food prices in the other GCC coun-

The billions of dollars that flow into the Gulf from the rise in oil prices do not bolster the value of the local currency, and the decline in the value of the dollar leads to a real erosion in the value of the local currencies in the Gulf.

tries is higher, as they import even more of their food than Saudi Arabia. Indeed, food riots have erupted in Saudi Arabia, the UAE, and Kuwait. Furthermore, most of the factors driving the rise in oil prices are the same elements that have generated a sharp rise (tens of percent) in food prices around the world. Growth in China and India has not only boosted steeply the demand for oil, but also world demand for basic food products. The sharp rise in oil prices has galvanized efforts to find alternative sources of energy produced from sugar cane and corn, and the governments that are encouraging farmers to cultivate these crops to produce ethanol are prompting the price rises. Food prices are also influenced by speculative trading and concern over inflation, and the decline of the dollar expands electronic trading in contracts for food products just as it boosts demand for oil futures contracts.

The close connection between the prices of oil and food products indicates that the Gulf states are able to ease the political tensions to a degree caused by the domestic rise in food prices and elsewhere in the Arab world. A decision to increase oil production will reduce its price and is also likely to reduce the price of food products, and may even contribute to a strengthening of the dollar. However, the oil spare capacity from OPEC, most of which comes from Saudi Arabia, is currently only about 2 million barrels of oil a day and the impact of increasing oil pumping on a drop in food prices is unclear.[6]

In any case, for now the Gulf states are concerned that a possible slide into a world recession will ultimately lead to a decline in the global demand for oil and a drop in price. Thus, they are not looking to increase the rate of production and invite a move that will harm their revenues. At its March meeting,

Correlation between Dollar Value and Price of Commodities
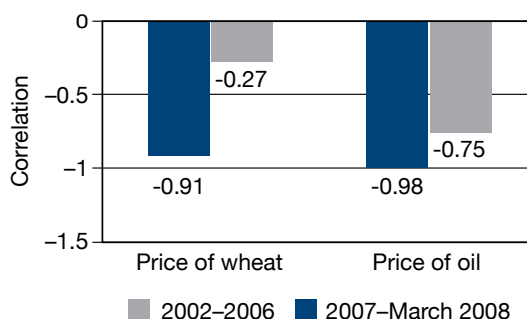
Source: *TD Economics*

As evident from the graph, the negative correlation between the value of the dollar and the price of goods strengthened in the past year and a half, as compared with 2002-2006. In other words, a recent decline of the dollar caused a sharper rise in prices than was caused by the same percentage of decline in 2002-2006.

OPEC rejected the US request for an increase in the rate of oil production. OPEC president Shakib Khalil declared that the cartel does not intend to discuss a change in its quota policy before its next meeting in September, as the rise in the price of oil is a result of "mismanagement" of the US economy and the state of the dollar and does not reflect insufficient supply.

The desire of the Gulf states to continue benefiting from the economic surge fueled by the upturn in the oil market, and concern that the adverse effects of inflation will blunt the achievements of growth and generate political tensions, sparked calls to change the exchange rate regime and move away from permanent linkage to the dollar. The release of the February inflation figures along with an increase in the forecasts of a further rise in world food prices ignited a wave of speculation that one or more GCC members might

suddenly de-peg their currencies from the dollar to block the price rises.[7]

By early April 2008 these speculations appeared little likely to materialize, once the UAE announced that it did not intend to change its exchange rate regime. The progress made in negotiations between the governors of the major banks – talks designed to establish a monetary union between the GCC member countries by 2010 – also quelled concern somewhat that one of the Gulf states would suddenly announce it is breaking away from the dollar. The governor of the central bank of Saudi Arabia noted during the discussions that the currency of the planned monetary union would be linked to the dollar. He said that over the years pegging to the dollar was a stabilizing factor that helped the Gulf states attract direct foreign investments and promote competitiveness among the sectors outside the energy sector.

However, these statements did not long satisfy the local media, official elements, and international financial bodies. Many financial institutions estimate that a rise in inflation and a renewed wave of food riots will prompt one of the GCC members to consider seriously the possibility of moving away from dollar linkage in the coming months.

Concern for the United States?

The possibility that one of the Gulf states would announce a change in its exchange rate regime has aroused concern in the US, since a step of this sort would signal a permanent decrease in demand for dollar assets by the country ending its dollar linkage, and in addition, would indicate a further loss of faith in the United States economy and currency.

A loss of faith in the dollar is often perceived as a threat to the national interests of the United States, since the dollar's standing is one of the sources underlying American power. The fact that the United States pays for its imported goods in the currency that it itself issues gives it a unique status in the financial system, and this standing allows it to finance its domestic and international activity easily. The willingness of countries such as China and Saudi Arabia to receive dollars for their product, and their willingness to use these dollars to purchase bonds issued by the American government allows the United States to maintain low interest rates and cut funding costs on its "double deficit" (budget deficit and balance of payments deficit). In addition, the willingness of the world's economies to accumulate dollars gives the US the ability to increase the rate of dollar printing without generating internal inflationary pressure.

Thus, it is not surprising that US adversaries in OPEC are trying to advance the idea of stopping oil pricing in dollars. Ahmadinejad and Chavez claim that one of the factors that sustains the readiness of the world's economies and the financial bodies to accumulate dollars results from the security offered by the possibility of converting the dollars into oil and other goods. Venezuela and Iran – which since the beginning of the year has been trying to introduce electronic trading of oil contracts linked to the Iranian currency – view the fall of the dollar as an excellent opportunity to displace the United States and spearhead moves that will unsettle the historic link between oil and the dollar. Should one of the GCC members abruptly stop pegging its currency to the dollar, it may add momentum to such moves.

To be sure, a breakdown of the petrodollar system is not a simple matter that can take place overnight. The ability of the euro

The Gulf states are concerned that a possible slide into a world recession will ultimately lead to a decline in the global demand for oil and a drop in price.

or any other currency to replace the dollar is not guaranteed, but more important, the decline in the value of the dollar does not attest to a drop in its importance. Ahmadinejad can announce at any time that the dollar is "a worthless piece of paper," but this piece of paper accounts for over 65 percent of the reserves of the world's major banks. Consequently, many believe that the United States will continue enjoying the benefits of the dollar for many more years: the fact that many countries have accumulated billions of dollars safeguards the dollar's standing, as those countries will be wary of harming their assets and therefore will not hurry to vary their foreign currency balances radically and reduce demand for dollar assets.[8] According to this logic, the Gulf states have no interest in advancing a unilateral process that may hasten the decline of the dollar. Therefore, they will not abandon linkage to the dollar if they believe that a move of this sort would encourage other countries and financial bodies to sell their dollars. In addition, the decline of the dollar makes US exports more competitive. Thus, some see a change in the Gulf states' currency exchange regime as a move that could improve the international system's balance of trade.[9]

However, in addition to these estimates, there is also considerable research that points in the opposite direction. Numerous studies published in the last two years argue that the rise in the United States' "double deficit" will ultimately reduce the willingness of many countries to accumulate US bonds. This process would eventually lead to a weakening of the dollar's standing as the world's main reserve currency and would harm US hegemony. The countries that have accumulated billions of dollar assets are wary of damaging their assets, but the departure of one ma-

jor player from the dollar is liable to set off a wave that would sweep many countries, which would seek to quickly offload their dollar assets in order to limit the damages.[10] This logic can also be applied to the issue of the exchange rate in the Gulf states. These states have no specific interest in the fall of the dollar, yet the damages caused by inflation due to the dollar linkage might propel them toward a step that could ultimately damage their dollar assets.

Another phenomenon that increases concern over a decline in the dollar's standing is the expansion of the activities of the government investment funds (sovereign wealth funds – SWF). In recent years, China and the oil exporters have accumulated US bonds worth hundreds of millions of dollars, and are therefore not concerned about looking for riskier investment avenues that would bring them greater yield than the returns on the US bonds. Increased investment in alter-

native channels around the world through sovereign wealth funds is expected to grow if the dollar and interest rates in the United States remain low. As such, demand for US bonds and dollar assets may decrease.[11]

Conclusion

It is difficult to determine unequivocally which assessments are more indicated by the processes underway in the Gulf in recent months. On the one hand, there is a clear increase in the desire of the oil producers to vary their foreign currency reserves and look for alternative investments to US bonds via government capital funds. On the other hand, the unreserved support Saudi Arabia has given to its exchange rate regime, despite the inflationary pressures it generates, is an excellent example of the difficulty it and other countries face in leading a move that would harm their dollar assets. At the same time, the two processes show that when oil prices rise and when the US economy experiences difficulties, the interdependence between the United States and its allies in the Gulf deepens. This interdependence no longer only stems from the decisions of the Gulf states regarding the rate of oil production, but extends to the international investment policy and their monetary decisions.

A further decline in the dollar's value along with increased inflation and higher food prices around the world will likely increase the pressure on the Gulf states to abandon the linkage of the local currency to the dollar. The US may react to this scenario in two ways: the administration may invest diplomatic efforts to ensure that the Gulf states do not change their exchange rate regimes. Alternatively, if the US is convinced that one or more GCC members will abandon the linkage out of financial and political

pressures caused by inflation, it may sanction the move, in order to demonstrate that there is no crisis atmosphere between it and its Gulf allies.

There is a difference as to how the markets might interpret a unilateral announcement on de-pegging from the dollar versus the same decision made with US approval. Beyond that, a unilateral decision on changing the exchange rate regime by the Gulf states includes long range financial and political implications, as it may be a first step in a review of the petrodollar systems.

Notes

1 Judy Shelton, "Security and the Falling Dollar," *Wall Street Journal,* February 15, 2008.
2 Many analytical surveys foresee that this process will change soon, and the increase in signs of a recession in the United States will ultimately lead to concerns of a significant drop in demand for oil, a process that will fuel a decline in the price of oil. For example, Lehman Brothers contends that one can already detect a weakening of the inverse correlation between the value of the dollar and the price of oil.
3 If the Gulf states do not adopt the United States' monetary policy they might experience a speculative assault on their currency.
4 The principal monetary recourse the Gulf states have is to raise the ratio of the reserve to the commercial banks.
5 "Saudi Inflation Could Top 10 pct before Easing – Cbank," *Guardian*, April 23, 2008.
6 There are different estimates as to the size of the world spare capacity. For example, *Oil Market Intelligence* claims that the Saudi Arabia's surplus supply of is one million barrels a day greater than the figure given by the Saudis.
7 Numerous articles on the subject have been published both in the press focusing on the Gulf economies and the US financial press. See, for example, Chip Cummis, "Inflation Challenge Persian Growth," *Wall Street Jour-*

nal, March 13, 2007.

8   For example, this is the logic behind the position of Chairman of the Federal Reserve Ben Bernanke. A survey of good literature presenting arguments for maintaining the status of the dollar can be found in Craig K. Elwell, "Dollar Crisis: Prospect and Implication," *CSR Report for Congress* RL34311, January 8, 2008.

9   See, for example, Brad Setser, "The Case for Exchange Flexibility in Oil-Exporting Economist," *Petreson Institute for International Economist,* Policy Brief, November 2007.

10   These arguments are made by Jeffrey Frankel, who argues that the euro may overtake the dollar as the world's reserve currency within 15 years. Jeffrey Frankel and C. Menzie, "The Euro May Over the Next 15 Years Surpass the Dollar as Leading International Currency.," *International Finance* (forthcoming)*,* http://ksghome.harvard.edu/~jfrankel/EuroVs$-IFdebateFeb2008.pdf.

11   Conclusions of this report can be found at: Flynt Leverett, "Black is the New Green," *The National Interest* (January 2008). Nonetheless, one can find extensive literature that does not consider an increase in the phenomenon as a threat to US financial stability. See, for example, Robert Kimmitt, "Public Footprints in Private Markets: Sovereign Wealth Fund and the World Economy," *Foreign Affairs* (January/February 2008):119-30.

A Threefold Cord is not Readily Broken: North Korea's Military Bond with Iran and Syria

Yoram Evron

The supply of nuclear technology from North Korea to Syria, which was discussed publicly following the Israeli Air Force operation in September 2007 and in a recent discussion in the US Congress, is just one facet of North Korea's multi-dimensional military export enterprise to the Middle East, and to Iran and Syria in particular. These exports include the sale of missile technology, the transfer of chemicals, nuclear technology, and even aid to Hizbollah. This situation is not auspicious for Israel, as North Korea is wont to shirk international arms control laws and does not desist from transferring WMD technology. The extreme and isolationist character of the North Korean regime exacerbates the problem, as its considerations, decision making processes, and other elements that need to be factored in to exert any influence on Pyongyang are shrouded in great secrecy. This essay aims to shed light on the transfers of arms and military technology from North Korea to Iran and Syria, and provide the background for discussion of Israel's options in confronting the situation.

North Korea's Military Involvement in the Middle East

Arms exports from North Korea to the Middle East began in the 1980s, when the destination countries included – over different periods – Libya, Yemen, Egypt, Iran, and Syria. Today, as a result of international pressure to cut off military ties with North Korea,[1] Iran and Syria remain its main partners, and this partnership focuses global interest on North Korea's ties with the Middle East. Especially with Iran and Syria viewed as Israel's principal external threats, North Korea's relations with these two countries are of particular significance.

As far as is known, the most extensive cooperation between North Korea and Middle East countries is in the area of ballistic missiles. The ties started toward the end of the Iran-Iraq War, when Iran sought to acquire missiles in response to the Iraqi missile attacks. North Korea, the main supplier, sup-

Dr. Yoram Evron, Neubauer research fellow at INSS

plied during and after the war hundreds of Scud B missiles (280-320 km range). Iran, which adopted a policy of self-reliance, decided to attain the ability to develop its own missiles in view of their strategic importance. Once again, North Korea, along with China and the USSR, provided assistance and played a central role in establishing an industrial infrastructure to manufacture Scud B missiles (the Shehab-1), followed by the Scud C (Shehab-2, 500-600 km range). The missiles became operational but Iran remained dependent on imports of critical components critical for the manufacture of the missiles. The cooperation between the two countries continued with the development of the Shehab-3 missile based on the North Korean Nodong-1 missile (range of about 1,300 km). Over the last decade, Iran has been helped by North Korea in the development of the Shehab-4 missile, based on the North Korean Taepodong-1 missile (range of about 2,000 km) or the Taepodong-2 missile (range of about 10,000 km), whose development was reportedly funded partly by Iran.[2] In addition, the two countries are cooperating on the development of an advanced version of the Chinese C-802 cruise missile. Meanwhile, North Korea has continued to sell advanced missiles to Iran; in 2006, for example, it transferred to Iran 18 BM-25 missiles with a range of 2,000 km.[3]

Syria followed a similar route to acquiring an arsenal and the ability to manufacture ballistic missiles. In 1990 Damascus and Pyongyang signed a contract for the sale of 150-200 Scud C missiles and 12-18 launchers. The agreement also involved the transfer from North Korea to Syria of an assembly and production line that produced some of the missiles. In 2000 there were reports that the two countries signed a transaction for the

sale of Scud D missiles, with Syria receiving several dozen missiles.[4] Finally, North Korea also helps Syria and Iran build underground storage facilities for the missile systems and maintain the missile base, and shares with them the know how it accumulates from its own missile testing.[5] Ultimately, with North Korea's help Iran and Syria developed manufacturing abilities and the most significant stockpiles of ballistic missiles in the Middle East, except for Israel.[6]

Another area in which these countries are apparently cooperating is nuclear weapons. What this cooperation involves, its scope, and how long it has been going on is much more elusive.[7] What is known is that even though the nuclear programs of North Korea and Iran are seemingly advancing along different routes – North Korea's program is based on plutonium and Iran's is based on uranium – there is nonetheless technological cooperation between them. First, the countries' nuclear programs are partly based on know how and components from the illegal distribution network of Abdul Qadeer Khan, the driver behind the Pakistani nuclear program. Second, in addition to the plutonium program, North Korea is suspected of having secretly run a program based on uranium enrichment.[8] These factors, and the fact that the other suppliers of the Iranian nuclear program (principally Russia and China) have greatly downscaled their cooperation due to international pressure, raise the suspicion that the two military partners are also maintaining ties in the nuclear area. Indeed, there have been assessments regarding the possibility that North Korea is transferring nuclear materials and know how to Iran.[9]

According to the information revealed in the United States last April, it appears that nuclear cooperation with Syria began back in

1997 and has involved the supply by North Korea of technological expertise for the construction of a reactor for the manufacture of plutonium. This expertise included plans for construction of the reactor, expert advice, and transfer of equipment and materials. According to the same assessments, when the reactor was bombed by Israel it was close to completion, and could have been activated within a short space of time.[10]

Finally, there is military cooperation between North Korea and Syria in the areas of conventional weapons and terrorism. For example, a shipment of aerial defense systems sent from North Korea to Syria and seized by Cyprus in September 2006 reportedly contained components that can be used for missile launchers.[11] In addition, a report prepared for the US Congress highlighted the military aid given by North Korea to Hizbollah, which operates under Iranian and Syrian auspices.[12] According to the report, relations between them started in the late eighties when senior Hizbollah members underwent several months of training and preparation in North Korea. This cooperation grew after 2000, and experts from North Korea went to Lebanon to instruct Hizbollah activists in the construction of trenches and underground bunkers. As became clear in the Second Lebanon War, these subterranean systems ("nature reserves" in IDF lingo) played an important role in Hizbollah combat.

Also attributed to North Korea is assistance with constructing a missile force for Hizbollah. According to the report, the missiles launched on Israel by Hizbollah during the Second Lebanon War were assembled in Iran with components that came from North Korea. In this case the North Korea link is not direct, as in the previous example, and one could argue that North Korea was not aware of this. However, in view of the close ties between the three parties and the importance countries attach to the identity of the end user of weapon systems they export, it is hard to assume that the missiles were transferred to Hizbollah without North Korean consent.

North Korean Interests

The varied objectives and considerations that guide North Korea's decisions regarding arms supply to Iran and Syria fall into two main groups: obtaining financial resources and advancing military development programs.

Although official figures are not publicized, the North Korean economy is known as among the most centralized and insular economies in the world, and certainly one of the weakest. The GDP there is $1,800, the public expenditure is estimated at around $3 billion (for the sake of comparison, expenditure in Israel, whose population is about one third of North Korea's, is about $60 billion), and its foreign trade is estimated at about $5 billion a year (Israel – $100 billion).[13] Due to the weakness of its industry and agriculture North Korea finds it difficult to increase its revenue, while at the same time political changes in the Soviet Union/Russia and China have reduced their economic support of North Korea and their willingness to provide it with subsidized energy sources. These circumstances endanger the regime of Kim Jong-il, whose survival depends on ensuring the lifestyle of the elite and providing the population's basic needs.[14]

Therefore, Pyongyang has developed unconventional sources of income (including circulating counterfeit dollars, drug trafficking, manufacturing forged cigarettes and pharmaceuticals, produced under the aus-

Table 1: Arms Exports from North Korea to the Middle East, 1996-2006 ($ m.)

	'90	'91	'92	'93	'94	'95	'96	'97	'98	'99	'00	'01	'02	'03	'04	'05	'06	Total
Iran	4	111	132	148	9	9	4	4	2									424
Syria		96	96	53	43	43	21				13	13	13	13	13			415
Total	4	207	228	201	52	52	25	4	2		13	13	13	13	13			

Source: SIPRI Arms Transfers Database, in: http://armstrade.sipri.org

pices of the government and in conjunction with regional crime organizations),[15] and sought alternative suppliers of energy sources. The military cooperation with Iran, and (probably) through it with Syria and Hizbollah, serves these objectives. Arms exports bring in on average at least tens of millions of dollars a year (table 1; it is probable that revenue from arms exports is higher than indicated, as the figures include only the transfer of conventional arms and missiles and not sale of know how, transfer of parts, cooperation in non-conventional areas, disguised weapons shipments, and so on), ensure oil supplies from Iran, and allow North Korea to erase its debts to Tehran and in part pay for the oil it buys from it.[16]

The second benefit gained by Pyongyang from its military cooperation with Iran and Syria is advancement of its arms programs. There is some narrow historic, ideological, and cultural common ground between North Korea and Iran and Syria, but the political and strategic circumstances in the international system since the 1990s have generated a common denominator between them. Politically, the resistance of the three countries to the US-led world order has positioned them as the most centralized and isolationist countries in the world. In fact, Syria has apparently replaced Iraq as the third member of the axis of evil that was announced by President Bush in 2002 and considered one of the main threats to the international arena, with its members – particularly North Korea and Iran – subject to intense international pressure to change the nature of their regimes and modus operandi. These regimes perceive the international demands as a threat to their very survival, a danger to their aspirations and regional standings, and in the case of North Korea, a danger to the very existence of the country as a sovereign political entity.

These political circumstances also bring the countries closer in strategic terms. In view of their hard line political stances, the three experience stiff military rivalry with other countries in their regions and are threatened implicitly by the United States. Given their meager economic and technological resources, they have limited ability to accommodate these threats and cannot build up a standing military to counter the armies that might potentially overcome them. Under these circumstances the three countries have adopted the strategy of developing an asymmetric deterrent force based at least in part on targeting the enemy's weak points. The main components of this strategy include attaining military means that can damage the enemy's rear (including non-conventional warheads) and surface-to-surface missiles for delivery.

The development of this range of means is itself complicated, but it spares the three countries a quantitative and qualitative symmetrical arms race with their enemies, which none are capable of maintaining.

Adopting a similar military strategy generates a basis for cooperation between the three countries. While fear for its survival – particularly concern over a US attack – motivated the North Korean regime to develop a nuclear program and missiles, the international pressure exerted makes it difficult for it to advance these programs. The tests it conducts incur international censure and sanctions that limit its ability to import the components and materials it needs for these programs.[17] Here the cooperation with Iran and Syria is quite valuable. In technological terms, the operational use made by Iran of the missiles it received from North Korea during the war with Iraq, its willingness to allow testing of North Korean missiles at its test sites, and provision of data it obtained from the missile tests it itself conducted has provided Pyongyang with much valuable information. In addition, the military cooperation with Iran helped to fund its military development programs, and the large number of missiles purchased by Iran and Syria allowed North Korea's production capability to move on to a new, larger phase.[18] Second, according to reports in the press, there is the possibility that North Korea is clandestinely selling to Iran and Syria nuclear facilities and materials that it undertook to destroy as part of its negotiations with the United States in the Six-Party Talks (with South Korea, China, Japan, and Russia), ongoing since 2002, about dismantlement of its nuclear program.[19] Nonetheless, it is clear to North Korea that cooperation with Iran and Syria should be pursued with extreme caution as

its exposure as a supplier of non-conventional weapons may harm the fragile talks. With the tightrope tactics it is using, such exposure is liable to be one pull too many on the slender thread that binds the whole process together, and the achievements reached to date – particularly direct talks with the United States – might evaporate. This dilemma is clear both to North Korea and Iran. Thus in addition to the shared fate thrust on them by circumstances, they examine their steps very carefully and are highly suspicious of one other.[20]

Assessment

The current situation has generated a certain shared fate between North Korea, Iran, and Syria. The three countries face US-led international pressure, but compliance threatens the survival of their regimes. On the other hand, maintaining the confrontation is wearing them down. Complicating matters further is that the United States, which plays a central role in both East Asia and Middle East arenas, employs different strategies with Iran and with North Korea: while the United States is conducting open negotiations with North Korea, it has adopted a harder line with Tehran, refusing to hold direct talks as long as Iran continues with its uranium enrichment program, and has not ruled out the possibility of a military option.[21] Possible reasons for this disparity in strategies are: (a) due to its control of oil reserves and its standing in the Persian Gulf, Iran is viewed by Washington as the greatest danger to American interests; (b) it appears that Iran's commitment to its nuclear program is greater than North Korea's; and (c) using a military force against North Korea is expected to exact too high a price, given both the concern that North Korea has already

attained nuclear weapons, and the opposition among the US' partners in the Six-Party Talks.[22] On the other hand, from the point of view of nuclear weapons proliferation in the world, North Korea is considered as a more dangerous country than Iran, with the suspicion that North Korea is less inhibited and for financial gain would not be deterred even from transferring nuclear bombs,[23] which is probably without precedent.

This shifts the spotlight to the United States, which plays a central role in all the relevant arenas. Proliferation of nuclear weapons from North Korea to the Middle East is a secondary result of two more extensive related processes. The first is the struggle for survival of the North Korean leadership, a fight that includes the last vestiges of the Cold War. The second process is Iran's struggle to preserve the leadership's values and to consolidate its regional standing, a struggle that has also engulfed Syria. The similarity between the two processes is only partial, as each is underway within a particular matrix. Nevertheless, their basic outlines cast the three main players facing the United States within the same framework, which places them under the most intense pressure and ultimately pushes them into highly risky cooperation that in other circumstances might have been too dangerous to undertake. The United States has to maneuver in this domain while taking into account how activity in and pressures on eastern Asia impact on efforts in the Middle East, and vice versa. Because of the complex matrix of pressures, risks, and constraints on each area, this process is far from easy.

The immediate casualty of the cooperation between Pyongyang and Tehran and Damascus is Israel, which is identified, directly or indirectly, with the confrontations

that spawned this cooperation. Other than the direct and strong hostility that exists between Israel and Iran and Syria against an ideological and territorial backdrop, Israel is also identified as a close ally of the US. This generates a value basis for military cooperation between North Korea, Iran, and Syria, which arouses faint memories of the support of the Soviet bloc for the Arab struggle against Israel during the Cold War, though

this is certainly not the main factor underlying their cooperation. On the other hand, this factor should not be dismissed entirely since it helps explain, for instance, North Korea's assistance to Hizbollah. Thus, Israel would do well not to make do with monitoring the end stage of arms proliferation from North Korea to the Middle East – i.e., actual transfer of arms – but should also take a close look at the processes that lie at the root of the matter. This analysis, which focuses on the East Asia situation and the Six-Party talks, is one of the conditions for understanding and forecasting the dynamics of relations between North Korea, Iran, and Syria, and defining the pos-

sibilities of taking action in this area. Furthermore, Israel should labor to ensure that North Korea's Middle East connections are on the agenda of international parties, especially the United States, for example through documenting how the cooperation between Pyongyang and Tehran, and perhaps Damascus as well, advances North Korea's armament program. In other words, proliferation of military technology from North Korea to Iran and Syria is not a one-way street that impacts only on the Middle East, rather a circular process that influences North Korea's neighbors and adversaries as well.

Notes

1   UN Security Council resolutions 1695 (July 2006) and 1718 (October 2006) ban imports and exports of arms from North Korea.

2   Agreements signed by Iran and North Korea in 1985 and 1992 included help with funding the missile development programs. Due to scant information, it is difficult to evaluate the amounts allocated for the development programs, the exact designation of the funding, and so on. See Daniel A. Pinkston, *The North Korean Ballistic Missile Program* (Carlisle: Strategic Studies Institute, U.S. Army War College, 2008), pp. 16-18; and Mark Fitzpatrick, "Iran and North Korea: The Proliferation Nexus," *Survival* 48, no. 1 (2006): 62-64.

3   Ibid.

4   "Report: Syria Advised by North Korean Chemical Arms Experts," *Haaretz*, February 19, 2008, www.haaretz.com/hasen/spages/928122.html.

5   Michael Sheridan, "A Tale of Two Dictatorships: The Links between North Korea and Syria," *Times Online*, September 16, 2007, in: www.timesonline.co.uk/tol/news/world/asia/article2452356.ece.

6   This assessment is based on the Institute for National Security Studies (INSS) data on the Middle East military balance. The data that has been published on Israel's missile reserves is very sketchy. See: www.inss.org.il/memb.php.

7   In this context, see Emily B. Landau, "Syria, September 6: Sharpening Questions and Dilemmas," *Strategic Assessment* 10, no. 3 (2007): 14-15.

8   Wade L. Huntley, "Rebels without a Cause: North Korea, Iran and the NPT," *International Affairs* 82, no. 4 (2006): 723.

9   Barak Ravid, "Concern: Nuclear North Korea in Iran," *Haaretz*, April 7, 2008.

10 "Background Briefing with Senior U.S. Officials on Syria's Covert Nuclear Reactor and North Korea's Involvement," April 24, 2008, in www.cfr.org/content/publications/attachments/NKSyriapdf.pdf.

11 GlobalSecurity.org, in: www.globalsecurity.org/wmd/library/news/syria/2006/syria-060911-voa01.htm.

12 Larry Niksch and Raphael Perl, *CRS Report for Congress: North Korea: Terrorism List Removal?*

13 The World Bank, in: http://web.worldbank.org/WBSITE/EXTERNAL/DATASTATISTICS/0,contentMDK:20421402~pagePK:64133150~piPK:64133175~theSitePK:239419,00.html#IDA; U.S. Central Intelligence Agency, *The World Factbook*, in: www.cia.gov/library/publications/the-world-factbook.

14 Andrew J. Coe, "North Korea's New Cash Crop," *Washington Quarterly* 28, no. 3 (2005): 74.

15 Raphael Perl and Dick K. Nanto, *CRS Report for Congress: North Korean Crime-for-Profit Activities* (Washington: Congressional Research Service, February 2007).

16 Alon Levkowitz, "Iran and North-Korea Military Cooperation: A Partnership within the 'Axis of Evil,'" *Iran-Pulse* 10 (February 26, 2007): 2.

17 For example, Security Council resolutions 1695 and 1718 were taken following missile testing and nuclear testing carried out by North Korea in 2006, while the missile test of August 1998 led to a decision by Japan not to help with funding a nuclear reactor for peaceful purposes promised to Pyongyang as part of a treaty Japan signed with North Korea in 1994. See note 1 above, and "World: Asia-Pacific Anger at North Korean missile launch," *BBC News*, September 1, 1998, in: http://news.bbc.co.uk/2/hi/asia-pacific/161513.stm.

18 For details and examples of the technological cooperation noted see Ephraim Kam, *From Terror to Nuclear Bombs: The Significance of the Iranian Threat* (Tel Aviv: Ministry of Defense Publishing House and Jaffee Center for Strategic Studies, 2004), p. 214; Levkowitz, "Iran and North-Korea," pp. 1-2.

19 For the actual existence of these possibilities, see Yoav Stern, "Report: North Korea and Syria Cooperate on Building a Nuclear Plant," *Haaretz*, October 17, 2007.

20 Fitzpatrick, "Iran and North Korea," p. 66

21 Channel 10 News, May 15, 2008; Yossi Melman, "Secret Contacts Revealed between the Americans and the Iranians," *Haaretz*, April 15, 2008; Emily B. Landau and Ram Erez, "The Nuclear Dimension of 'Axis of Evil': Different Strategies for Different Threats," *Strategic Assessment* 6, no. 1 (2003): 7-13.

22 Okmin Chung, "U.S. Approaches toward the Two Remaining 'Evils,'" *Korean Journal of Defense Analysis* 17, no. 1 (2005): 195-98.

23 Nir Reichtal, "The Nuclear Threat from the East is Closer Than Ever," Ynet, January 18, 2008, www.ynet.co.il/articles/0,7340,L-3494304,00.html.

Victims of Friendly Fire:
The Winograd Commission vs. the Citizens of Israel

Gabriel Siboni

From the perspective of a few months it appears that the public response to the Winograd Commission findings has been minimal. Nevertheless, the report lies in the public domain and one should not underestimate its impact on decision makers and on public opinion in Israel and the region.

In depth examination of both parts of the report – the partial version and the final report – raises a considerable number of questions with regard to its relevance to the security challenges facing the State of Israel. Moreover, the testimonies that were published and in particular the questions the commission put to the witnesses allow close examination of the commission's approach to the security reality that Israel confronts.

This article aims to examine two basic issues on which the commission took a strong stand: the results of the war,[1] and the decision making processes in Israel's defense establishment. The "commission of inquiry culture" that has developed in Israel over the years, with its negative impact on the security establishment, has come under fire.[2] It seems that the Winograd Commission has itself contributed to justification of this criticism. Two examples: first, the commission did not adequately assess the known implications of the change to Israel's security threat, and therefore its conclusion regarding the IDF's failure to achieve victory at the end of the war is problematic, if at all of any value.[3] Second, the commission addressed and attached great importance to the decision making processes involved in launching the war and during the war. This article attempts to examine these two topics, and to suggest the problematic nature of the commission's opinions.

Dr. Gabriel Siboni, research associate at INSS

Changes in the Nature of the Threat and the Security Concept

Since its creation, the State of Israel has been threatened by neighboring countries and different organizations using terror activities of varying dimensions, both inside and outside its borders. The principal threat that Israel had to face was the threat of invasion by an Arab country or a coalition of Arab countries that aimed to conquer territory.[4] The IDF's buildup and the security solution that was devised allowed Israel to defend the country and move to an offensive mode, for example, during the Yom Kippur War. In practice, over the years Israel has been able to offer an effective solution to threats against it and to deter Arab countries from carrying out the threatened scenario. The security concept was based on three familiar pillars: deterrence, warning, and decision.

In addition to this approach, an ongoing security concept became rooted in the IDF regarding the use of force (that was generally based on territorial defense) for guarding the country's borders and other areas under IDF authority (for example, the West Bank). A popularly held idea was that every few years, when a military threat to the country becomes more heightened, the reserve forces are called up for a short period in order to quell the threat. Once the threat is removed, the country returns to the regular security routine and the reservists resume their normal lives. This scenario generated the expectation among citizens (and even among some of the leaders) that the Second Lebanon War would conform to a similar model. However, the war arrived and revealed a change in the essence of the threat.

This change is so fundamental that it demands an update in Israel's security concept. Once the enemies of the state understood, following a gradual and ongoing process, the IDF's abilities in dealing with a classic threat, a new threat was devised, namely: amassing a massive high trajectory firepower capability against the front and rear while developing combat abilities based on guerilla tactics.[5] These capabilities were developed both by countries such as Syria and by organizations like Hizbollah in Lebanon and Hamas in the Gaza Strip. The greatest danger of this threat does not lie in the physical damage that can be caused by Qassam rockets, which for the most part is limited. The greatest danger stems from the ongoing and sustained erosion of public faith in the country's ability to protect it. This is a highly serious threat that undercuts one of the most fundamental principles of the contract between a citizen and his country.

In addition, Israel is currently faced with one of the most significant security challenges it has had to address since its establishment – the Iranian threat. The Second Lebanon War clearly revealed Iran's role as a leader of the war against Israel. Iran's nuclear program is the strategic part of the struggle, and figures in addition to efforts to position Iranian operational strongholds along Israel's borders: Hizbollah in the north, Hamas in the Gaza Strip, and in the future, perhaps in the West Bank as well. These present a conventional threat whose long term ability to inflict damage augments the nuclear threat, for which the IDF still does not have an adequate solution. The Winograd Commission report should be read with these insights kept in mind.

So, Who Won the War?

A stark sentence in the report reflects the commission's misunderstanding of both how much the threat has changed and the nature

of the security challenge that now confronts Israel: "A quasi-military organization, with thousands of fighters, managed to withstand the strongest army in the Middle East[6] for several weeks. This army enjoyed absolute aerial supremacy and marked advantages in terms of size and technology."[7] While it is true that the IDF has developed impressive abilities to deal with the classic threat, these abilities do not provide an effective solution to the current threat. Moreover, the commission continues in the same vein when it addresses the question "who won the war," as if this was a sports match in which the judges (in this case, the commission) decide the winners. The report states: "At the end of thirty-four days of warfare, there was no resolution in favor of the IDF, even not by 'points.' Hizbollah fire on Israel's rear stopped only due to the ceasefire. Israel did not achieve a clear cut victory."[8] It is hard to understand what parameters the commission used to reach such a clear cut and simplistic ruling on the results of the war, since there is no reference whatsoever in the report to these parameters. Nor is there or any attempt to analyze the criteria whereby "victory in the war" is achieved, unless the commission followed the lead of the Israeli media.

The commission's approach to the war, as if it were a game in which there are winners and losers, is problematic, to say the least. The commission does not at all address the complexity of the threat resulting from a low intensity conflict. Rather, it isolates a single manifestation (summer 2006) and removes it from the wider context of the overall struggle. However, Israel is in the throes of an ongoing war against resistance movements. This war did not end with the ceasefire in Lebanon, and in fact continues right now. If so, what is the significance of a sentence like:

"Israel did not win the war," when the war is still in progress, and its end is not even in sight? It is a mistake to compare the Second Lebanon War with classic conventional wars in which victory or defeat at the end of war can be measured and is significant. Indeed, herein lies another problematic ruling by the commission, that: "the political achievement of the war – resolution 1701 – was significant, but our examination did not indicate that it was achieved through appropriate analysis of effective means to attain the political objectives, and we found no essential, direct, prominent, and efficient causal connection between the military operation and the political achievement"[9] – as if the resolution's stipulations were not part of the war's objectives and were not achieved as a result of the fighting.

Decision Making Processes and the Exit Strategy Trap

The Winograd Commission refers to a lapse in "understanding the critical nature of thinking on the objectives of the fighting and on the mechanisms of ending the war."[10] The claim is seemingly a given, as who would oppose the idea of "look before you leap." Throughout the report the commission pushes the idea of maintaining built-in decision making processes. For example: "Orderly decision making processes should provide the decision makers, and those who assess their conduct, with the means for structuring and considering discretion that will help limit the dangers of uncontrolled reliance on emotion, unfounded intuition, impulsive reaction, or personal and political considerations that may spoil what is underway."[11]

The commission seemingly says all the "right" things. However, these declarations are detached from the practical experience

of decision making. The commission does not differentiate between different processes: the first process relates to developing the database and common language of decision makers in an ongoing process prior to the event. The second process refers to the need to take decisions in real time, as per the security requirement, whereby the decisions are based on previously acquired insights. In many cases, security activity demands immediate action that is sometimes based on insights acquired over time (at times erroneously dubbed "gut feelings") rather than on analytical analysis of alternatives and sub-alternatives of various kinds. In addition, in most cases, once the analysis, decision making processes, and situation appraisals have been completed the action is no longer relevant and therefore is not pursued. The commission does not at all address the fact that the thinking process of each of the decision makers on this topic is more important to the decision and its quality. In most cases, the damage caused by discussion sequences and situation appraisal "rituals" incorporated in what is known as decision making processes is greater than their benefit when they take place in the heat of the moment.

The situation appraisal is a crucial rational tool and should be used in any situation. However, one must not err and assume that in depth and relevant situation appraisals can be conducted in large forums in which discussion is largely designed for protocol purposes only. In general, these generate a performance of a built-in process whereby the decision of the leader has largely already been formulated, based on his own understanding of the situation. The drive to neutralize the contribution and individual intuition of the decision makers, while generating processes that require an abundance of resources and time, is liable to damage rather than enhance the quality of the decisions, especially when taking into consideration that the balances of security activity in Israel exist due to the very organizational structure of Israel's security services. The adherence to decision making processes reflects the intent to control a complex and volatile reality when the latter does not cooperate.

The commission felt that the decision makers in Israel should determine the strategy for ending the war in advance. It is true that in a sterile and programmed environment one can maintain processes for achieving this, although in most cases, such efforts are destined to dismal failure. One must find the delicate balance between the attempt to assess the development of a war ahead of time and the need to take action in real time. Even if, as the commission rules, no exit strategy was devised before the Second Lebanon War was started, it seems that in the summer of 2006 Israel had no other strategic choice than to embark on a war.

There is no doubt that had the declaration of war been contingent on prior devising of what is called an exit strategy, the war would not have happened. Past experience indicates that "endless discussions of situation appraisals" culminate in the hollow slogan of "Israel reserves the right to respond anywhere and at anytime it chooses." The achievements of the war that did take place can be assessed and will in the future be shown to be highly significant.

Conclusion

Although operative for more than one year, the Winograd Commission mistakenly identified the key issues at hand. One might have expected the commission's final report to deal with the complexity of the security situ-

Israel is in the throes of an ongoing war against resistance movements. This war did not end with the ceasefire in Lebanon, and in fact continues right now.

ation, and correct its misunderstanding of the security threat that now confronts Israel from Iran, in its conventional as well as non-conventional posture, directly and through proxies. The report ought to have been a platform for an in depth and relevant discussion of Israel's current fundamental problems and its necessary response to these problems. This was not the case, and herein lies a major missed opportunity. Despite the initial storm prior to and immediately after the release of the report, [12] the Israeli public is left with an anemic report that is in part irrelevant. The commission damaged its own image in its selection of areas of focus, and it was swayed by the simplistic approach led by the Israeli media. In addition, the commission reinforced the emphasis of the decision makers on the creation of decision making processes and mechanisms that require considerable resources while ignoring the complex and individual nature of these processes.

Notes

1   Notwithstanding p. 522 of the report, article 30: "After deliberating we decided not to include in our report a chapter that addresses an evaluation of the results of the war. It is not at all clear if this was part of the commission's mandate; moreover we believe that it is still too early to determine the results of the war." This declaration did not prevent the commission from taking a stand elsewhere in the report.

2   See, for example, Emmanuel Manor, "Enough with Our Commissions of Inquiry Culture," www.omedia.co.il, February 11, 2008; Amatzia Khen, "Until the Next Commission of Inquiry," www.nfc.co.il, January 5, 2008, and: Marcelo Rosenberg, "No to A Commission of Inquiry – Yes to A Commission of Culture," www.nrg.co.il, September 7, 2006.

3   For example: the concept "the military victory" used by the commission. See Winograd report, p. 34, article 9: "A prolonged war initiated by Israel ended without Israel gaining victory in military terms." The statement does not clarify the committee's criteria of "victory in military terms." This is just one example of many.

4   In the interest of a common vocabulary, the term "classic threat" will be used in this article to describe this threat.

5   For an analysis of the subject, see Gabriel Siboni, "High Trajectory Weapons and Guerilla Warfare: Adjusting Fundamental Security Concepts," *Strategic Assessment* 10, no. 4 (2008): 12-18.

6   The use of the expression "the strongest army in the Middle East" indicates just how outdated the commission's perceptions are with regard to Israel's current security environment.

7   Winograd report, p. 34, article 9.

8   Winograd report, p. 396, article 19.

9   Winograd report, p. 543, article 15.

10 Winograd report, p. 426, article 32.

11 Winograd report, p. 54, article 16.

12 A storm that was predominantly caused by the (unfounded) accusations that the decision makers had ulterior motives for embarking on the last campaign of the war.

The Nuclear Network of Abdul Qadeer Khan

Noam Ophir

Douglas Frantz and Catherine Collins, *The Nuclear Jihadist: The True Story of the Man who Sold the World's Most Dangerous Secrets…and How We could have Stopped Him*, New York: Twelve, 2007, 432 pages

Adrian Levy and Catherine Scott-Clark, *Deception: Pakistan, the United States, and the Secret Trade in Nuclear Weapons*, New York: Walker & Company, 2007, 608 pages

David Armstrong and Joseph J. Trento, *America and the Islamic Bomb: The Deadly Compromise*, New Hampshire: Steerforth Press, 2007, 288 pages

He is a hero to the Pakistanis – the man who is credited with producing the Muslim nuclear bomb with his own hands, Pakistan's answer to the nuclear capacity of its historic rival, India. For the Western world he symbolizes the epitome of a new and dangerous phenomenon – a network of private individuals who with the encouragement or ignorance of the authorities trade or sell technology for manufacturing nuclear weapons to anyone who is interested, including countries that are considered highly dangerous. A Western intelligence officer was once quoted as saying that the world would have done well to make Abdul Qadeer Khan "disappear."

Khan, a young and frustrated scientist who could not find work in Pakistan found himself at the heart of a sensitive plant in the Netherlands that produced centrifuges for the European nuclear energy industry. Khan's initial attempts at enlisting in Paki-stan as a source of knowledge about sensitive technology needed to produce nuclear arms failed. However, he did not despair and ultimately succeeded in contributing his services to the Pakistani nuclear bomb venture. Capitalizing on serious security loopholes, Khan managed to copy most of the sensitive sketches and amass details of dozens of subcontractors who were involved in the production of centrifuges, and transfer them to Pakistan. Despite the suspicions of the authorities in Holland and other Western intelligence bodies, including the CIA, Khan succeeded with his private espionage operation and returned to Pakistan with valuable know how.

His charisma and impressive abilities to establish ties with political and military leaders helped Khan achieve a central role in Pakistan's developing nuclear industry. However, Khan was not only motivated by national interests. In establishing an alternate body

to Pakistan's official nuclear administration, Khan often focused more on his rivals in Pakistan than on the development of the bomb. Moreover, Khan managed to position himself in the eyes of the Pakistani public as "the father of the bomb," even though in practice his contribution was more limited, particularly with regard to the scientific side of the project.

It is likely that Khan's story would have been less intriguing had he stopped at this point. However, together with work on the Pakistani bomb and its launch devices, Khan began to trade in expertise and technology with other countries, including North Korea, Iran, and Libya. At the same time, people associated with him made contact with extremist Islamic elements, including the al-Qaeda organization.

Intelligence agencies around the world monitored Khan's network for several years, but due to a series of failures the network operated almost without interference. It was only at the beginning of the twenty-first century, following a number of intelligence successes and growing recognition of the danger of Khan's distribution network, that the Americans forced the Pakistani government to arrest Khan. Khan, a national hero in his homeland, received an almost immediate pardon but was placed under house arrest. Other activists in his network were arrested around the world, but most were quickly released. Despite an abundance of information gathered over time about the operation of Khan's network, even today there are numerous questions about its activity, including the extent of know how and equipment it distributed, the recipient countries, and the network's status following Khan's arrest.

In the last few years a large number of books and articles have been written about Abdul Qadeer Khan and his nuclear technology distribution network. While most of the early books were of a journalistic sensational nature, recently several new books have been published, some of very high quality.

The Nuclear Jihadist is almost certainly one of the best and most extensive books written about the affair to date. Though recommended especially for people with little previous knowledge of the Khan affair, readers more familiar with the issue will also find it of great interest. Based on an impressive number of interviews with most of the main characters involved, including in Pakistan, journalists Douglas Frantz and Catherine Collins pieced together a comprehensive picture and produced a highly readable book. It reveals previously unknown details concerning the way the intelligence and security authorities in the West managed to penetrate Khan's network and even recruited some of the network's members for collaboration.

Much of the book is devoted to the political and intelligence failures that allowed Khan's network to operate for so many years almost undisturbed. For example, over a long period, US intelligence officer Rich Barlow tried to caution the US against ignoring the issue of Pakistan and the nuclear bomb. However, instead of successfully sounding the alarm, he was reprimanded, sacked, and, though ultimately acquitted, even accused of committing a series of security breaches. While Barlow's story is of secondary importance to the affair, it provides a fascinating example of the possible fate that meets people who try to stand up to the system.

Deception, by British journalists Adrian Levy and Catherine Scott-Clark, examines the Khan story from a slightly different angle. As implied by its subtitle, *Pakistan, the United States, and the Secret Trade in Nuclear*

Weapons, the book looks at a wider issue – the Americans turning a blind eye to Pakistan's efforts to achieve a nuclear capability. Numbering almost 600 pages, the book describes in great detail – possibly in too much detail – the history of relations between the US and Pakistan, focusing on the nuclear dimension. Like *The Nuclear Jihadist*, this book describes the Khan network affair in depth, but depicts it as part of the wider story of several US administrations that preferred to allow Pakistan to obtain nuclear weapons in return for Pakistani cooperation on other issues, such as fighting against the Soviets in Afghanistan and later, combating terror.

The Israeli reader may find special interest in the parts of the book that address the Israeli response to the Pakistani nuclear program. The authors present a series of joint Israeli-Indian programs designed to thwart the Pakistani program, including the possibility of a joint military operation. In the absence of confirmation from Israeli sources, some of whom are quoted with regard to other issues in the book, it is difficult to authenticate these details, but the authors made a great effort to base them on reliable Indian sources. However, the major shortcoming of the book is its scope. The book is laden with details, some superfluous. In addition, the sections that touch on intelligence efforts to foil the Khan network are inferior to those that appear in *The Nuclear Jihadist*. Nonetheless, for anyone looking for a wider picture of the subject, as well as those interested in US-Pakistani relations, the book is worth perusal.

America and the Islamic Bomb, by American authors David Armstrong and Joseph Trento, is almost the complete antithesis of the two other books. The cover picture of the mushrooming nuclear explosion cloud on the cover and the subtitle – *The Deadly Compromise* – reveal much abut the book's orientation. The book, significantly shorter than the other two, seems an attempt to exploit public interest in the affair for commercial intent. While the other books are based on impressive research and contain references to a large number of first time interviews and documents, Armstrong and Trento compile little more than a summary of press reports about the affair, most of which were released in the Western media. The book adopts a highly dramatic tone, reminiscent of a populist newspaper article. Thus, those who are looking for a book on this subject, be they newcomers to the affair or somewhat knowledgeable about it, are likely to be disappointed with *America and the Islamic Bomb*.

Common to the three books, as well as other books written previously about the Khan affair, is the sense that despite Pakistan's attempts to describe the proliferation of nuclear technology as Khan's private initiative, in practice Pakistan has at the very least turned a blind eye to the network's activity. More likely, it was involved to a significant degree.

Also like previous works, these three books leave a considerable number of questions in the affair unanswered. For example, it is known that Khan visited a large number of Middle Eastern countries. What exactly

did he do in these countries? The books offer no definitive answers to this. In addition, when the Khan network broke up, at least in its original form, its members dispersed in all directions, as did some of the network's equipment. What happened to them surely interests intelligence organizations around the world, but this information is as yet unanswered.

All three books depict Khan as a Pakistani nationalist who wanted to help his country obtain the wished for nuclear capability. However, in time, Khan turned himself into the real story. The pursuit of riches, the trappings of power, and principally honor were the most important objectives for Khan. Thus Pakistan's ultimate attainment of the bomb, though not only thanks to Khan, has become the secondary story. What has assumed center stage is Pakistan as a country that symbolizes the danger of nuclear proliferation to "irresponsible" countries. These books underscore the risks of turning a blind eye to suspected nuclear proliferation activity, particularly if we are looking to avoid repeating this in the future.